



AGENDA

For the Council meeting to be held on
Wednesday 20 January 2016.

Timothy Wheadon, Chief Executive



NOTICE OF MEETING

Council

Wednesday 20 January 2016, 7.30 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: The Council

Councillor Mrs Hamilton (Mayor), Councillor Virgo (Deputy Mayor),
Councillors Mrs Angell, Allen, Angell, Dr Barnard, Bettison, D Birch, Mrs Birch, G Birch,
Brossard, Brunel-Walker, Dudley, Finch, Finnie, Ms Gaw, Harrison, Mrs Hayes MBE,
Ms Hayes, Heydon, Hill, Mrs Ingham, King OBE, Leake, McCracken, Mrs McCracken,
Mrs McKenzie, Mrs McKenzie-Boyle, McLean, Mrs Mattick, Ms Merry, Ms Miller, Peacey,
Phillips, Porter, Skinner, Mrs Temperton, Thompson, Tullett, Turrell, Wade and Worrall

TIMOTHY WHEADON
Chief Executive

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Published: 12 January 2016



Council
Wednesday 20 January 2016, 7.30 pm
Council Chamber, Fourth Floor, Easthampstead House,
Bracknell

Sound recording, photographing, filming and use of social media at meetings which are held in public are permitted. Those wishing to record proceedings at a meeting are however advised to contact the Democratic Services Officer named as the contact for further information on the front of this agenda as early as possible before the start of the meeting so that any special arrangements can be made.

AGENDA

Page No

The meeting will be opened with prayers by the Mayor's Chaplain

1. **Apologies for Absence**

2. **Minutes of Previous Meeting**

To approve as a correct record the minutes of the meeting of the Council held on 25 November 2015.

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3. **Declarations of Interest**

Any Member with a Disclosable Pecuniary Interest or an Affected Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.

4. **Mayor's Announcements**

Including presentation by the Illegal Money Lending (IML) team, coordinated by Birmingham City Council, on how to help protect residents against loan sharks.

5. **Executive Report**

To receive the Leader's report on the work of the Executive since the Council meeting held on 25 November 2015.

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Council is asked to resolve recommendations in respect of:

- the revised Local Council Tax Benefit Scheme
- Suitable Alternative Natural Green Spaces (SANGS) Capital Spending (External Funding)
- virements in the Capital budget
- virements in the Revenue budget

6. **Pay and Workforce Strategy**
To endorse the Pay and Workforce Strategy 111 - 134
7. **Pay Policy Statement**
To agree the Pay Policy Statement for 2016/17 135 - 170
8. **Establishment of an Appointment Committee**
To establish an Appointment Committee to recruit to the post of Director of Adult Social Care, Health and Housing. 171 - 174
9. **Questions Submitted Under Council Procedure Rule 10**
By Councillor Mrs Temperton to Councillor Paul Bettison, Leader of Bracknell Forest Council.

On December 18 the Government notified the Council that it was reducing its Revenue Support Grant to Bracknell Forest by £5.4m - a cut of 32%. The budget out for consultation had assumed, following indicators from the Government, a cut of £3m. The Council now has just about 6 weeks to adjust all of its financial plans.

Does the Leader of the Council think this is effective Government and that the arguments given for the extra Bracknell Forest cuts are justified? Will there now have to be service cuts that were not expected before the announcement?

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COUNCIL
25 NOVEMBER 2015
7.30 - 8.35 PM



Present:

The Mayor (Councillor Mrs Dee Hamilton), Councillors Virgo (Deputy Mayor), Allen, Mrs Angell, Angell, Dr Barnard, Bettison, D Birch, Mrs Birch, G Birch, Brossard, Brunel-Walker, Finch, Finnie, Ms Gaw, Harrison, Mrs Hayes MBE, Ms Hayes, Heydon, Hill, Mrs Ingham, King OBE, Leake, McCracken, Mrs McCracken, Mrs McKenzie, Mrs McKenzie-Boyle, McLean, Ms Merry, Ms Miller, Peacey, Phillips, Porter, Skinner, Mrs Temperton, Thompson, Tullett, Turrell, Wade and Worrall

Apologies for absence were received from:

Councillors Dudley and Mrs Mattick

The meeting opened with a minute silence to mark the recent terrorist events in Paris.

25. Minutes of Previous Meeting

RESOLVED that the minutes of the Council meeting held on 16 September 2015 be approved and signed by the Mayor as a correct record.

26. Declarations of Interest

There were no declarations of interest.

27. Mayor's Announcements

Executive Member for Children, Young People and Learning

Councillor Dr Barnard was proud to introduce Rachel Kenyon, Adventure Education Worker and two participants of the Duke of Edinburgh Award scheme Megan Currie and Katie Charlwood. He had attended the celebration evening where 100 youngsters had received their awards. Megan and Katie gave a presentation on their journey towards achieving their gold awards describing all the completed elements and the benefits they had received from completing it. The Duke of Edinburgh Award scheme would celebrate its 60th Anniversary in 2016 and everyone present was encouraged to get involved in the activities.

Councillor Dr Barnard had been pleased to attend the opening of Rise@GHC which was a specialist school for children on the autistic spectrum to support their education experience. He thanked everyone involved in its development including Keith Grainger, Principal of Gath Hill College and David Watkins, Chief Officer Performance and Resources who saw the project through to completion. He advised that the number of students attending Rise would increase gradually.

Executive Member for Adult Social Care, Health and Housing

Councillor D Birch advised the meeting that the Public Health team had received five shortlisting nominations for awards recognizing their good work. The successful nomination was for the significant improvement the team had made in the number of health checks being completed in the borough on 40 – 74 year olds. He asked the meeting to join him in congratulating John Nawrockyi, Director of Adult Social Care, Health and Housing; Lisa McNally, Consultant in Public Health and their team for becoming one of the top health check deliverers supporting the borough's residents to stay fit.

Executive Member for the Environment

Councillor Mrs Hayes was pleased to announce that the use of Member Initiative Fund monies to install defibrillators across the borough had been recognised by UK Heart Foundation. On 9 October the Council was awarded the Public Sector Organisation of the year and she congratulated all the Councillors who had used their allocation for this cause. Councillor Phillips who had initially suggested the initiative presented the Mayor with the glass award.

Councillor Mrs Hayes gave all Members a reusable shopping bag promoting recycling and encouraging the reduction of disposable bag use.

Executive Member for Finance and Transformation

Councillor Heydon was delighted to report that the Council had received an unqualified audit opinion in its Annual Audit Letter from the external auditors Ernst & Young. In addition, Ernst & Young had issued an unqualified conclusion on the Council's arrangements for securing value for money. Councillor Heydon stated that for the second year running the Annual Audit Letter contained no recommendations for improvement which was almost unprecedented within local government. He asked the meeting to join him in thanking the Borough Treasurer and his team for this near unique achievement.

Executive Member for Culture, Corporate Services and Public Protection

Councillor McCracken reported that the Cemetery and Crematorium had raised £4321 from recycling materials, with agreement from bereaved families, and these monies had been donated to Thames Hospice.

The Members present joined Councillor McCracken in congratulating the Dog Warden team who had been recognised by the RSPCA and received two gold awards.

Councillor McCracken reflected that during the Summer Reading Challenge the borough's libraries had seen a high participation by young people with 54% girls and 45% boys. He added that Birch Hill library staff had been selected as judges for the Radio 2 short story competition.

Councillor McCracken congratulated staff at the Look Out for achieving the Quality Assurance Award which it had retained since 2006. They had also retained the Health and Safety award since 2001; Customer Service Excellence since 2008; Learning in an Outside Classroom since 2010 and the Platinum award for Loo of the Year since 1994.

Mayoral Announcements

The Mayor had visited a number of schools during Local Democracy Week and thanked all the officers and Councillors involved in the recent successful Takeover Challenge in which young people shadowed the Mayor, member of the Executive and senior officers.

The Mayor was delighted by the number of schools that participated by submitting entries into the Christmas card competition and had chosen the winning design by Molly Brookes from New Scotland Hill Primary School.

The Mayor advised the Members present that since the last Council meeting she and the Deputy Mayor had been busy attending engagements across the borough.

Mayoral Charity events

The Mayor advised the members present that she had been visiting a number of the borough's libraries and reading seasonal stories to children to raise money for her charity.

The Mayor updated Members that her 'Pounds for Pounds Challenge' was continuing and thanked her fitness coaches for all their help.

The Mayor was pleased to report that the Bake-A-Wish cake sale had made £140 her Make-A-Wish and further cake sales would follow.

The Mayor reminded Members that the annual Carol Concert was being held on Sunday 6 December and requested that if there were any volunteers able to help with the Charity collection at the end of the event that they notify the Mayor's office.

The Mayor asked anyone able to support her annual Charity collection day at the Meadows on Thursday 10 December to contact the Mayor's office for more details.

The Mayor announced that Make-A-Wish would be benefitting from the charity initiative 'Text Santa' which includes a number of fundraising activities.

28. Executive Report

The Leader of the Council, Councillor Bettison, presented his report on the work of the Executive since that reported at the Council meeting on 16 September 2015. The Executive had met three times on 22 September, 20 October and 17 November 2015.

The Leader highlighted the following matters that had been considered:

- The Council Plan 2015 – 19 translates the Conservative manifesto into a coherent policy framework for the Council recognising the need for reduced public expenditure. The Plan introduces new narrative focussing on individual choice and responsibility; clear prioritisation and living within the Council's means.
- The process to appoint school providers had been agreed for both the Binfield Learning Village and Amen Corner North.
- Proposals had been agreed for Multi Agency Safeguarding Hub which would be based in Easthampstead House.

- Examination and test results had been noted.
- Consultation on Draft Parking Standards Supplementary Planning Document (SPD) had been launched to run until 30 November. The new document builds on the existing policies and addresses: school pick up, garage provision, lower car ownership areas and the balance between on street and off street parking costs.
- Invest to save proposal to replace all street lights with LED was recommended to Council. The £7.3m investment delivers minimum £8m savings over 20 years and savings may be higher if fuel prices increase. 2857 tonnes of CO² would be saved each year
- The Local Enforcement Plan had been agreed which set out clear standards and processes to be applied.
- The Highways Infrastructure Asset Management Plan had been agreed. The Plan set out maintenance policies with a focus on priorities identified by Department for Transport. It was noted that the Plan set the framework but not the level of spending.
- The Medium Term Financial Strategy had been considered to respond to reductions in public expenditure by the Government with the framework for addressing this gap set by the Council Plan.
- Reduction in subsidy for discretionary Garden waste collection service had been agreed by increasing charge to £40.
- Consultation conducted on £70 fixed penalty for intentionally/knowingly failing to notify changes affecting Council Tax liability.
- Revised debt collection policies had been agreed for non-payment of Council Tax & Business Rates.
- Consultation on re-commissioning Heathlands Residential Care Home and Day Care Centre in private sector. Recognised that close liaison with residents and families essential but that current building does not meet modern standards or future resident expectation. It was noted that occupation was currently at less than 50%.
- Local Safeguarding Children Board Annual Report had been reviewed.
- A pan Berkshire Smoking Cessation contract had been agreed.
- The outcome of the Care Act 2015 consultation had been considered. The Council would continue to charge for residential and nursing care. As joint financial assessments are no longer allowed under the Care Act the assessment of couples would change as the Council was required to assess individuals. Changes for Universal or Discretionary Deferred Payments had been agreed and there would be no charges for any support to carers.
- In response to the Control of Horses Act 2015 a new policy had been approved to deal with horses grazing in public places. This would only apply to Council land (including Town & Parish Councils).

The agenda report and supplementary report contained recommendations that the Council was asked to resolve in respect of the following matters:

- Invest to Save: LED Streetlights
- Statement of Licensing Policy
- Statement of Gambling Principles

Councillor Mrs Temperton asked why key enforcement triggers were omitted from the Local Enforcement Plan such as building a school and opening a shop once threshold numbers of properties had been built. Councillor Turrell committed to providing her with a response in writing but indicated that the Local Enforcement Plan related to smaller applications as the triggers referred to in larger developments were tied up to S106 agreements.

Invest to Save: LED Streetlights

On the proposition of Councillor Turrell, Executive Member for Planning and Transport, seconded by Councillor Heydon it was

RESOLVED that:

- i) a supplementary capital approval of £7.3m be approved for the replacement of the borough's existing streetlights with LED lights.

Statement of Licensing Policy and Statement of Gambling Principles

On the proposition of Councillor McCracken, Executive Member for Culture, Corporate Services and Public Protection, seconded by Councillor Allen it was

RESOLVED that:

- ii) the Licensing Policy (attached as Annex A to the Supplementary Executive report) be approved.
- iii) the Statement of Gambling Principles (Attached as Annex B to the Supplementary Executive report) be adopted with effect from 31 January 2016.

29. **Council Plan**

The Council considered the report regarding the Council Plan for 2015-19. The following amendments were suggested:

- Under the 'People live active and healthy lifestyles' section the performance indicator regarding the number of young people who engage with KOOTH would be expanded to include reference to Youth line and other related support available.
- Under the 'People live active and healthy lifestyles' section the performance indicator regarding the length of waiting time for access to online counselling would also be expanded to include reference to Youth line and other related support available.
- Under the 'People have the life skills and education opportunities they need to thrive' section the key measure of success regarding children and young people with Special Educational Needs would be expanded to read "are supported to achieve their potential"

On the proposition of Councillor Bettison, Leader of the Council seconded by Councillor D Birch it was

RESOLVED that

- i) the Council Plan be incorporated within the Policy Framework and
- ii) the Council Plan 2015-2019 attached as Annex A to the agenda report, subject to the amendments above, be approved.

30. Recommendation of the Governance and Audit Committee

The Council considered the report regarding proposed changes to the Council's constitution to remove reference to a Sustainable Community Plan from the Policy Framework as recommended by the Governance & Audit Committee at its meeting on 23 September 2015.

On the proposition of Councillor Allen, Chairman of Governance and Audit Committee seconded by Councillor King OBE it was

RESOLVED that the Monitoring Officer be authorised to remove reference to the Sustainable Community Plan from the Policy Framework set out in Part 2: Section 3 of the Constitution, and to make any consequential changes to the Constitution that might be required (as per Annexes A and B of the agenda report).

31. Membership of External Organisations

The Council considered the report seeking the Council's approval to the appointment of Council representatives on South Hill Park Trust and noting the Leader's appointment of Councillor Turrell as representative and Councillor Brossard as his substitute to PATROL.

On the proposition of Councillor Bettison, Leader of the Council seconded by Councillor Angell it was

RESOLVED that:

- i) Councillors Mrs Hayes and Thompson be appointed to the South Hill Park Trust Board for a four year term of office;
- ii) existing and future four year terms of office for representatives to the South Hill Park Trust Board be amended to be co-terminus with the Council's Annual General Meeting; and
- iii) the Leader's appointments to PATROL as described in paragraph 5.11 of the agenda report be noted.

32. Schedule of Meetings 2016/17

The Council considered a report seeking approval of the Schedule of Meetings for 2016/17.

On the proposition of Councillor McCracken, Executive Member for Culture, Corporate Services and Public Protection seconded by Councillor D Birch it was

RESOLVED that the Schedule of Meetings for 2016/17 as set out in the annex to the agenda report be approved.

33. **Questions Submitted Under Council Procedure Rule 10**

Councillor Mrs Temperton asked Councillor Dr Barnard, Executive Member for Children, Young People and Learning the following published question:

At full Council 16 July 2014, I raised concerns about the children in Bracknell Forest who care for their parents and siblings- Young Carers. They often have lower attendance and considerably lower GCSE achievement than their peers. There are 160 known Young Carers in Bracknell Forest. In the reply, their attendance figures were given but no data had ever been collected on their GCSE results. I was assured that these children would now be recognised as vulnerable and monitored.

The September 2015 Quarterly Service report refers to academic achievements by all other children but not Young Carers.

Have interventions been introduced in schools to help Young Carers improve their life chances ?

What are the attendance figures, both for secondary and primary Young Carers compared to their peers?

What are their GCSE and KS2 results compared to their peers?

Councillor Dr Barnard had prepared a detailed written response including statistical information which was presented to Councillor Mrs Temperton. Councillor Dr Barnard confirmed a copy of his response would be circulated to Members electronically. He stated that data was included relating to test results but that it was key to help schools to support young carers to make life choices. He added that some young carers had benefitted from residential activities to help them build confidence. He respected and valued the privacy of the borough's young carers and recognised that each carer and their situation was very different. He recognised the additional strain on young carers to maintain their attendance which would impact on their attainment. He cautioned Members when looking at the information that small cohorts were involved therefore a few carers struggling to attend would have a significant impact on the statistics.

Councillor Mrs Temperton asked a supplementary question about whether missing data on results from 2014 could be provided for comparison to see if interventions were working. Councillor Dr Barnard agreed to provide the additional requested information and stated that there was a clear pathway around the school system to increase attainment and progress but that success varies from year to year. He added that Ofsted does not look at small groups but all the pupils within a school. He considered the focus should be helping young people be in the right place to learn rather than their background. He acknowledged that the Council was only able to monitor the young carers that they were aware of.

MAYOR

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To: COUNCIL
20 JANUARY 2016

EXECUTIVE REPORT TO COUNCIL The Leader

1 PURPOSE OF REPORT

- 1.1 Since the Council meeting on 25 November 2015, the Executive has met once on 15 December 2015. This report summarises decisions taken at the meeting by reference to the relevant portfolio within which they fall.
- 1.2 Updated Forward Plans are published every Friday and are available for public inspection at Easthampstead House in the usual way and online at www.bracknell-forest.gov.uk. Full details on the decisions taken by individual portfolio holders can also be accessed online through the Council's website.

2 RECOMMENDATIONS

- 2.1 Council is asked to consider the recommendation set out at paragraphs 5.2.3, 5.5.4, 5.6.4 and 5.7.5.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The reasons for recommendations are set out in the supporting information and in the reports considered by the Executive.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Alternative options are discussed in the relevant individual reports considered by the Executive

5 SUPPORTING INFORMATION

Adult Social Care Health and Housing

5.1 Draft Homelessness Strategy

- 5.1.1 The Homelessness Act 2002 placed a statutory duty on all local authorities to undertake a review of homelessness in their area and to use the review's findings to develop a strategy to tackle homelessness. In line with this obligation the Executive has approved for consultation a draft Homelessness Strategy for the Borough which will replace the Council's previous Homelessness Strategy which ran from 2003.
- 5.1.2 The Strategy sets out four priorities which will set the Council's expectations in relation to homelessness:
- Good quality housing advice and prevention services

- Working in partnership to avoid duplication and maximise expertise
- Meeting the need for emergency accommodation
- Maximising access to housing

5.1.3 Bracknell Forest currently has the second highest homelessness rate in Berkshire with the number of households in the Borough who were accepted as homeless and in priority need being 2.25 per 1,000 households. (This is also higher than the national average of 1.91 households). Once approved the strategy will integrate with and inform the development of the Council's Housing Strategy in order to help the Council make best use of its existing housing stock, maximise affordable housing provision in the Borough and ensure that whenever possible new or redeveloped housing meets the housing needs of the local community and contribute to reducing this homelessness rate.

5.2 Local Council Tax Benefit Scheme

5.2.1 The Executive has agreed that elements of the Council's Local Council Tax Benefit Scheme should be amended to better reflect the challenging budget situation faced by the Council, bring the scheme in line with those of neighbouring authorities and remove a number of anomalies relating to income calculations in the current scheme. It is therefore recommended that the revised scheme, including the following changes, be formally adopted:

- i. That all working age households will pay at least 20% of their Council Tax liability, the maximum discount will be 80% of Council Tax liability
- ii. That for working age household's, child maintenance payments are taken into account when assessing income to calculate the Local Council Tax Reduction
- iii. That when calculating income for working age self employed people it will be assumed that after 12 months the self employed person is earning the national living wage
- iv. That all the income disregards for working people will be increased by £5 a week
- v. That the hardship fund is increased to £20,000 and the criteria for support is amended to include those who had received a reduction in the previous twelve months and face financial hardship due to the proposed changes

5.2.2 These changes will only apply to working age households and were subject to a twelve week public consultation period. In addition to writing to all those of working age who were receiving assistance under the existing Council Tax Reduction Scheme, the Parish council, precept authorities, the Citizen's Advice Bureau and the eight largest providers of affordable housing in the Borough were invited to comment on the draft scheme and the proposed changes.

5.2.3 The Executive recommends that Council APPROVE and ADOPT the revised Local Council Tax Benefit Scheme.

Council Strategy and Community Cohesion

5.3 Local Government Ombudsman Investigation Report – Notification of Outcome by Monitoring Officer

5.3.1 An investigation by the Local Government Ombudsman into a complaint about the Council's Appropriate Adult Service and the Emergency Duty Team found that there

was fault in the way that the Council removed a volunteer from his role. The Ombudsman judged this was “maladministration and injustice” by the Council.

5.3.2 Whilst the decision was disappointing and was strongly disputed by the Council, the Executive has, in response to the Ombudsman’s recommendations:

- Reviewed its guidance and procedures for investigating allegations against appropriate adults, ensuring staff know how to report concerns
- Reviewed the frequency of feedback given volunteer appropriate adults

In addition, the Council has also assured itself of the adequacy of the training given to volunteers in other roles.

5.4 Corporate Performance Overview Report

5.4.1 The Executive has received and noted the Corporate Performance Overview Report for the second quarter of the 2015/16 financial year (July to September 2015). Overall progress has been positive with 225 actions either complete or on target and 42 of the Council’s 53 key performance indicators being above or within 5% of the agreed targets.

Culture, Corporate Services and Public Protection

5.5 Suitable Alternative Natural Green Spaces (SANGS) Capital Spending (External Funding)

5.5.1 To mitigate the effective of visitors on the Thames Basin Heaths Special Protection Area the Borough provides the public with a number of Suitable Alternative Natural Green Spaces (SANGS). The capacity of the Borough’s current SANGS are coming under increasing pressure and the current allowance of £150,000 in this year’s budget will be insufficient to accommodate the number of SANGS improvement projects already planned and committed to during this financial year.

5.5.2 Failure to provide the SANGS enhancements that have already been committed to would place restrictions on the occupation of new developments and could potentially delay future developments impacting on the Council’s five year housing land supply targets. The Executive is therefore recommending to Council that an additional £95,000 of developer contributions, from existing Section 106 contributions, to be added to the current financial year’s SANGS budget of £150,000.

5.5.3 Approval of this additional funding will enable a range of works including the following to be carried out:

- Refurbishment of the bridge at Anneforde Place
- Improve the pedestrian entrance to Englemere Pond on London Road
- Carry out work on the reed beds and scrub at Englemere Pond
- Complete a pond restoration project at Shepherds Meadows
- Make improvements to the car park at Horseshoe Lake

5.5.4 The Executive recommends that Council APPROVE the spending of a further £95,000 of developer contributions on SANGS for this financial year.

Transformation and Finance

5.6 Capital Budget 2016/17

- 5.6.1 The Executive has approved the Capital Programme 2016/17 – 2018-19 for public consultation. It is proposed that the Capital Budget be set at £72.5million, with major projects for the coming year set to include: Binfield Learning Village, the transformation of Coral Reef, construction of an additional chapel at the Cemetery and Crematorium and investment in wider town centre infrastructure works.
- 5.6.2 The proposed Capital Programme has been developed on the assumption that it will be funded by a combination of Government grants, other external contributions and borrowing in addition to £5million of capital receipts. Whilst internal resources will be used in the first instance the size of the planned programme means that there is the likelihood that the Council may need to borrow additional capital funding from external sources. Consequently it will be necessary in future years to balance the level of the Capital Programme against other budget pressures and to prioritise those schemes planned for 2017/18 onwards. It will of course, also be necessary to review the plans in the light of the Provisional Local Government Settlement, which the Government had not published at the time of the Executive meeting.
- 5.6.3 The full report can be viewed at <http://democratic.bracknell-forest.gov.uk/ieListDocuments.aspx?CId=102&MId=5858&Ver=4> but the covering report and Annex G of the Borough Treasurer's report are attached to this report.
- 5.6.4 Virements over £0.25million from the ECPB Approved Basic Need Grant require approval from Full Council. The Executive therefore recommends that Council APPROVE:**
- i. Virements totalling £0.481million to the 2015/16 Children, Young People and Learning Programme, as set out in Annex G of the Borough Treasurer's report, in order to meet the demands of the School Places Plan**
 - ii. £0.05million in the 2015/16 unallocated Basic Need Grant be used at Ascot Heath Schools as described in paragraph 5.35 of the Borough Treasurer's report.**

5.7 Revenue Budget 2016/17

- 5.7.1 Again, subject to further review in the light of the Provisional Local Government Financial Settlement the Executive has agreed for consultation draft revenue budget proposals for 2016/17. The draft proposals show an expenditure of £80.735million before inflation and include the Treasury Management Strategy for the year. In response to the continuing national downward pressure on public spending the Council has adopted a new Council Plan which sets out a new narrative for the authority and both factors have influenced the draft budget for 2016/17.
- 5.7.2 At the time the draft budget was set, it was anticipated that the Council would receive an income of up to £65.991million and that the Council would as a result face a potential budget gap of approximately £6.044million in 2016/17.
- 5.7.3 There are a number of potential options that the Council might use to bridge the funding gap. To help with this task a Transformation Board has been set up. The Transformation Board is taking the lead on reviewing the way in which all Council services are delivered over the next four years with the aim of identifying significant savings that can be incorporated into the 2016/17 budget and beyond. The first phase of the Board's work programme will focus on the following areas: Adult Social

Care Commissioning, Highways and Transport, Housing Benefits, Cultural and Leisure services and Public Health.

5.7.4 The full report can be viewed at <http://democratic.bracknell-forest.gov.uk/ieListDocuments.aspx?CId=102&MId=5858&Ver=4> but the covering report and Annexes F and G of the Borough Treasurer's report are attached to this report.

5.7.5 Virements of over £0.100million require approval from Full Council. The Executive therefore recommends that Council APPROVE virements over £0.100million relating to the 2015/16 budget as set out in Annex F and G of the Borough Treasurer's report.

5.8 Annual Audit letter

5.8.1 The Executive was pleased to announce that the Council's External Auditor Ernst and Young has given an unqualified conclusion on the Council's financial statements and its arrangements for securing value for money and for the second year running has made no recommendations about how the Council might improve its processes.

5.8.2 The judgement should help assure residents that the Council's finances are well run and that their money is being properly managed and accounted for.

7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

7.1 The Borough Solicitor's comments on each item referred to in the annex can be found in the reports presented to the Executive.

Borough Treasurer

7.2 The Borough Treasurer's comments on each item referred to in the annex can be found in the reports presented to the Executive.

Equalities Impact Assessment

7.3 Equalities issues, where appropriate, have been addressed in the reports to the Executive.

Strategic Risk Management Issues

7.4 Any strategic risks have been identified in the reports to the Executive.

Background Papers

Executive Agenda – 15 December 2015

Contact for further information

Katharine Simpson, Corporate Services - 01344 352308

Katharine.simpson@bracknell-forest.gov.uk

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**TO: THE EXECUTIVE
15 DECEMBER 2015**

**LOCAL COUNCIL TAX REDUCTION (BENEFIT) SCHEME (LCTRS)
Director of Adult Social Care, Health and Housing
and Borough Treasurer**

1 PURPOSE OF REPORT

- 1.1. The purpose of this report is to seek Executive consideration to changing elements of the Councils local Council Tax Reductions Scheme and to refer their decision to full Council for adoption.

2 RECOMMENDATIONS

- 2.1 That the Executive agree to make the following changes to the Council's Local Council Tax Benefit Scheme:**
- 2.1.1 That all working age households will pay at least 20% of their Council Tax liability, the maximum discount will be 80% of Council Tax liability.**
- 2.1.2 That for working age household's child maintenance payments are taken into account when assessing income to calculate the Local Council Tax reduction.**
- 2.1.3 That when calculating income for working age self employed people it will be assumed that after 12 months the self employed person is earning national living wage.**
- 2.1.4 That all the income disregards for working people will be increased by £5 a week.**
- 2.1.5 That the hardship fund is increased to £20,000 and the criteria for support is amended to include those who had received a reduction in the previous twelve months and face financial hardship due to the proposed changes.**
- 2.1.6 As a consequence of the above recommendations the Local Council Tax Benefit Summary Scheme at Appendix A is agreed.**
- 2.1.7 The detailed scheme operation is to be delegated to the Director of Adult Social Care, Health and Housing to finalise.**
- 2.1.8 The Local Council Tax Benefit Scheme is referred to Council on the 20th January for adoption.**
- 2.1.9 That the Local Council Tax Benefit Scheme will be reviewed on an annual basis.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The recommendations in this report support the Council's 2015 – 2019 plan and specifically the objective to achieve value for money. The objective is measured by the Council charging appropriately for services and seeking opportunities to generate additional income.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1. The Council could continue with the existing Local Council Tax Reduction Scheme. However, there are a number of reasons why continuing with the existing scheme has been discounted. Firstly, there are anomalies in the existing scheme in terms of income calculations. As explained below it is considered unfair that household receiving child maintenance has that income ignored when calculating the Council Tax discount. Secondly, there is evidence that some households may be under stating their earned income when self employed. Nevertheless, the Council wishes to incentivise work and to that end it is offering additional disregard of earned income. Lastly, in the context of the Council's reduced spending capacity over the next four years it is necessary to require customers of the scheme to pay more towards their council tax thus reducing the cost of the scheme.
- 4.2. As part of the consultation process respondents were asked whether they thought the Council should balance the amount spent on the Local Council Tax benefit compared to what it spends on other services. The responses found that 41% agreed that there should be a balance between the amount spent on the Local Council tax reduction scheme and what the Council spends on other services. The Supreme Court decision October 2014 concerning Haringey Borough Council found that they failed to recognise the other options available to the Council in funding their council tax reduction scheme other than introducing changes that reduced the support that the scheme provided. Although, some of the recommended changes to the scheme in this report will reduce household's council tax reduction some aim at addressing existing anomalies in the scheme.

5 SUPPORTING INFORMATION

- 5.1 The following table sets out the estimated spend on the Council Tax reductions scheme in 2015/16. On average 55% of the reductions are for working age households and 45% for pensioner households.

| | | |
|-----------------------------|--|--------------|
| | | £'000 |
| CTB Forecast 2015/16 | | 4,430 |
| | | |
| Bracknell Forest Council | | 3,451 |
| Precepting Authorities | | 979 |

- 5.2 The current Local Council Tax Reduction Scheme operates based on the following main elements:
- Out of work working age households have their Council Tax liability reduced to 8.5%;
 - Working households income above the relevant applicable amount(basic needs allowance) is reduced at 21%;
 - Backdating of claims is limited to 3 months.
- 5.3 The proposed changes to the scheme have been subject to 12 weeks consultation following the Executive decision on the 21st July. Consultation responses are discussed later in the report. The exemplification of the impact of the proposed changes as discussed on the 21st July is included as Appendix B. The following proposals and estimated impact are based on modelling the Local Council Tax Reduction Scheme and caseload as of the end of October 2015. This is a snapshot of the scheme and could change in the light of household circumstances changing and any changes to national welfare provision in 2016/17 that will affect household income. In addition it is based on the current Council Tax liabilities.

Maximum 80% discount of Council Tax liability

- 5.4. It is recommended to reduce the current 91.5% discount available for out of work customers to an 80% discount for all customers of the Council Tax Reduction Scheme. That will mean that all households will pay at least 20% of their Council Tax liability and for those with earned income above their applicable amount the level of their Council Tax that they pay will be still higher. Based on current scheme expenditure this will reduce the cost of the scheme by £232,412 a year (Bracknell Forest Borough Council reduction is £182,700). This proposal will lead to 21 households losing their entire current discount on their Council Tax liability.

No longer disregard child maintenance when calculating household income

- 5.5 At present households with children who receive child maintenance from a partner do not have that maintenance included in household income when calculating their Council Tax discount. This leads to households who do not have maintenance income receiving the same discount despite the fact that they enjoy less household income. This proposal will reduce expenditure on the Local Council tax reduction scheme by £46,679 (Bracknell Forest Borough Council reduction is £36,759) and will lead to 83 households losing their entire current discount on their Council Tax liability.

Assessing self employed income at national living wage levels

- 5.6 A number of customers for the LCTBS are self employed yet their income is stated as being below the national living wage for the hours they work. Whilst this may be understandable when someone starts work on a self employed basis over time it is only to be expected that they would want to receive at least the national minimum wage for their work or otherwise they would seek alternative employment. Thus it is recommended that those customers of the scheme who have been self employed for a period of twelve months will be regarded as having income of the minimum wage for 35 hours a week. That will reduce the costs of the scheme in gross terms by £33,367 and the Bracknell

Unrestricted

Forest Council reduction would be £26,276. This proposal will lead to 25 households losing their entire current discount on their Council Tax liability.

Increasing earned income disregards

- 5.7 The current LCTBS disregards an amount of household income for working age working households before calculating income in comparison to their applicable amount. So as to incentivise work it is recommended that the disregards are increased as in the following table,

| Household type | Current disregard £'s per week | Proposed disregard £'s per week |
|-----------------------|-----------------------------------|------------------------------------|
| Single working person | 5 | 10 |
| Working couple | 10 | 15 |
| Lone parent | 25 | 30 |
| Disabled person | 20 | 25 |

This proposal would have a gross cost to the scheme of £33,259 a year and a cost of £26,191 to Bracknell Forest Council. In effect all working households will get to keep another £5 a week of their income.

- 5.8. A copy of the revised scheme based on these proposals is lodged in the Group rooms and can be made available upon request.

- 5.9 The following table summaries the proposals:

| Proposed change | Gross reduction in scheme expenditure £'s | Bracknell Forest Council reduction in scheme expenditure £'s | Number of households who lose all current council tax discount |
|--|--|---|--|
| All households to pay 20% of Council tax liability | 232,412 | 182,700 | 21 |
| Child maintenance no longer disregarded | 46,679 | 36,759 | 83 |
| Self employed income assumed at national living wage | 33,367 | 26,276 | 25 |
| Earned income disregards increased | -33,259 | -26,191 | |
| Total | £ 279,199 | £ 219,544 | 129 |

- 5.10 The Council is required to consider a transition scheme when implementing changes to the Local Council Tax Reduction Scheme to help households who are adversely affected by the changes. The Council currently has a £10,000 hardship fund to provide one off help for households who face financial hardship due to a change in their circumstances which means it will be difficult for them to pay their Council Tax liability. As can be seen above, a number of households will lose their current discount due to the proposed changes. Therefore, it is recommended that the hardship policy is amended to say that

financial support can be provided to those households who have received a discount in the previous twelve months but no longer receive a discount but face financial hardship. Subject to agreeing to change the approach of the policy it is recommended that the budget for the hardship fund is increased to £20,000. Availability of this support will be promoted to households as part of the financial assessment process so as to mitigate financial hardship caused by the proposed changes.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor has given advice to officers on the requirement for consultation in relation to the establishment of a local scheme. A scheme under the Act must also comply with the requirements of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

Borough Treasurer

- 6.2. The proposed changes to the Council's Local Council Tax Benefit Scheme would reduce the cost of the scheme by £0.302m based on the financial information currently available. The potential impact of the changes on the collection rate and bad debt provision can be reflected in the allowance made for losses which forms part of the Council Tax Base calculation.

To help support families adversely affected by the changes, it is proposed that the Hardship Fund is increased by £10,000 to £20,000. This increase is not currently included in the 2016/17 revenue budget proposal included elsewhere on the agenda. The increase will need to be included as a budget pressure if the change is supported.

The proposed changes would also lead to a reduction in the cost of the scheme for Parishes, thereby increasing the precept payments made to them. This would in turn enable the Council to reduce the additional support it provides to Parishes by way of a grant. The exact impact can be quantified and built into the budget proposals once the Council Tax Base is set.

Chief Officer: Customer Services

- 6.3. Prior to the introduction of the 8.5% reduction in Council Tax support in 2013/14, the number of Council Tax accounts in arrears was 4,444 as at 31 March 2012. At the end of the first year of the current scheme the number of accounts in arrears increased by 34% to 5,785 accounts. A reduction in the support available through the LCTBS will undoubtedly increase the number of accounts in arrears even further.

The debts outstanding in respect of council tax support cases are currently an average of £90.00 per account and this means that arrears can often be recovered within one year, in many cases this is achieved by securing attachment to benefit orders. However, if these cases are to be expected to contribute 20%, the average debt would increase to £207.00. If certain customers continue not to engage or pay, the benefit deductions on the increased debt would take more than two years to clear one years worth of debt and therefore the arrears will escalate year on year.

The small decrease in the amount of support available has had a minimal impact on our overall collection rates to date; and other authorities that have also implemented an 8.5% cut have seen minimal impact in their collection. However, council's that have implemented a 20% cut in support have seen their collection rates decrease by up to 0.5% on average. In addition to this, the workload of the team would increase further given that these debts will be more complex to administer and to collect, thus meaning that additional resources may need to be redirected in order to manage this.

Equalities Impact Assessment

- 6.4 An Equality Impact Assessment is included as Appendix C.

Strategic Risk Management Issues

- 6.5. There are a number of strategic risk management issues facing the Council.

The scheme includes a provision for bad debts as they may increase due to it being uneconomic to chase small Council Tax arrears. This risk will be mitigated by the redesign of the benefit and housing service so that claims are set up as soon as possible and customers have a dedicated caseworker to provide financial management advice as well as advice on how household income can be maximised.

The implementation of the Local Council Tax Reduction Scheme is dependent upon information on existing Council Tax reduction scheme customers being available to calculate new benefit based on the principles of the local scheme as well as the IT capability to undertake the calculations. The recommended scheme relies upon existing information and it is not necessary to seek new information from customers. The Council's IT supplier will amend the current system and system testing is currently taking place. Although the recommended scheme can operate through the IT system it will require substantial manual changes in the system to calculate the new Council Tax liability.

Any national welfare changes that are implemented in 2016/17 that reduce household income create a risk for the Council that the scheme expenditure will increase.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Parish Councils and major precept authorities Berkshire Fire and Rescue and Thames Valley Police were consulted. The Citizens Advice Bureau was consulted as well as all major affordable housing providers.
- 7.2. All working age existing Council Tax Reduction Scheme customers were directly written to advising them of the proposed changes. The proposals were available on the Council's consultation portal for twelve weeks. Social media was used to encourage the wider community as well as existing scheme customers to respond to the consultation.
- 7.3. The eight largest providers of affordable housing in the Borough were written to seeking their views.

Representations Received

7.4 Thames Valley Police responded to the proposals as follows:

“The PCC believes that the local council is best placed to determine the most appropriate scheme for its residents and council taxpayers. As such, we will support what recommendations you decide to implement.”

7.5 Crowthorne Parish Council provided the following response,

“Crowthorne Parish Council has debated the attached correspondence and noted the recommendations put forward to the executive on the 21 July 2015.

Crowthorne Parish Council discussed these recommendations at length at the Parish Council meeting held on the 1 September 2015 and after much discussion the following comments were agreed:-

- 1. That BFC endeavours to reduce the maximum discount from 91.5% to 80% of Council Tax liability.**
- 2. That BFC considers increasing all working income disregards by 20% and not the £5.00 which is proposed.**
- 3. CPC agrees with the proposal that self-employed income is assessed at national hourly minimum rates after a twelve month period of time from start up.**
- 4. CPC agrees with the proposal that child maintenance should be taken into account when calculating household income.**
- 5. That an additional effort should be made by BFC in collection of Council Tax arrears.**
- 6. That BFC considers eliminating the Local Council Tax Reduction Scheme over a period in time, allowing only for exceptional cases to benefit from any reduction.”**

7.6 Bracknell Forest Homes provided a response to the consultation which is included at Appendix D.

7.7 The Bracknell Forest Citizens Advice Bureau provided the following comment:

“Single people, couples, families and lone parents whose only income is working age benefits are already living on an income that the government has determined is the basic minimum income they need to live on. Any further decrease in the amount of Council Tax Benefit they receive will inevitably mean a reduction in their overall income and will increase debt and poverty in the borough. This is the same for working age claimants on low income and we believe will push more people below the poverty level in Bracknell Forest area. This will be especially true for lone parents if Child Maintenance is too be taken into account when calculating income. We also believe this to be inconsistent with the Governments policy on Child Poverty. An increase in Council Tax would seem to be the better option as it would affect all households, including those on CTR, who would then pay their fare share, but not the crippling increase they will face under the proposed system.”

- 7.8 There were 102 responses via the Council's consultation portal. A full equality impact assessment is included as Appendix C. In addition copies of all the responses and comments in group rooms.

Background Papers

Contact for further information:

Simon Hendey, Chief Officer: Housing
Adult Social Care, Health & Housing
DD 01344 351688
Email: simon.hendey@bracknell-forest.gov.uk

Appendix A – Summary Scheme and proposed changes

Full Revised Scheme Lodged in Group Rooms or can be provided on request

Bracknell Forest Local Council Tax Reduction Scheme

The Bracknell Forest Council Tax Reduction Scheme for working age people.

The Council has decided there will be three classes of working age people who will be eligible for help towards their Council Tax bill. The level of help towards the Council Tax bill will depend upon the class that people fall within.

Class D: persons who are not pensioners whose income is equal to or less than the applicable amount¹

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who is not absent from the dwelling throughout the day*
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income (if any) for the relevant week is equal to or less than his applicable amount;
- (f) who has made an application, or is treated as having made an application, for a reduction under this scheme; and
- (g) who does not possess capital of more than £16,000.

Class E: persons who are not pensioners whose income is greater than the applicable amount²

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) is not absent from the dwelling throughout the day*;
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income for the relevant week is greater than his applicable amount;

2

- (f) in respect of whom amount A exceeds amount B where:
 - (i) amount A is the maximum council tax reduction in his case; and
 - (ii) amount B is 21 per cent of the difference between his income for the relevant week and his applicable amount;
- (g) who has made an application, or is treated as having made an application, for a reduction under this scheme; and
- (h) who does not possess capital of more than £16,000.

Class G: persons who have an award of universal credit

On any day class G consists of any person who is not a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) is not absent from the dwelling throughout the day;*
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) who has made an application, or is treated as having made an application, for a reduction under this scheme, and
- (f) who is a person who receives universal credit; and
- (g) who does not possess capital of more than £16,000.

What Local Council Tax Reduction will be paid to a working age person

When an applicant falls within class D, class E and class G the amount of a person's maximum council tax reduction in respect of a day is 80 per cent.

Income greater than Living Allowance or applicable amount

If your income is greater than the defined Living Allowance the Council Tax Reduction will be reduced. The reduction is 21% of the difference between your income and Living Allowance.

Protection for certain claimants

Where the claimant or partner is in receipt of:

- War Disablement Pension;
- War Widows Pension or
- War Widows Disablement Pension.

The income from these sources will be 100% disregarded when calculating income.

Council Tax Liability

The maximum discount will be 80% of council tax liability for all working age.

Minimum reduction per week

The minimum Council Tax Reduction that can be paid is £0.50 a week. You cannot receive Local Council Tax Reduction unless you are entitled to at least that amount.

Extended payments

You or your partner or civil partner will be entitled to extended payments of up to four weeks of Local Council Tax Reduction if your Reduction stop because you have gone back to work, increased your hours or earn more money. This will only apply if you have received one of the following benefits before a change has taken place:

- Jobseekers Allowance;
- Income Support;
- Income Related Employment and Support Allowance;
- Or a combination of these benefits continuously for at least 26 weeks;
- Or Incapacity Benefit;
- Severe Disablement Allowance;
- Contributory Employment and Support Allowance.

If your Income Support, income-based Jobseeker's Allowance or income-related Employment & Support Allowance or Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance stops because of work, then extended Payments of Council Tax Support are available. The payment is an extra four weeks of support to help pay towards your Council Tax when certain other benefits stop because you are going back to work, working more hours or earning more money.

You will be entitled to an Extended Payment if you or your partner, or civil partner (and they remain a partner throughout the claim) have stopped getting one of the benefits mentioned below because one of you is expected to do one of the following for five weeks or more:

- Return to work full time;
- Work more hours;
- Earn more money;

and you have been getting one of the following benefits:

- Jobseeker's Allowance, Income Support, or income-related Employment & Support Allowance or a combination of these benefits continuously for at least 26 weeks;

or

- Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance continuously for at least 26 weeks;

But if immediately before starting your job or increasing your hours your Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance stopped and you received income – based on Jobseekers Allowance,

Income Support, or income-related Employment & Support Allowance, you will **not** qualify for an Extended Payment.

Capital

Capital will only affect your income if you are working age and have more than £6,000..

Absence from home

You will be entitled to receive Local Council Reduction if you are absent from you home for short periods but intend to return.

If you are absent from your home you can receive Local Council Tax Support for up to 52 weeks as long as:

- You intend to return home;
- While you are away your home will not be sublet; or
- You are in hospital;
- You are held in remand.

Backdate Council Tax Reduction

Your claim for Local Council Tax Reduction will start from the date you contact the Council as long as your claim is completed within one month from the first point of contact.

Your claim can be backdated if you can show continuous good cause why you did not make a claim earlier. If you are of working age your claim can be backdated for up to 3 months as long as there was continuous good cause why you were unable to make the claim during the backdate period. If you are of pension age the same criteria apply but the maximum back date is for 3 months.

People who live with you – Non dependants

People who normally share your accommodation but are not dependent on you for financial support are known as non-dependants. Others who live with you such as a family and any children you have fostered do not count as non-dependants.

Non – dependent deductions

Deductions will be made from your Local Council Reduction for non-dependents over the age of 18 who live with you. The following deductions will be made: - Non-dependant deductions uprated to equal the prescribed 2016-17 values for pensioners; legislation pending at the time of writing

| Non-dependent | Rate £ per week |
|--|------------------------|
| Student | |
| In receipt of Income Support / Job Seekers Allowance / Employment Support Allowance, universal Credit (no earned income) | |
| Not in remunerative work not on JSA / ESA/ IS | |
| In remunerative work maximum up to age 18 | |
| Up to £183 a week income | |

| | |
|--------------------------|--|
| Up to £316 a week income | |
| Up to £394 a week income | |
| More than £394 a week | |

A deduction will not be made from your Local Council Reduction:

- The non-dependants normal home is somewhere else; or
- You, or your partner, are registered blind or treated as blind; or
- You, or your partner, are receiving the care component of Disability Living Allowance or Attendance Allowance in respect of yourself or your partner; or
- The non-dependant is receiving the guarantee credit element of State Pension Credit, Income Support or income-based JSA or income-related Employment & Support Allowance; or
- The non-dependant is a prisoner; or
- The non-dependant is severely mentally impaired; or
- The non-dependant is over 18 but Child Benefit is still payable for them; or
- The non-dependant is a student nurse or apprentice or on Youth Training; or
- The non-dependant has been a patient in hospital for 54 weeks or more; or
- The non-dependant is living in a residential care or nursing home; or
- The non-dependant is a care worker; or
- The non-dependant is a resident of a hostel or night shelter for the homeless; or
- The non-dependant is a full-time student (even if they work full-time in the summer vacation).

A deduction may be delayed for 26 weeks if you or your partner are aged 65 or more and a non-dependant moves into your home, or the non-dependants' circumstances change to increase the deduction.

Income greater than Living Allowance or applicable amount

If your income is greater than the defined Living Allowance the Council Tax Benefit will be reduced. The reduction is 21% of the difference between your income and Living Allowance. This difference is taken away from the maximum Local Council Tax Benefit you could get adjusted for any non-dependants.

Living Allowances or applicable amounts

The living allowance or applicable amount represents the needs of you and your family if you have one. The larger your family the larger you're applicable amount. The applicable amount is made up of three parts:

- A personal allowance; and
- Personal allowances for children in your family; and
- Premiums.

Personal allowance

Your applicable amount always includes a personal allowance. Different amounts apply according to your age and whether you have a partner. 2015/16 rates will apply to the scheme,

Personal allowances for children

If you are looking after children (other than foster children) then you get an allowance for each child included in your applicable amount according to his or her age. This allowance is included until that child leaves school or reaches their 20th birthday.

A special rule applies if the child has left school and started work before the Child Benefit stops.

Premiums for your family

Once personal allowances and allowances for children have been worked out, premiums can be added – if they apply – to make up your applicable amount.

Your Children

A family premium will be included if you have any dependent children in your household. No matter how many children you have, you can only get one family premium.

Premiums or components for disabilities

These premiums are included in your applicable amount for people in your family with disabilities. There are three premiums and two components in this group:

Disabled child premium (for each disabled child in your household);
Disability premium (if you or your partner gets one of the benefits listed below or you have been off sick for more than 52 weeks);
Severe disability premium (if you are disabled and live in special circumstances);
Work related activity component; and
Support component.

Disabled child premium

The disabled child premium is a flat-rate premium, which may be awarded for each disabled child in your household and can be included with any other premiums. Your child is considered disabled if they are:

Registered blind;
or receiving Disability Living Allowance.

Disability Premium

Disability premium will be included in your applicable amount if you and your partner are aged less than pension credit age and:

Either of you is registered blind; or
Either of you gets one of the qualifying benefits listed below; or
Has been off sick for 52 weeks or more.

Qualifying benefits

You will get the disability premium if you or your partner gets any of the following benefits:

Disability Living Allowance; or
Personal Independence Payment; or
Working Tax Credit Disability Element; or
Constant Attendance Allowance; or
War pensioners' mobility supplement; or
Severe Disablement Allowance; or
Incapacity Benefit – long term rate.

Severe disability premium

This premium cannot be included on its own. You must first qualify for the disability premium.

If you are single or a lone parent, the severe disability premium may be included in your applicable amount if you:

Receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance or the daily living component of Personal Independence Payment; and
Live alone (but if others live with you, see below); and
No one receives Carer's Allowance for looking after you.

If you have a partner, you may get the severe disability premium if you both:

Receive the care component of Disability Living Allowance (DLA) at the highest or middle rate, Attendance Allowance (AA or Constant Attendance Allowance or the daily living component of Personal Independence Payment; or
Your partner is blind and you receive the care component of DLA at the highest or middle rate, AA or Constant Attendance Allowance; and
No one lives with you; and
Non one receives Carers Allowance for looking after either one or both or you.

For the purposes of severe disability premium your Council Tax Support is not affected if other people living with you are:

Children; or
Aged 16-17; or
A person who is registered blind; or
Receiving the care component of Disability Living Allowance (DLA) at the highest or middle rate, or Attendance Allowance (AA) or the daily living component of Personal Independence Payment; or
People caring for you who are employed by a charity that makes a charge for this service.

Enhanced Disability Premium

Enhanced Disability Premium is awarded where you, or a member of your family, who is aged under 60 receives the highest rate of Disabled Living Allowance (DLA) or where the claimant is in receipt of Employment & Support Allowance Support Component or the daily living component of Personal Independence Payment. This premium will remain in payment if the DLA is suspended during hospitalisation. This premium is awarded at three different rates. They are:

A rate for each dependent child / young person in your household who receives the highest rate of DLA;

A rate for a single person who receives the highest rate of DLA or the daily living component of Personal Independence Payment;
A rate for couples where at least one member of the couple receives the highest rate of DLA or the daily living component of Personal Independence Payment.

Work related activity component

This is awarded if you or your partner receives main phase Employment & support Allowance and receive a similar component within that benefit.

Support Component

This is awarded if you or your partner receives main phase Employment & Support Allowance and receive a similar component within that benefit.

Caring Premium

The Carer Premium is awarded if either you or your partner are looking after a disabled person and:

Receive Carer's Allowance; or
Made a claim for Carer's Allowance and would be entitled but for an overlapping benefit.

If both you and your partner satisfy the qualifying conditions two premiums can be awarded.

The Carer Premium continues for eight weeks after caring ceases.

Calculating Resources

Your resources are made up of your income and your capital. These are worked out as a weekly amount of income.

Income

Income is all the money that you have coming in from earnings, social security benefits, maintenance payments and other sources. Depending on the type of income, it may be completely or partially ignored in the calculation of your Council Tax Support (the disregards), or take fully into account.

Normally, your resources and those of your partner are taken together when your income and capital are worked out.

Income from employment

This explains what counts as your income from work you do, when you are employed by someone else. If you are a company director or any other officeholder in a company you are classed as an employee of that company.

Earnings from employment means any money you are paid when you work for someone else. This includes the following types of payments:

Bonuses or commission (including tips);
Money you get instead of your normal pay (for example, a liquidator may give you money when your employer stops trading and you are owed pay);

Money you get in place of notice to end your employment, or money you get to make up for losing your job;
Money you get for holidays you did not take (holiday pay) – but not holiday pay owed to you more than four weeks after you stopped work;
Money you get if you are kept on while doing no work (for example, a retainer paid to school cooks during school holidays);
Expenses you are given to cover your travel to and from work;
Expenses you are given to cover the costs of looking after someone in your family;
Any expenses you are given that are not essential for you to carry out your work;
Money you get, under the Employment Protection (Consolidation) Act 1978, when you are not given work because of bad weather, or money you get because of unfair dismissal;
Money that an industrial tribunal orders your employer to give you if the period of notice or redundancy that is required by law has not been given;
Money you get from your former employer's redundancy funds if the business goes into liquidation;
Statutory Sick Pay or Statutory Maternity Pay;
Statutory Paternity Pay and Statutory Adoption Pay;
Employer's sick pay or employer's maternity pay;
Earnings from permitted work, that is, work while you are getting an incapacity benefit which your doctor thinks would benefit your health.

Earnings from employment do not include:

Payment in kind (where no money is involved);
Expenses you are given that are essential for you to carry out work;
Any occupational pension.

Net earnings

Once your gross earnings have been worked out, the Council will take away:

Your income tax payments;
Your National Insurance (NI) contributions; and
Half of any contributions you make to an occupational or personal pension scheme (any amounts paid to a pension scheme by your employer do not count).

This gives your net earnings, which are used to work out your Council Tax Support.

Self-employed earnings – change

If you are self-employed, all the money you earn when you are not employed by someone else is known as your earnings from self-employment. You may have self-employed earnings even if you are also working for someone else, or if you are a franchise holder.

When working out your earnings the Council will want to know how much you earn when you are self-employed, and you will be asked to provide evidence, if possible, of how much you earn.

There are three stages in working out your self-employed earnings. The first is calculating the gross profit of your business. In the second stage, deductions – which are called allowable expenses – are taken away from the gross profit to give the net profit of the business. In the third stage, tax, National Insurance, and half of any pension payments are taken away from your net profit to give your net earnings.

When calculating income for working age self-employed peoples it will be assumed that after 12 months the self-employed person is earning national living wage

The Council proposes to use the national minimum wage to the hours worked in the business to set a minimum income for self-employed. If a person earns less than this then the minimum income figure will be used instead of actual earnings. The Council will assume the minimum hours for a single person to be 16 hours a week and 24 for a couple.

The proposal will only apply when the business has been running for one year and only one start-up in a five year period.

The national minimum rates are usually uprated every October

Childminders

If you are a childminder only one third of your earnings from childminding will be taken into account when your Council works out your Council Tax Support.

Earnings and earnings disregards

After working out your net earnings, any amount that is not counted in the calculation of your Council Tax Reduction is known as a disregard.

The amount of your earnings that is disregarded depends on which premium is included in your living allowance (applicable amount). There is more information on the living allowance.

When £10 is not counted

If you are single and you cannot get a greater disregard by any of the means explained below, up to £10 of your weekly earnings will not be counted (the £10 disregard).

When £15 is not counted

If you have a partner and you cannot get the £15 disregard by any of the means explained below, up to £15 of your joint weekly earning will not be counted (the £15 disregard).

When £25s not counted

£25 per week of your earnings will not be counted if your living allowance (applicable amount) includes:

- A disability premium; or
- The severe disability premium; or
- A component with Employment & Support Allowance; or
- The carer premium (where the carer is working).

If both you and your partner are carers, the total disregard cannot be more than £25. The carer premium and this earnings disregard can continue for a further eight weeks after caring ceases.

If you have a partner, your earnings are added together when your Council Tax Support is worked out.

If you cannot get the £25 disregard under the above categories, you may still be able to get it if you are:

A part-time firefighter; or
An auxiliary coastguard; or
A part-time member of a crew launching or manning a lifeboat; or
A member of the Territorial Army or the Reserve Forces.

When £30 is not counted

If you are a lone parent up to £30 of your weekly earnings will not be counted (the £30 disregard).

Additional disregard

If you work on average 30 hours a week or more you will usually be able to get an extra earnings disregard. In certain circumstances you can also qualify for the higher earnings disregard if you work 16 hours or more e.g. if you are a lone parent or disabled. This is the same amount as the 30 hour tax credit in your Working Tax Credit (WTC).

Childcare charges

In certain circumstances, average childcare charges of up to £175 (for one child) or up to £300 for two or more children per week per family can be offset against your earnings. This disregard, which is in addition to the other earnings disregards, is available to:

Lone parents who are working 16 hours or more per week;
Couples where both are working 16 hours or more per week;
Couples where one member is working 16 hours or more per week and, generally, the disability premium, or, in certain circumstances, the higher pensioner premium, is included in the applicable amount on account of the other member's incapacity or the member is in hospital or in prison.

It applies where formal childcare is provided by, for example, registered childminders or day nurseries for children until the first Monday in September following their 15th birthday (or the 16th for children who are entitled to Disability Living Allowance or who are registered blind).

In certain circumstances, help with childcare costs can be given while you are on maternity leave or paternity or adoption leave or you are sick. The Council will be able to give you more details.

In some other cases explained here, different amounts of your earnings are not counted.

If you are in receipt of the Guarantee Credit element of state Pension Credit, Income Support, income-based Jobseeker's Allowance or income related Employment & Support Allowance then any earnings you get will not be counted again in working out Council Tax Support.

Notional Earnings

If you have done some work and you seem to have been paid very little for it, then the Council will estimate what that work is worth. If you have a good reason for the pay being so low – for example, if you worked for someone who had very little money – then you should let the Council know. If necessary, the Council may check your statement of earnings by asking your employer.

Other income

Other income is all the other money you have coming in apart from earnings from employment or self –employment. It is sometimes called unearned income. In some cases none of your unearned income is counted. Sometimes part of it is counted, in other cases it is all counted.

State benefits

The following benefits are counted in full as income for local Council Tax Reduction

- Contribution-based Jobseeker's Allowance;
- Contribution-based employment & Support Allowance;
- Universal Credit (the child care costs element and housing costs element will be ignored);
- State Pension;
- Incapacity Benefit;
- Severe Disablement Allowance;
- Carer's Allowance;
- Industrial Injuries Disablement Benefit;
- Industrial Death Benefit;
- Working Tax Credit;
- Child Tax Credit (ignored if you or your partner are pension age);
- Savings Credit or Pension Credit;
- Bereavement Benefits (ignored if you or your partner are pension age).
- Child maintenance; Child maintenance payments fully taken into account including applications and awards where the applicant or any partner receives Income Support, Jobseekers Allowance (Income-based), Employment and Support Allowance (Income-related) and Universal Credit.

Unearned income that is not counted

The following types of income are not counted by the Council when it works out your Council Tax Support:

- Any income you get if you are getting the Guarantee Credit element of State Pension Credit, Income Support, income related Employment & Support Allowance (ESAIR) or income-based Jobseeker's Allowance (JSA);
- Disability Living Allowance (DLA);
- Personal Independence Payment;
- Attendance Allowance (AA) or Constant Attendance Allowance (CAA);
- Attendance allowances paid as part of a War Disablement Pension or Industrial Injuries Disablement Benefit;
- Child Benefit;
- Money you get which takes the place of DLA, AA, CAA, or Income Support;

- War pensioners' mobility supplement;
- Any money you get from the Social Fund;
- Guardian's Allowance;
- Money you get as a holder of the Victoria Cross, the George Cross, or any comparable award;
- Any grants or allowances you get from your local education authority if you have a dependent child who continues in education after school leaving age;
- Any training premium and any refunded travelling expenses or living away from home allowances when you are on a Department for Education and Employment Training Scheme training course or at an employment rehabilitation centre;
- Any money such as interest or dividends from savings or investments;
- Any expenses you get from an employer that you need to carry out your work;
- Any expenses you get from a charity so that you can carry out unpaid work;
- Any income in kind (where you are given something other than money);
- Any income you have which has been held back outside this country, as long as it remains held back, and it is not within your control;
- Any money you get for fostering a child;
- Any money you get for looking after an elderly or disabled person temporarily (community boarding our schemes);

Any money you get from local Social Services Department to help keep a child at home instead of putting them into care;

Any Council Tax Benefit / Council Tax Support you receive;

Special payments made with your War Widow's Pension if you have been designated as a pre-1973 war widow;

Any charitable or voluntary payments which are made regularly;

Payments made under the Employment Department's 'Access to Work' scheme for disabled people; or

War Disablement Pension or a War Widow's / Widower's Pension, or any similar payment from another country.

Some types of income may be counted as capital.

Unearned income that is counted as part

The following are the types of unearned income that are only partly counted.

The first £15 of Widowed Mother's Allowance or Widowed Parent's Allowance;

The first £20 of any money from sub-tenants; or

The first £20 then 50% of the excess of money you receive from a boarder is ignored.

The balance is treated as income.

If you receive child maintenance for a child you have responsibility for then this will be taken into account when calculating your income.

Notional income

The Council may think that there is income, which you could get, but you are not claiming. This is known as notional income because you do not actually receive that income. The Council may take this into account for council Tax Support purposes.

Parental contributions to students

If you are making a parental contribution to a student then part of your income is not counted to take account of this.

Capital

Your capital includes savings and investments held by yourself in any form (for example, bank and building society accounts, investment trusts, and shares) from any source (for example, inheritance, redundancy payments, and irregular payments from a charitable or voluntary source). It will normally also include the net sale value of land and housing that you not occupy, after deducting 10% for expenses of sale.

If you have a partner, capital belonging to your partner is treated as yours for the purposes of Council Tax Reduction.

Capital outside the United Kingdom

If you have capital – in the form of liquid or fixed assets – outside this country, the Council will need to know how soon it can be transferred and how much it is worth. If the capital cannot be brought into this country, enquiries will be made about how easily it can be sold, and whether a willing buyer can be found. If no willing buyer can be found, it may not be counted.

Capital for working age scheme

If you have capital up to £6,000 this will not be taken in account in calculating your income. The Council will use the amount of capital you have either at the start of the Local Council Tax Benefit scheme if you were in receipt of the national Council Tax Benefit or when you make an application for the local scheme to calculate your income. If your capital reduces during the year this will not change your Local Council Tax Benefit entitlement.

If you have capital above £6,000 your Local Council Tax Benefit will be reduced. If you had capital above £6,000 six months prior to your application for Local Council Tax Benefit this will be considered when deciding whether you should receive Local Council Tax Benefit. Capital over £6,000 up to £16,000 will be taken into account at £1 a week for each £250 (or part £250)

Capital for Pension Age Scheme

The first £10,000 of capital is not counted. Capital over £10,000 up to £16,000 will be taken into account at £1 a week for each £500 (or part of £500) of capital over £6,000. Actual interest payments or dividends are not counted as income but as capital.

For customers who receive the Guarantee Credit element of State Pension Credit there is no upper limit on the capital you can have.

Personal possessions

Personal possessions – for example, a car, furniture and fittings in your house, and family belongings – are usually not included in the calculation of capital. However, this may not be the case where the council has good reason to believe that something has been bought to reduce your capital in order to gain or increase entitlement to benefit. If the council decides that you deliberately got rid of capital just so that you can get

Council Tax Support, it may assume that you have notional capital to the value of the capital you disposed of.

If you own your own home

The value of your property (including the house, garage, and outbuildings) is not counted unless any part of the property could reasonably be sold off separately. Loans raised on the property will be counted as capital.

Property you own but do not occupy

The value of this property is counted as capital but you may be able to get HB / CTB even if the value of the property means that your savings are more than £16,000. This is because the value of the property may be ignored when your savings are worked out, in certain circumstances.

If the property is occupied by an elderly or disabled relative as their home, its value is not taken into account for as long as it is so occupied.

If you have recently acquired the property and you intend to occupy it as your home, its value may not be counted for 26 weeks, or for a longer period if reasonable, from the date you acquired it.

If you are trying to sell the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if you are finding it difficult to sell the property.

If you are carrying out essential repairs or alterations so that you can live in the property, its value may not be counted for a period of 26 weeks from the date you first arranged for repairs to be carried out. It may not be counted for longer than this if you are finding it difficult to finish the work.

If you are taking legal action so that you can live in the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if legal action is continuing and you cannot live in the property.

Deposits on your accommodation

Sums that have to be deposited with a housing association or landlord as a condition of your tenancy are not counted.

Earmarked capital

If capital from the sale of a house is kept for a house purchase, it is not counted for up to six months, or longer if:

- Major repairs or adaptations are needed for you to occupy your home; or
- The completion of the purchase of your new home is unavoidably delayed.

Compensation received for a burglary or for damage to or loss of a house is also not counted for six months, as long as it is to be used for repair or replacement.

Valuation of property

Property will be valued at the price it would be expected to fetch on the open market, less any outstanding mortgage or legal charges on the property. Ten per cent of the current market value will also be deducted to take into account the cost of the sale.

If you have property outside the United Kingdom and there is no restriction on transferring money to this country, your property will be valued at its local sale value. If there is a restriction, its notional value will be the value of a sale to someone in the UK. In both cases, any outstanding legal charges on the property or mortgages will be deducted, together with 10% of the total to cover the cost of the sale.

National Savings Certificates

National Savings Certificates of the current issue are valued at purchase price. Certificates of a previous issue are valued as if they were purchased on the last day of that issue.

Life assurance policies

The surrender value of life assurance policies is not taken into account when assessing Council Tax Support.

Arrears of benefits

Any arrears of Disability Living Allowance, Personal Independence Payment, Attendance Allowance, Pension Credit, Income Support, income-based Jobseeker's Allowance, Housing Benefit, Working Tax Credit and Child Tax Credit that you get are not counted for up to 12 months.

Lump sum payment of deferred State Pension

The gross amount of lump sum, or an interim payment made on account of a final lump sum, paid at the end of the period of deferring State Pension will be disregarded as capital for the life of the recipient.

Compensation payments

For Council Tax Support purposes, compensation payments will normally be counted as full as capital. Capital will not be counted if it is held in trust or by the 'Court of Protection' as a result of a personal injury payment – for example, a criminal injury payment or a vaccine damage payment. For persons of Pension Age compensation payments made as a result of personal injury are ignored whether or not placed in a trust.

Notional Capital

The Council may think that there is capital which you could get but which you do not have. This is known as notional capital because you do not actually possess that capital.

- Capital you have disposed of – you will be treated as having notional capital if you have disposed of capital in order to get Council Tax Support or to get more Council Tax Support.

- Capital you could have got – if you have the right to money held in a private trust, then that is actually your capital, and will be taken fully into account.

If the Council has decided to treat you as possessing notional capital they will reduce the amount of this capital on a regular basis by a set calculation. This calculation reduces your notional capital by the amount of support you have lost as a result of deprivation.

Council Tax Reduction is not normally available for students. The exceptions are:

- Vulnerable students, such as disabled students and lone parents;
- Part-time students;
- Couples where one partner is not a student.

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Appendix B

| Household | Ctax liability £ for band C property | Total income £ per week | Current Ctax payment after LCTBS current scheme £ per week | 80% maximum support Ctax payment £ per week | Self employed at minimum wage Ctax payment £ per week | Child maintenance income included Ctax payment £ per week | Working income Disregards increased Ctax payment £ per week | Change £ per week from current scheme (percentage increase) |
|---|--------------------------------------|-------------------------|--|---|---|---|---|--|
| Lone parent working with one child | 1239.07 | 237.70 | 3.66 | 8.39 | N/A | N/A | 7.34 | 3.68 |
| Lone parent working receiving £ 100 a week child maintenance | 1239.07 | 337.70 | 3.66 | 8.39 | N/A | 23.69 | 23.69 | 20.03 |
| Couple working with two children | 1239.07 | 390.05 | 16.71 | 21.44 | N/A | N/A | 20.39 | 3.68 |
| Lone parent on job seekers allowance receiving £ 100 a week maintenance | 1239.07 | 257.70 | 2.01 | 4.73 | N/A | 21.44 | N/A | 19.43 |
| Couple self employed with one child | 1239.07 | 184.60 | 2.01 | 4.73 | 18.53 | N/A | 17.48 | 15.47 |
| Single person on employment support allowance and disability living allowance | 1239.07 | 237.60 | 2.01 | 4.73 | N/A | N/A | N/A | 2.72 |
| Single person disabled working and in receipt of disability living allowance | 1239.07 | 262.55 | 15.82 | 20.55 | N/A | N/A | 19.50 | 3.68 |

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Appendix C

Local Council Tax Reduction Scheme

Full Equality Impact Assessment



1. Introduction

- 1.1 This Full Equality Impact Assessment looks at the Council's proposals to revise the elements of the Local Council Tax Reduction Scheme. It is based on primary research with existing council tax benefit customers. That consultation took place over a twelve week period via the Council's consultation portal. Given the nature of the survey and responses it is not possible to say that the findings are statistically significant.
- 1.2 Having concluded an equalities impact screening in July 2015, which is included at the end of this impact assessment, it was recognised that there was a need to undertake a full equality impact assessment.
- 1.3 A full copy of all the responses to the consultation has been lodged in the group rooms and is not provided as part of this report due to the size of the documents. Full copies can be provided upon request.

2. Background

- 2.1 The following changes to the Local Council tax reduction scheme are proposed,
 - 2.1.1. It is proposed that the maximum council tax reduction that anyone will be entitled to will be 80%. The current scheme has a maximum reduction of 91.5% which is available for households who have no earned income.
 - 2.1.2. It is proposed that child maintenance received by households is taken into account when calculating household income. At present the child maintenance received by households is disregarded when calculating income to determine the discount a household receives on their council tax. This proposal will affect single parents in the main. It should be recognised that single parents who do not receive any child maintenance will have a reduction on their council tax the same of those who do, all other circumstances being the same, and thus could be considered to be disadvantaged by the current approach.
 - 2.1.3. Thirdly, it is proposed that the income for self employed people will be calculated on the basis of national living wage 12 months after they have started trading. This is based on the assumption that people would not trade and achieve an income below the national living wage when they have started a business and traded for 12 months as it would be in their interest to seek employment that paid at least the national living wage.
 - 2.1.4. Lastly, it is proposed to increase earned income disregards by £ 5 a week. This will mean that an additional £ 5 of earned income will not be taken into account when calculating household income to use when assessing the council tax discount a household is entitled to. This may mitigate some of the previous proposals for those households with earned income.

2.2. The Council set up a series of questions on its consultation portal to encourage the community to respond to the proposed changes to the local Council tax reduction scheme. All existing Council Tax Reduction Scheme customers were individually written to encouraging them to respond to the proposals. Customers who visited Time Square were offered the opportunity to go on line or complete a hard copy of the consultation questions. Social media was used to promote the consultation as was the Council’s website. There were 98 individual response and 33 organisational responses. In terms of the individual response 51% were from customers of the scheme and 49% were from members of the community who do not receive a discount from the scheme.

3. Consultation responses

3.1 The figures reported in the following tables do not show 100% return due to non inclusion of do not know responses. The consultation responses have been broken down into the elements of the community who may be adversely affected by the proposals.

3.2. There were 102 responses in total to the consultation of which 3 were from organisations rather than individuals. Just over 50% of the responses were from customers of the local Council tax reductions scheme.

3.3. The demographics of the response are set out in the following table,

| Demographic | Number responding |
|-----------------------------|--------------------------|
| A single parent | 23 |
| Receiving child maintenance | 13 |
| Of working age | 65 |
| In employment | 43 |
| Self employed | 4 |
| Of pensionable age | 9 |

4. Age

4.1 Overall the older the age group the more likely they were to agree that the Council should balance expenditure on the Council Tax Reduction Scheme against the spend on other services. It should be remembered that the proposals will only affect working age households.

4.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services.

| Agreed | Disagree | Neither agree or disagree |
|-----------------|-----------------|----------------------------------|
| Under 18 | Under 18 | Under 18 |
| 50 | 50 | |
| 18-34 | 18-34 | 18-34 |
| 46 | 23 | 30 |
| 35-49 | 35-49 | 35-49 |
| 36 | 24 | 34 |
| 50-64 | 50-64 | 50-64 |

| | | |
|--------------|--------------|--------------|
| 29 | 43 | 28 |
| 65-79 | 65-79 | 65-79 |
| 66 | 22 | 11 |
| 80+ | 80+ | 80+ |
| 30 | 50 | 20 |

4.3 Proposal 1 – reduce maximum CT liability to 80%

In terms of reducing the reduction of Council Tax liability so that everyone had to pay 20% of their Council Tax older age groups though this was fair compared to the younger groups.

| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|------------------------|--------------------------|--|
| Under 18 | Under 18 | Under 18 |
| | 100 | |
| 18-34 | 18-34 | 18-34 |
| 53 | 39 | 8 |
| 35-49 | 35-49 | 35-49 |
| 32 | 59 | 4 |
| 50-64 | 50-64 | 50-64 |
| 27 | 67 | 7 |
| 65-79 | 65-79 | 65-79 |
| 22 | 55 | 22 |
| 80+ | 80+ | 80+ |
| 50 | 40 | 10 |

4.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

Again more of the older age groups thought this proposal was fair compared to younger groups.

| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|------------------------|--------------------------|--|
| Under 18 | Under 18 | Under 18 |
| | 100 | |
| 18-34 | 18-34 | 18-34 |
| 23 | 61 | 16 |
| 35-49 | 35-49 | 35-49 |
| 32 | 48 | 10 |
| 50-64 | 50-64 | 50-64 |
| 20 | 48 | 7 |
| 65-79 | 65-79 | 65-79 |
| 33 | 33 | 11 |
| 80+ | 80+ | 80+ |
| 70 | 20 | 10 |

4.5 Proposal 3 – increase income disregards for working age people

In contrast to the previous question this proposal was thought to be fair by younger groups perhaps reflecting their desire to keep more earned income.

| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|------------------------|--------------------------|--|
| Under 18 | Under 18 | Under 18 |
| 50 | | |
| 18-34 | 18-34 | 18-34 |
| 70 | 7 | 7 |
| 35-49 | 35-49 | 35-49 |
| 40 | 32 | 16 |
| 50-64 | 50-64 | 50-64 |
| 35 | 34 | 15 |
| 65-79 | 65-79 | 65-79 |
| 43 | 56 | |
| 80+ | 80+ | 80+ |
| 60 | 20 | 20 |

4.6 Proposal 4 – include income from child maintenance payments

This proposal was thought to be unfair by younger groups particularly those under 18 and those 35-49 years old.

| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|------------------------|--------------------------|--|
| Under 18 | Under 18 | Under 18 |
| | 100 | |
| 18-34 | 18-34 | 18-34 |
| 54 | 38 | |
| 35-49 | 35-49 | 35-49 |
| 45 | 51 | 2 |
| 50-64 | 50-64 | 50-64 |
| 27 | 39 | 20 |
| 65-79 | 65-79 | 65-79 |
| 43 | 78 | 0 |
| 80+ | 80+ | 80+ |
| 50 | 30 | 20 |

5. Gender

- 5.1 Women who responded were more in agreement that the cost of the council tax reduction scheme should be balanced against cost of other services.

| | % female who agreed | % female who disagree | % female who neither agree or disagree |
|--|----------------------------|------------------------------|---|
| The Council should balance the amount spent on Council Tax Scheme compared with what it spends on other services | 48 | 21 | 30 |

- 5.2 Of the proposals women were less in agreement with the proposal to reduce everyone's reduction to 20% and also to include child maintenance as income.

| | % female who agreed | % female who disagree | % female who neither agree or disagree |
|--|----------------------------|------------------------------|---|
| Proposal 1- reduce maximum Council Tax liability to 80% | 35 | 52 | 6 |
| Proposal 2 – assumed self-employed people earn minimum hourly rate | 45 | 31 | 8 |
| Proposal 3 – increase income disregards for working age people | 54 | 22 | 17 |
| Proposal 4 – include income from child maintenance payments | 35 | 57 | 3 |

- 5.3 Men were less supportive of balancing the cost of the scheme against the cost of other services.

| | % male who agreed | % male who disagree | % male who neither agree or disagree |
|--|--------------------------|----------------------------|---|
| The Council should balance the amount spent on Council Tax Scheme compared with what it spends on other services | 33 | 41 | 26 |

- 5.4 Men were least supportive of the maximum reduction being reduced to 20% and also using assumed national minimum wages levels to calculate self employed income

| | % male who agreed | % male who disagree | % male who neither agree or disagree |
|--|--------------------------|----------------------------|---|
| Proposal 1- reduce maximum Council Tax liability to 80% | 25 | 64 | 7 |
| Proposal 2 – assumed self-employed people earn minimum hourly rate | 20 | 57 | 10 |

| | | | |
|--|----|----|----|
| Proposal 3 – increase income disregards for working age people | 25 | 45 | 15 |
| Proposal 4 – include income from child maintenance payments | 43 | 46 | 7 |

6. Ethnicity

6.1 The highest response was from the British ethnic group who thought it was fair to balance the costs of the scheme with the cost of other services.

6.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|---|-----------------|-------------------|-----------------------------------|
| English/Welsh/Scottish/Northern Irish/British | 42 | 27 | 31 |
| Gypsy/Irish Traveller | 0 | 0 | 0 |
| Show people/Circus | 0 | 0 | 0 |
| Any other white background | 67 | 33 | 0 |
| White & Black Caribbean | 0 | | |
| White & Black African | 0 | | |
| White & Asian | 100 | 0 | 0 |
| Any other mixed background | 0 | 0 | 0 |
| Indian | 0 | 50 | 50 |
| Pakistani | 0 | | |
| Nepali | 0 | | |
| Bangladeshi | 0 | | |
| Chinese | 0 | | |
| Filipino | 0 | | |
| African | 0 | | |
| Caribbean | 0 | | |
| Any other black background | 0 | 0 | 0 |
| Arab | 0 | 0 | 100 |
| Other ethnic group | 42 | 17 | 42 |
| Any other Asian background | 0 | 0 | 100 |

6.3 None of the ethnic groups who responded were in favour of this proposal.

6.4 Proposal 1 – reduce maximum CT liability to 80%

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|---|-----------------|-------------------|-----------------------------------|
| English/Welsh/Scottish/Northern Irish/British | 33 | 56 | 6 |
| Gypsy/Irish Traveller | | | |
| Show people/Circus | | | |
| Any other white background | 0 | 67 | 33 |
| White & Black Caribbean | | | |
| White & Black African | | | |
| White & Asian | 0 | 100 | 0 |
| Any other mixed background | | | |

| | | | |
|----------------------------|----|-----|---|
| Indian | 0 | 100 | 0 |
| Pakistani | | | |
| Nepali | | | |
| Bangladeshi | | | |
| Chinese | | | |
| Filipino | | | |
| African | | | |
| Caribbean | | | |
| Any other black background | | | |
| Arab | 0 | 100 | 0 |
| Other ethnic group | 58 | 33 | 8 |
| Any other Asian background | 0 | 100 | 0 |

6.5 Proposal 2 – assumed self-employed people earn minimum hourly rate

Again no ethnic groups were in favour of this proposal.

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|---|-----------------|-------------------|-----------------------------------|
| English/Welsh/Scottish/Northern Irish/British | 29 | 48 | 9 |
| Gypsy/Irish Traveller | | | |
| Show people/Circus | | | |
| Any other white background | | 67 | 33 |
| White & Black Caribbean | | | |
| White & Black African | | | |
| White & Asian | 0 | 0 | 100 |
| Any other mixed background | | | |
| Indian | 0 | 100 | 0 |
| Pakistani | | | |
| Nepali | | | |
| Bangladeshi | | | |
| Chinese | | | |
| Filipino | | | |
| African | | | |
| Caribbean | | | |
| Any other black background | | | |
| Arab | 0 | 100 | 0 |
| Other ethnic group | 50 | 17 | 8 |
| Any other Asian background | 50 | 17 | 8 |

6.6 Proposal 3 – increase income disregards for working age people

The majority of ethnic groups were in favour with this proposal.

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|---|-----------------|-------------------|-----------------------------------|
| English/Welsh/Scottish/Northern Irish/British | 42 | 30 | 17 |
| Gypsy/Irish Traveller | | | |
| Show people/Circus | | | |
| Any other white background | 0 | 67 | 0 |
| White & Black Caribbean | | | |

| | | | |
|----------------------------|-----|----|----|
| White & Black African | | | |
| White & Asian | 100 | 0 | 0 |
| Any other mixed background | | | |
| Indian | 50 | 0 | 50 |
| Pakistani | | | |
| Nepali | | | |
| Bangladeshi | | | |
| Chinese | | | |
| Filipino | | | |
| African | | | |
| Caribbean | | | |
| Any other black background | | | |
| Arab | 100 | 0 | 0 |
| Other ethnic group | 67 | 17 | 17 |
| Any other Asian background | | | |

6.7 Proposal 4 – include income from child maintenance payments

No ethnic groups thought this was fair more than unfair

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|---|-----------------|-------------------|-----------------------------------|
| English/Welsh/Scottish/Northern Irish/British | 42 | 49 | 4 |
| Gypsy/Irish Traveller | | | |
| Show people/Circus | | | |
| Any other white background | 0 | 100 | 0 |
| White & Black Caribbean | | | |
| White & Black African | | | |
| White & Asian | 0 | 100 | 0 |
| Any other mixed background | 0 | 0 | 0 |
| Indian | 0 | 50 | 50 |
| Pakistani | | | |
| Nepali | | | |
| Bangladeshi | | | |
| Chinese | | | |
| Filipino | | | |
| African | | | |
| Caribbean | | | |
| Any other black background | | | |
| Arab | 0 | 100 | 0 |
| Other ethnic group | 42 | 25 | 17 |
| Any other Asian background | 0 | 100 | 0 |

7. Religion / belief

7.1 In terms of religion and belief not all religious groups were represented but of all groups thought that the Council should balance the cost of the scheme against the cost of other services.

7.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services.

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-----------|-----------------|-------------------|-----------------------------------|
| None | 43 | 17 | 28 |
| Christian | 45 | 18 | 36 |
| Buddist | | | 100 |
| Jewish | 100 | | |
| Hindu | | | 100 |
| Muslim | | | |
| Sikh | | | |
| Other | 20 | 40 | 40 |

7.3 Proposal 1 – reduce maximum CT liability to 80%

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-----------|-----------------|-------------------|-----------------------------------|
| None | 39 | 44 | 10 |
| Christian | | 63 | |
| Buddist | | 100 | |
| Jewish | | 100 | |
| Hindu | | 100 | |
| Muslim | | | |
| Sikh | | | |
| Other | 20 | 80 | |

7.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-----------|-----------------|-------------------|-----------------------------------|
| None | 36 | 44 | 13 |
| Christian | 43 | 49 | 9 |
| Buddist | | | |
| Jewish | | 100 | |
| Hindu | | 100 | |
| Muslim | | | |
| Sikh | | | |
| Other | 20 | 60 | |

7.5 Proposal 3 – increase income disregards for working age people

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-----------|-----------------|-------------------|-----------------------------------|
| None | 42 | 29 | 18 |
| Christian | 49 | 23 | 17 |
| Buddist | | 100 | |
| Jewish | | 100 | |
| Hindu | | | 100 |
| Muslim | | | |
| Sikh | | | |
| Other | 40 | 40 | |

7.6 Proposal 4 – include income from child maintenance payments

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-----------|-----------------|-------------------|-----------------------------------|
| None | 47 | 49 | 6 |
| Christian | 43 | 46 | 3 |
| Buddist | | 100 | |
| Jewish | | 100 | |
| Hindu | | | 100 |
| Muslim | | | |
| Sikh | | | |
| Other | 20 | 60 | |

8. Sexual orientation

8.1 All sexual orientation groups thought it was fair to balance the cost of the scheme against the costs of other services.

8.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 43 | 26 | 31 |
| Gay man | 100 | 0 | 0 |
| Lesbian / gay woman | 100 | 0 | 0 |
| Bisexual | 100 | 0 | 0 |
| Prefer not to say | 25 | 13 | 63 |
| No answer | 36 | 45 | 18 |

8.3 Proposal 1 – reduce maximum CT liability to 80%

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 37 | 52 | 6 |
| Gay man | 0 | 50 | 0 |
| Lesbian / gay woman | | | |
| Bisexual | | | |
| Prefer not to say | | 88 | |
| No answer | 36 | 55 | 9 |

8.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 31 | 45 | 8 |
| Gay man | 50 | 50 | 0 |
| Lesbian / gay woman | | | |
| Bisexual | 0 | 100 | 0 |

| | | | |
|-------------------|----|----|----|
| Prefer not to say | 0 | 75 | 25 |
| No answer | 33 | 33 | 14 |

8.5 Proposal 3 – increase income disregards for working age people

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 40 | 30 | 18 |
| Gay man | 0 | 50 | 50 |
| Lesbian / gay woman | | | |
| Bisexual | 100 | 0 | 0 |
| Prefer not to say | 50 | 38 | 12 |
| No answer | 52 | 22 | 10 |

8.6 Proposal 4 – include income from child maintenance payments

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 45 | 45 | 6 |
| Gay man | 50 | 50 | 0 |
| Lesbian / gay woman | | | |
| Bisexual | 100 | 0 | 0 |
| Prefer not to say | 12 | 88 | 0 |
| No answer | 38 | 48 | 5 |

8.7 The Council should balance the amount spent on CT scheme compare with what it spends on other services

| | Thought it fair | Thought it unfair | Thought it neither fair or unfair |
|-------------------------|-----------------|-------------------|-----------------------------------|
| Heterosexual / straight | 43 | 26 | 31 |
| Gay man | 100 | | |
| Lesbian / gay woman | 100 | | |
| Bisexual | 100 | | |
| Prefer not to say | 25 | 13 | 63 |
| No answer | 36 | 45 | 18 |

9. Health Problem or disability

9.1 The Council should balance the amount spent on CT scheme compared with what it spends on other services

| | | |
|---|--------------------------|--|
| Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 17 | 69 | 6 |

| | | |
|--|--------------------------|--|
| Are your day-to day activities limited because of your health problem or disability? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 35 | 35 | 31 |

9.2 Proposal 1 – reduce maximum CT liability to 80%

| | | |
|---|--------------------------|--|
| Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 17 | 69 | 6 |

| | | |
|--|--------------------------|--|
| Are your day-to day activities limited because of your health problem or disability? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 13 | 77 | 0 |

9.3 Proposal 2 – assumed self-employed people earn minimum hourly rate

| | | |
|---|--------------------------|--|
| Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 17 | 48 | 11 |

| | | |
|--|--------------------------|--|
| Are your day-to day activities limited because of your health problem or disability? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 10 | 52 | 3 |

9.4 Proposal 3 – increase income disregards for working age people

| | | |
|---|--------------------------|--|
| Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 27 | 45 | 14 |

| | | |
|--|--------------------------|--|
| Are your day-to day activities limited because of your health problem or disability? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 26 | 45 | 13 |

9.5 Proposal 4 – include income from child maintenance payments

| | | |
|---|--------------------------|--|
| Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 37 | 51 | 3 |

| | | |
|--|--------------------------|--|
| Are your day-to day activities limited because of your health problem or disability? | | |
| Thought it fair | Thought it unfair | Thought it neither fair or unfair |
| 32 | 52 | 3 |

10. Conclusions

- 10.1 Overall although there was recognition of the need to balance the costs of the council tax reduction scheme against the cost of other services. The consultation responses found 42% agreeing a balance should be struck between cost of scheme and the funding the Council devotes to other services compared with 28% who did not agree.

Reducing maximum discount to 80% of Council Tax Liability

- 10.2 Nearly twice as many people thought this was unfair compared to those who thought the proposal was fair. However, given the support to balance the cost of the scheme this proposal is recommended as a way in reducing the overall cost of the scheme in a fair way across all customers. Customers who are out of work and will have limited means to pay the increased council tax reduction due maximum reduction to 80% and have a disability or long term limiting illness will receive additional benefits to reflect those needs thus they should not be adversely affected by this proposal.

Assume self-employed people earn minimum hourly rate

- 10.3 Just under a third of respondents supported this proposal. The proposal will only take place for self employed who have been trading for a year. Officers will ensure such customers are aware of the potential change to their council tax reduction so as to mitigate any adverse impact. For those who lose a reduction due to this proposal the hardship fund can provide limited financial support based on financial hardship. The following proposal will also mitigate the impact. Therefore, this proposal is recommended.

Increase income disregards

- 10.4 Overall 44% of respondents supported this proposal. It provides additional income for working households and incentivises work and therefore it is recommended.

Include income from child maintenance payments in income calculations

- 10.5 Overall 40% of respondents supported this proposal compared to 49% who did not. It is fair that all income is included when calculating council tax reduction and so this proposal is recommended. The hardship fund will mitigate any hardship that results from introducing this proposal.

- 10.6 There were a number of comments that respondents made on the proposals. These are included in the full report lodged in the member's group rooms.

Mitigation of proposals

- 10.7 The report proposes changing the hardship fund so that households who face financial hardship due to the proposals can make an application for short terms financial help to allow them to regularise their finances. This will be extended to those who no longer receive a council tax reduction but did receive a reduction in the previous twelve months.
- 10.8 The customers who are self employed will have notice of the implementation of assumed income and the impact on their council tax reduction.
- 10.9 All households will be encouraged to contact the welfare and housing service on receipt of their revised council tax discount if the proposals are agreed. The welfare

and housing service will provide advice on how households can maximise their income to address.

Monitoring Arrangements

- 10.10 The impact of the proposals will be monitored on a quarterly basis. Reports will be run to identify the households who have had their council tax discount reduced and this will be compared to the households who have approached the Council due to financial hardship by protected groups where possible. Targeted promotion of the hardship scheme will be undertaken where it is shown that protected groups are not taking advantage of the hardship scheme.
- 10.11 Take up of the hardship scheme will be monitored on a quarterly basis by protected groups where possible.
- 10.12 The monitoring will be reported as part of the annual review of the scheme.
- 10.13 Publication of Equality Impact Assessment.
- 10.14 The EIA will be published on the Council's website.

Simon Hendey
Chief Officer: Housing
Bracknell Forest Council
Time Square
Market Street
BRACKNELL
RG12 1RE

18 September 2015

Dear Simon

Consultation on Local Council Tax Reduction Scheme

Thank you for your letter of 22 July 2015, regarding the proposed changes to the Bracknell Forest Council Local Tax Reduction Scheme. We appreciate the opportunity to comment and understand the Council's aim to achieve cost reductions.

The increase in working income disregards by £5 is welcomed. It is a positive aspect of the proposals, as it will help improve income levels for working households.

We do however have concerns about the proposed reduction to the maximum discount of 91.5% to 80% of council tax liability. We have undertaken our own analysis based on customers we know to be in receipt of full housing benefit. This shows at least 875 customers, depending on the property band, will need to pay an extra £1.17 to £3.77 per week

The groups most affected will be single people, families who are subject to the current benefit cap and those in receipt of child maintenance. In our view, the impact of these proposals combined with the current and forthcoming welfare reforms, will cause financial hardship. Many households will find it difficult to budget for the additional council tax payment, as well as other essential costs including housing, food and fuel costs. The risk arising from these proposals is that more households will struggle with debt and this may lead to increased tenancy breakdowns and possible homelessness. We are already seeing more households dependent on food vouchers.

We are concerned about the proposal to take child maintenance into account when calculating household income and particularly in scenarios when the CSA is involved and where payments are not made or have been reduced. In our experience families rely on child maintenance to pay for food, fuel bills and school uniforms etc.

With regard to the proposal to assess self employed income at national hourly minimum rates, our view is that this will have a detrimental impact on seasonal workers such as gardeners, roofers and those involved in outdoor work, as their income is more directly affected by weather conditions. For this group, their average

income at the national hourly rate should assume for a six rather than a 12 month period and require more frequent self employed assessments.

In relation to the recovery of outstanding council tax, our understanding is that two reminders are sent to residents before a summons is issued and that once the summons is issued, the option to pay by instalments is unavailable and summons charges are also imposed. We would urge the Council to publish more information about the recovery procedures, including when the council tax is due for payment and how and where it can be paid. This might reduce the risk of summons and costs to already stretched households but also to the Council.

In conclusion, based on our own analysis of the changes to the local council tax reduction scheme, we see a clear detrimental impact on families and single people with low incomes; our preference would be for Bracknell Forest Council to retain the 91.5% maximum discount.

Please find attached some case illustrations and our analysis of the weekly impact of the proposals for 875 households, which I hope you will find useful.

Thank you for inviting our comments. I would appreciate further information on the outcome of the consultation. It would also be helpful if you could send further information about the council tax recovery process.

I look forward to hearing from you.

Yours sincerely

Surinder Bains
Head of Housing Operations

Encs .

| <u>Band</u> | <u>Family Size</u> | | <u>No of Claimants</u> | <u>Weekly amt diff</u> | <u>Total amt lost</u> |
|--------------------|---------------------------|------------------------|-------------------------------|-------------------------------|------------------------------|
| | <u>Adults</u> | <u>Children</u> | | | |
| A | 1 | 0 | 368 | £1.17 | £430.56 |
| B | 1 | 1 | 160 | £1.34 | £214.40 |
| B | 1 | 2 | 96 | £1.34 | £62.98 |
| C | 1 | 3 | 47 | £1.51 | £70.97 |
| C | 1 | 4 | 7 | £1.51 | £10.57 |
| C | 1 | 5 | 1 | £1.58 | £1.58 |
| B | 2 | 0 | 77 | £1.57 | £120.89 |
| C | 2 | 1 | 34 | £1.78 | £60.52 |
| C | 2 | 2 | 24 | £1.78 | £42.72 |
| D | 2 | 3 | 21 | £2.01 | £42.21 |
| E | 2 | 4 | 13 | £3.77 | £49.01 |
| E | 2 | 5 | 3 | £3.77 | £11.31 |
| C | 3 | 0 | 7 | £1.78 | £12.46 |
| D | 3 | 1 | 7 | £2.01 | £14.07 |
| D | 3 | 2 | 5 | £2.01 | £10.05 |
| E | 3 | 4 | 1 | £3.77 | £3.77 |
| D | 4 | 1 | 1 | £2.01 | £2.01 |
| E | 4 | 2 | 1 | £3.77 | £3.77 |
| E | 4 | 3 | 1 | £3.77 | £3.77 |
| E | 5 | 1 | 1 | £3.77 | £3.77 |
| | Total | | 875 | | £1,171.39 |

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**TO: EXECUTIVE
15 DECEMBER 2015**

Suitable Alternative Natural Green Spaces (“SANGs”) Capital Spending (External Funding)

Director of Environment, Culture and Communities

1. PURPOSE OF REPORT

- 1.1. To seek approval to increase annual spending limit for SANGs projects during 2015/16.
- 1.2. There is currently £150,000 previously approved for spending in this financial year. This report seeks approval to spend an additional £95,000 of developer contributions this financial year.

2. RECOMMENDATION

- 2.1 **That the Executive recommend to Full Council that they approve the spending of a further £95,000 of developer contribution on SANGs for this financial year.**

3. REASONS FOR RECOMMENDATION

- 3.1. The current approved allowance of £150,000 will not be sufficient to accommodate the number of SANGs improvement projects already committed and planned for this financial year.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Not increasing expenditure on SANGS provision and enhancement in this financial year would risk developments being stalled and delay to the occupation of those that have been completed. As developers pay commuted sums to the Council for enhancements, facilitation, and maintenance, the Council has a legal obligation to provide these facilities. Developers pay a commuted sum (s) on commencement of development works on the understanding that SANGs enhancements will have been carried out in time for residents to move in.

5. SUPPORTING INFORMATION

- 5.1 The current approved annual capital budget for SANGs expenditure is £150,000 (external funding).
- 5.2 Previous decisions were based on the following:-

The provision of alternative recreational land to attract new residents of residential development away from the Special Protection Area (“SPA”) is a key part of avoiding the effects of new development on the Thames Basin Heaths SPA (“TBH SPA”). Within Bracknell Forest there are two ways for developers to provide new SANGs:

- a. Make a payment contribution towards strategic SANGs (subject to available SANGs capacity)
- b. Make an in-kind bespoke provision (based upon defined principles)

With regard to strategic SANGs (ref. a) above the Thames Basin Heaths Supplementary Planning Document (“TBH SPD”) identifies that £1,128,000 is required to fund improvement works to identified sites managed by Bracknell Forest Council (based on 2010/11 cost estimates). The money for this is provided by pooling together developer contributions from different developments to facilitate and implement enhancements and make these sites available for SPA mitigation purposes. Should BFC fail to deliver SANGs, then the Council would no longer legally be able to release occupation restrictions on existing permissions or grant new planning permissions without falling foul of the respective statutory provisions.

- 5.3 There are a number of pressures on SANGs capacity that are increasing the requirement for new and enhanced SANGs to enable new residential developments to be occupied. The pressures include conversion of offices to residential use in the town centre, the commitments to Surrey Heath District Council at Shepherd Meadows, and an increase in developments of up to 108 dwellings that do not have to provide their own in-kind SANGs.
- 5.4 The proposed additional spending planned during the current financial year (2015/16) on SANGs enhancements is summarised in the table below:

Proposed SANGS spending 2015/16

| Site | Project | Cost |
|--------------------------|--|-------------------|
| Cut Countryside Corridor | Refurbish Anneforde Place bridge - panels | £10,000.00 |
| Cut Countryside Corridor | Refurbish Anneforde Place bridge – resurfacing | £7,400.00 |
| CCC | Repaint steel bridge (Ringway) | £5,800.00 |
| Englemere Pond | London Road pedestrian entrance works | £3,000.00 |
| Englemere Pond | Heathland scrapes, ponds and scrub works | £5,000.00 |
| Englemere Pond | Reed bed scrub works | £10,000.00 |
| Ambarrow Court | Path works | £18,900.00 |
| Ambarrow Court | Interpretation panel | £2,000.00 |
| Ambarrow Court | Supply and install cycle racks (Ringway) | £4,000.00 |
| Shepherd Meadows | Woodland boardwalk | £3,000.00 |
| Shepherd Meadows | Pond restoration project | £3,000.00 |
| Larks Hill | Height barrier foundation works (Ringway) | £500.00 |
| Longhill Park | Works to entrance (Ringway) | £2,800.00 |
| Horseshoe Lake | Car park improvements | £20,000.00 |
| Total | | £95,400.00 |

6. ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The report requests the Executive to recommend to full Council the approval of the increased spending of a further £95,000.00 of paid developer contributions on SANGs for the 2015/16 financial year in order to facilitate the provision, enhancement, facilitation and maintenance of the respective SANGs within the borough.
- 6.2 The TBH SPA was designated under Article 4 of the Birds Directive on 9 March 2005 and is therefore afforded special legal protection. Therefore, in order to avoid the

integrity of the TBH SPA being adversely effected any net increase in residential dwellings within 5km of the TBH SPA requires the provision of SANG mitigation.

- 6.3 As set out at paragraph 5.2 of the report SANG is either provided by way of financial contribution or the provision of SANG land in lieu of a financial contribution. This is secured by way of the S106 agreement which restricts the occupation of residential development of the SANG until the Council has issued written confirmation that it has spent and fully applied the sum required for the enhancement of the SANG as set out in the Planning Obligations Supplementary Planning Document Appendix 1 , Section 5 .
- 6.4 The failure to provide the SANG enhancements set out in the table at paragraph 5.4 of the report will therefore restrict the occupation of new development and potentially delay future developments within the current financial year, which could also impact upon the Council's 5 year housing land supply targets specified by national planning policy (National Planning Policy Framework).
- 6.5 In accordance with Section 3 (Functions of the Council) - Bracknell Forest Council Constitution (May 2015), the Council is responsible for approving or adopting the policy framework and the budget. Further, in accordance with Section 5 (Executive Terms of Reference) , paragraph 5.6 "*the authorisation of capital expenditure above estimate not exceeding £50,000*" is reserved to full Council. Therefore, the recommendation from the Executive to full Council to approve the increase in the annual spending limit for SANG projects for 2015/16 is within the decision making remit of the Executive.

Borough Treasurer

- 6.6 Developer contributions are received by the Council at the commencement of the relevant scheme to pay for the cost of improvements to the identified SANG sites, there are currently sufficient contributions available to fund the cost of the improvements identified in this report..

Equalities Impact Assessment

- 6.7 A full EIA for the Parks and Countryside service was published in 2013.

Strategic Risk Management Issues

- 6.8 It is imperative that these projects are implemented in a timely fashion to ensure that ongoing planning approvals can be delivered.

7. CONSULTATION

7.1. Principal Groups Consulted

The decision relates to the consultations contained within the Thames Basin Heath SPA Avoidance and Mitigation Supplementary Planning Document Consultation Statement.

7.2. Method of Consultation

The decision relates to the consultations contained within the Thames Basin Heath SPA Avoidance and Mitigation Supplementary Planning Document Consultation Statement.

7.3. Representations Received

The decision relates to the consultations contained within the Thames Basin Heath SPA Avoidance and Mitigation Supplementary Planning Document Consultation Statement.

Background Papers

Contact for further information

Stephen Chown, Environment, Head of Parks and Countryside, 01344 351226
stephen.chown@bracknell-forest.gov.uk

**TO: THE EXECUTIVE
15 DECEMBER 2015**

**CAPITAL PROGRAMME 2016/2017 - 2018/2019
(Borough Treasurer/Chief Executive)**

1 PURPOSE OF DECISION

- 1.1 Under the Council's constitution, the Executive is required to consult on its detailed budget proposals with the Council's Overview & Scrutiny Commission and any other interested parties or individuals for a period of at least six weeks. This report summarises the current position on the Council's Capital Programme budget preparations for 2016/17.
- 1.2 This report draws together each department's proposals so that the Executive can agree a draft capital programme for 2016/17-2018/19 as the basis for consultation. In compiling the draft programme the main focus is inevitably on determining the requirements for 2016/17, although future year's schemes do also form an important part of the programme.
- 1.3 The financial implications of the recommendations in this report are reflected in the subsequent report on the Council's draft revenue budget. Any revisions to the proposals put forward by each service would also need to be reflected in that report which will also be published as the basis for consultation following the Executive's meeting.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Approves, for consultation, an initial Council funded capital programme of £55.037m for 2016/17 as set out in paragraph 5.30 and summarised in Annex A, including the schemes listed in Annexes B – F.**
- 2.2 **Approves, for consultation, the inclusion of an additional budget of £1m for Invest-to-Save schemes in addition to the specific schemes identified in paragraph 5.24 subject to the detailed business case being reviewed and agreed by the Borough Treasurer.**
- 2.3 **Approves, for consultation, the inclusion of £2.092m of expenditure to be funded from S106 as outlined in paragraph 5.31.**
- 2.4 **Approves, for consultation, the inclusion of £17.498m of expenditure to be externally funded as outlined in paragraph 5.31.**
- 2.5 **Recommends to Full Council the approval of virements totalling £0.481m to the 2015/16 Children Young People and Learning Programme, as set out in Annex G, in order to meet the demands of the School Places Plan.**
- 2.6 **Recommends to Full Council the approval of £0.05m in 2015/16 from unallocated Basic Need Grant for Ascot Heath Schools as outlined in paragraph 5.35**

3 REASONS FOR RECOMMENDATIONS

3.1 The reasons for the recommendations are set out in the report.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 The alternative options are considered in the report.

5 SUPPORTING INFORMATION

Capital Resources

5.1 Each year the Council agrees a programme of capital schemes. In the past these schemes have been funded from three main sources:

- the Council's accumulated capital receipts
- Government Grants
- other external contributions

5.2 The Local Government Act 2003 brought in radical changes to the financing of capital expenditure and from that date, the Government no longer issued borrowing approvals. Instead, under a new "prudential framework", Councils can set their own borrowing limits based on the affordability of the debt.

5.3 As the Council's accumulated capital receipts have been fully utilised, the Council returned to a position of internal borrowing in 2010 and as such a revenue contribution is required each year to repay this internal borrowing. Once the Council's current level of investments is exhausted, which is expected to be within the next 18 months the Council will need to borrow externally.

5.4 The Council's estimated total usable capital receipts at 31st March 2015 are zero. As a debt free authority the Council is partly reliant on capital receipts to fund its capital programme, although interest generated from capital receipts can also help support the revenue budget in the short term. The Council still receives a share of any Right-To-Buy proceeds from Bracknell Forest Homes in addition to a share of capital receipts from the VAT Shelter scheme.

5.5 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of Government grants, other external contributions and borrowing in addition to £5m of capital receipts. With such a large programme there is a likelihood that the Council may need to borrow externally however this will depend largely on the progress made at Binfield Learning Village and at Coral Reef. Internal resources will be used in the first instance and borrowing from external sources (eg the PWLB or the Green Investment Bank) will be used when necessary. The financing costs associated with the General Fund Capital Programme have been provided for in the Council's revenue budget plans which also appear on tonight's agenda.

New Schemes

5.6 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2016/17 – 2018/19. Given that both capital and revenue resources are under pressure, each Department has evaluated and prioritised proposed schemes into broad categories in line with the Council's Asset Management Plan. Having done

this, only the very highest priority schemes and programmes are being recommended for inclusion in the Capital Programme.

Town Centre

- 5.7 Following the conclusion of the Development Agreement with Bracknell Regeneration Partnership (BRP) the Council set out its own planned investment on wider Town Centre infrastructure as part of the 2015/16 Capital Programme. These investment plans follow through into 2016/17 and beyond.
- 5.8 Similarly in order to facilitate transport movements around the Borough, including the planned Town Centre redevelopment, it is necessary to continue to fund a number of infrastructure schemes. As such a funding need of £2.0m has been identified in the 2016/17 proposals with further commitments required in future years to ensure that the regenerated town centre functions as a “whole centre” and not just as an isolated shopping outlet. As such spending levels of around £2m per annum are likely to be required until the new Northern Retail Quarter area is open and established for trading. This additional expenditure is aimed at maximising the positive experience of visiting the regenerated town centre.
- 5.9 All of these items have a much wider impact than the new development itself and will benefit the whole Borough. However the expenditure needs to be co-ordinated with the specific work that BRP are planning to carry out.

Binfield Learning Village

- 5.10 The Binfield Learning Village is a priority for the Council. The programme will deliver statutory places required in the Borough alongside meeting the need for new housing and the associated community facilities. The plans for the development continue to be progressed and the main construction works will shortly be tendered in the market and an update will be provided once these have been evaluated. The figures included in the Capital Programme are prior to the addition of inflation which will be calculated from the time of the original estimates to the date of the contract award. With the heightened level of demand for construction in the South East of England over the last 24 months this could add up to 15% to the final cost.

Coral Reef Transformation

- 5.11 The main roof structures at Coral Reef are complex and have required extensive monitoring and maintenance for the latter part of its life. The contracts for the main works are currently out to tender the evaluation will be reviewed by Executive in February 2016. The figures included in the Capital Programme are prior to the addition of inflation which will be calculated from the time of the original estimates in Q12014 up to the date of the contract award. With the heightened level of demand for construction in the South East of England over the last 24 months this could add up to 15% to the final budgeted cost and will be agreed in February 2016.

Old Magistrates' Court Property

- 5.12 Funding is requested to acquire the former magistrates' court at £650,000 for the freehold premises. The Council is seeking to acquire this site to join with its own holdings for a significant and comprehensive future phase to support the development and vitality of the new town centre. There will be limited provision for some claw-back if sold/developed within 3 years, but this is unlikely to happen. Funding for this request also includes legal costs (£15,000), stamp-duty (£35,000) and refurbishment costs (£75,000) needed if the property is to be used pending any future redevelopment.

Other Unavoidable & Committed schemes

- 5.13 This category covers schemes which must proceed to ensure that the Council is not left open to legal sanction and includes items relating to health and safety issues, new legislation etc. Committed schemes also include those that have been started as part of the 2015/16 Capital Programme. Also included within this category are those schemes that were previously funded from the General Fund Revenue Account, but which by their nature could be legitimately capitalised, thereby reducing pressure on the revenue budget. Schemes in this category form the first call on the available capital resources.
- 5.14 Within these categories, provision has been made to address the rolling programme of disabled access requirements to Council buildings (£0.035m). The works have been identified through independent access audits and have been prioritised to meet the needs of users of these buildings. Significant progress has been made in past years and a programme of works has been planned across a range of service areas.

Maintenance (Improvements and capitalised repairs)

- 5.15 An assessment has been made of the condition of the Council's property assets to arrive at an estimate of the outstanding maintenance works required. An assessment is made of the state of each building element and its repair priority with a condition rating and repair urgency.
- 5.16 The figures below are based on the information held in the Construction and Maintenance Groups' property management system. They have been adjusted to exclude those works that are already budgeted for within existing 2015/16 schools and corporate planned maintenance programmes.

The priorities can be broken down as follows:

Maintenance Backlog

| | | £ (000) | £ (000) |
|----------------------|------------------|---------------|---------------|
| Schools | Priority 1C & 1D | 4,799 | |
| | Priority 2C & 2D | 8,919 | |
| | Lower Priorities | 22,600 | 36,318 |
| Corporate Properties | Priority 1C & 1D | 1,677 | |
| | Priority 2C & 2D | 4,187 | |
| | Lower Priorities | 10,300 | 16,164 |
| Total | | <u>10,300</u> | <u>52,482</u> |

- 5.17 The overall maintenance liability has increased from £25.2m in 2015/16 to £52.5m. The last couple of years have seen large increases in building costs. As the Council is now running a five year programme of condition surveys, some of the older data was quickly becoming out-of-date and, as a consequence, adjustments have been applied to that data to bring it in line with current costs. Secondly, the nature of the condition surveys has evolved such that more emphasis is now given to predicting the need for works further in advance than was previously the case. This is partly because of the five year programme approach mentioned above and partly because the asset management package that we now use to manage this data lends itself to better recording. As such much of the value attributed to lower priority works is for things that are likely to be required over the next several years.

Schools

- 5.18 Historically the Schools Maintenance Programme has been funded from the Capital Maintenance grant allocation from the Department for Education (DfE). The allocation from the DfE for 2016/17 of £2.105m will be used to tackle the highest priority items identified in the condition surveys indicated above.

Non-schools

- 5.19 From an initial analysis of the work required it is clear that some works, whilst urgent, cannot be legitimately capitalised and must be met from a revenue budget. An allowance of £200,000 is available in the 2016/17 Revenue Budget proposals to meet these liabilities.
- 5.20 In line with the policy adopted last year the Asset Management Group has considered only those works that fall within categories 1C and 1D. Given the financial constraints on both the revenue and capital budgets an allocation of £1.670m is recommended to address the most pressing 1C & 1D priorities.
- 5.21 The implications of failing to maintain Council buildings and to address the backlog will be a significant issue for the Council over the coming years and efforts will be focussed on ensuring that the highest priority items are tackled first, that efficiencies are maximised in the procurement of works and that maintenance which will result in energy efficiencies are undertaken through the invest-to-save programme.

Rolling programmes

- 5.22 These programmes cover more than one year and give a degree of certainty for forward planning schemes to improve service delivery. They make an important contribution towards the Council's established Asset Management Plans.

Other Desirable Schemes

- 5.23 In addition to the schemes identified in the above categories, each service has requested funding for other high priority schemes that meet the needs and objectives of their service. The net cost of schemes which attract partial external funding are included in the schemes put forward.

Invest-To-Save Schemes

- 5.24 These are schemes where the additional revenue income or savings arising from their implementation exceeds the Council's borrowing costs. In the past the Council has allocated £1m per annum to fund potential Invest-to-Save (ITS) schemes that may present themselves during the year. However in addition to this, two significant schemes have come forward that are best considered within the overall programme as a whole. These are to invest £1m on a new Chapel at the Cemetery and Crematorium and to redevelop the Waymead Flats at a cost of £0.580m creating additional emergency accommodation for care leavers.

Additional Chapel

- 5.25 Over the past five years, business at the Cemetery and Crematorium has grown significantly at the expense of local competitors. This growth is believed to be largely due to the investment, attractiveness of the site and the attitude of the staff. All of the feedback received from funeral directors confirms that they are promoting Easthampstead Park Cemetery and Crematorium as their preferred facility. A second chapel could potentially double capacity and generate income to recover the capital investment and deliver future additional income. A feasibility report has been commissioned and an operationally acceptable solution has been devised and costed. The proposal includes for additional car parking with the minimal visual impact to the grounds. The estimated cost would be £1m.

- 5.26 It is believed that demand for the facility will increase both as a result of population growth and the diminishing burial plots as local churchyards reach capacity. In order to fund the investment, a net income stream of approximately £67,000 per annum will be required based on a 25 year life and current interest rates for a 25-year loan of 3.5%. Based on past performance and future demand it is believed this level of additional cremations can be easily met. Annual running costs of the Chapel are estimated to be in the region of £60,000 and include Business Rates (£16,000), Utilities (£10,000), Staffing (£24,000), Cleaning (£5,000) and miscellaneous expenditure (£5,000). To fund this level of net income an additional 15 cremations a month would need to be undertaken generating income of £127,000 per annum.
- 5.27 The existing Chapel is currently supporting up to 150 cremations a month and as such there is scope to increase the net income from the new facility in future years. Any additional income over and above that needed to payback the initial investment will be used to support the budget savings required by the Council over the medium-term and will be monitored as part of the Council's normal budget monitoring processes.
- Waymead Flats
- 5.28 Waymead Flats is currently void and a plan is proposed to refurbish the property in order to provide accommodation for a supported housing group (Care Leavers) which in turn will generate revenue savings for the Council. Through a combination of rental income and savings in the current budget for care leavers accommodation an Invest-to-Save bid can be successfully developed that will bring back into use Waymead Flats as a viable asset and improve the level of service provided by the Council. In addition, by working closely with a Registered Social Landlord who will take a long-lease of the newly refurbished Waymead Flats, this proposal offers the opportunity of developing an additional site for redevelopment.
- 5.29 These two schemes are proposed for inclusion within the Council's 2016/17 Capital Programme and a further £1m made available for opportunities that arise during the year.

Capital Programme 2016/17 – 2018/19

- 5.30 A summary of the cost of schemes proposed by Departments is set out in the table below and in Annex A. A detailed list of suggested schemes within the draft capital programme, together with a brief description of each project, for each service is included in Annexes B – F. Total Council funding amounts to £55.037m. However excluding the funding for Binfield Learning Village, Coral Reef Transformation, the Invest to Save Schemes, the Local Housing Company, the Magistrates' Court, the Town Centre Redevelopment and the LED Streetlight Replacement scheme (approved in 2015/16 as part of a two-year scheme) the total Council funding requested is £8.054m in 2016/17 and this is in line with previous programmes and the amount allowed for in the Revenue Budget proposals.

| Capital Programme 2016/17-2018/19 | | | | |
|--|--|-------------------------|-------------------------|-------------------------|
| Annex | Service Area | 2016/17 £000 | 2017/18 £000 | 2018/19 £000 |
| B | Adult Social Care, Health & Housing | 9,227 | 500 | 0 |
| C | Children, Young People & Learning | 36,465 | 19,759 | 8,850 |
| D | Corporate Services | 165 | 0 | 0 |
| E | Council Wide | 6,493 | 2,180 | 544 |
| F | Environment Culture & Communities | 20,185 | 8,956 | 6,509 |
| | Total Capital Programme | 72,535 | 31,395 | 15,903 |
| | Externally Funded | 17,498 | 14,096 | 11,014 |
| | Total request for Council funding | 55,037 | 17,299 | 4,889 |

Externally Funded Schemes

- 5.31 A number of external funding sources are also available to fund schemes within the capital programme. External support has been identified from two main sources:

Government Grants

A number of capital schemes attract specific grants. It is proposed that all such schemes should be included in the capital programme at the level of external funding that is available.

A significant element of the grant-funded capital programme relates to the planned investment in Schools. The schools investment programme included in this report reflects the highest priority schemes identified by the Department and the Education Capital Programme Board. Excluding Binfield Learning Village, the total identified investment for Schools is £10.030m.

A second key constituent of capital grant funding relates to the Highway Maintenance and Integrated Transport Block. Grant approvals of £2.28m are currently anticipated for 2016/17.

Section 106 (£2.092m)

Each year the Council enters into a number of agreements under Section 106 of the Town & Country Planning Act 1990 by which developers make a contribution towards the cost of providing facilities and infrastructure that may be required as a result of their development. Usually the monies are given for work in a particular area and/or for specific projects. The total money available at present, which is not financially committed to specific projects, is £3.8m, although conditions restricting its use will apply to almost all of this.

Officers have identified a number of schemes that could be funded from Section 106 funds in 2016/17, where funding becomes available. These are summarised below

| Department | Schemes | Budget |
|------------|------------------------|--------|
| | | £000 |
| ASCHH | Affordable Housing | 501 |
| CYPL | Various School Schemes | 601 |
| ECC | Leisure & Culture | 125 |
| ECC | Local Transport Plan | 865 |
| | Total | 2,092 |

The level of new funding available through Section 106 is expected to reduce in the future following the introduction of the Community Infrastructure Levy (CIL). However the more flexible CIL funding should offset this reduction.

On-going Revenue Costs

- 5.32 Schemes may have associated on-going revenue costs and tend to become payable in the year after implementation. As such these costs will be included within the Council's Commitment Budget for 2016/17. These total £36,000 and relate to the licence and maintenance contracts associated with the new IT hardware investment.

2015/16 CYPL (Schools) Capital Programme

- 5.33 The CYPL Education Capital Programme is monitored on a monthly basis to assess progress against individual schemes and to track issues that impact on the costs and progress of schemes in the programme; e.g. inflationary pressures, planning delays, changes to requirements. This process leads to recommendations being put to the Education Capital Programme Board (ECPB) to approve virements within the programme at its regular meetings, enabling the impact of such issues to be best managed.
- 5.34 At its meetings in June and September the ECPB approved a number of virements to the allocation of Basic Need Grant within the programme which exceeded £0.25m in value; thereby requiring the final approval of the full Council. The Borough Treasurer has delegated authority to give final approval for virements up to this amount. The net change to the programme as a result of these changes is nil. The detailed schemes for which final approval is required is set out in Annex G
- 5.35 To ensure that the council is able to provide sufficient school places, advance design for new schemes is sometimes required ahead of a final decision on the individual schemes themselves. One such scheme is that of the proposed rebuild and expansion of the Ascot Heath Schools and in order to incur spending against this project, approval is sought for the scheme to be added to the 2015-16 capital programme.
- 5.36 There is the potential to move both the infant and junior schools into a single, bespoke building offering the opportunity to increase capacity in each of the infant and junior schools to 3FE from 2FE. Each school would occupy its own self contained wing within the single building. The scheme would involve a land swap for use of the existing school site by the developer for a housing project. However this scheme is still in its early stages and is subject to further consultation and planning permission. It is expected this scheme will require initial funding of £0.05m which is proposed to be financed from unallocated Basic Need Grant. Approval is being sought as Financial Regulations require Council approval to add new schemes to the capital programme.

Funding Options

- 5.37 Following the transfer of the housing stock in 2008, the Council's capital receipts are limited to miscellaneous asset sales, the contribution from the VAT Shelter Scheme and Right-to-Buy claw back agreed as part of the transfer and the new Community Infrastructure Levy (CIL).
- 5.38 The Council introduced CIL in April 2015 and it is expected that this will begin to generate capital receipts in the latter half of 2015/16. It is difficult to estimate the potential amount of CIL that will be generated as this will depend on the delivery of additional housing development in the Borough, which is to a large extent outside of the control of the authority. However based on the most recent housing trajectory estimates and knowledge of development schemes that will come forward in the next 18 months, it is estimated that £2m is an appropriate assumption for 2016/17.
- 5.39 The Council will also be bringing forward the sale of land at Sandy Lane during 2016/17. The aim is to market the land with the benefit of outline planning permission which should maximise the potential receipt. However this will increase the time taken to dispose of the site and at this stage it is not certain that this can be achieved in 2016/17, as such it has been excluded from the projected value of receipts in 2016/17. It is also hoped that other small scale miscellaneous receipts will arise over the year.
- 5.40 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of £5m of capital receipts, Government grants, other external contributions and borrowing. The financing costs associated with the Capital Programme have been provided for in the Council's revenue budget plans. Should any additional capital receipts be generated in 2016/17 the interest earned on these will be used to mitigate the revenue cost of the capital programme.
- 5.41 Given the level of investment proposed in 2016/17, in particular Binfield Learning Village and Coral Reef, it is inevitable that the Council will be required to borrow externally over the short-to-medium term. The timing of this will depend on the level of surplus cash held by the Council which will be used in the first instance to fund the Capital Programme commitments.
- 5.42 The use of these monies is known as internal borrowing and the Capital Finance regulations require the Council, through the General Fund, to set aside an amount, the Minimum Revenue Provision (MRP), which would be broadly equivalent to the amount the Council would need to re-pay if it borrowed externally. Any external borrowing will also require MRP in addition to an interest charge depending on the maturity of the loan.
- 5.43 If any amendments are made to the capital programme, the revenue consequences will need to be adjusted accordingly. Executive Members will therefore need to consider the impact of the capital programme as part of the final revenue budget decisions.
- 5.44 Following the introduction of the Prudential Borrowing regime local authorities are able to determine the level of their own capital expenditure with regard only to affordability on the revenue account. In practice this represents the amount of borrowing they can afford to finance, and will necessitate taking a medium-term view of revenue income streams and capital investment needs.
- 5.45 To achieve its aim of ensuring that capital investment plans are affordable, prudent and sustainable, the Local Government Act requires all local authorities to set and

keep under review a series of prudential indicators included in the CIPFA Prudential Code for Capital Finance in Local Authorities. The Capital Programme recommended in this report can be sustained and is within the prudential guidelines. Full Council will need to agree the prudential indicators for 2016/17 to 2018/19 in February 2016, alongside its consideration of the specific budget proposals for 2016/17 and the Council's medium-term financial prospects.

- 5.46 Members will need to carefully balance the level of the Capital Programme in future years against other revenue budget pressures and a thorough review, including the prioritisation of those schemes planned for 2017/18 onwards, will need to be undertaken during next summer.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The authorisation for incurring capital expenditure by local authorities is contained in the legislation covering the service areas. Controls on capital expenditure are contained in the Local Government Act 2003 and regulations made thereunder.

Borough Treasurer

- 6.2 The financial implications are contained within the report.

Equalities Impact Assessment

- 6.3 The Council's final budget proposals will potentially impact on all areas of the community. A detailed consultation process is planned in order to provide individuals and groups with the opportunity to comment on the draft proposals. This will ensure that in making final recommendations, the Executive can be made aware of the views of a broad section of residents and service users. Where necessary, impact assessments on specific schemes within the capital programme will be undertaken before work commences.

Strategic Risk Management Issues

- 6.4 The most significant risk facing the Council is the impact of the capital programme on the revenue budget. The scale of the Council's Capital Programme for 2016/17 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts or borrowing from internal resources. This effect is compounded by future year's capital programmes. As revenue resources are limited it is clear that a capital programme of this magnitude is not sustainable in the medium term without significant revenue economies. The generation of capital receipts in future years may mitigate the impact on the revenue budget, but as the timing and scale of these receipts is uncertain their impact is unlikely to be significant.

- 6.5 There are also a range of risks that are common to all capital projects which include:
- Tender prices exceeding the budget
 - Planning issues and potential delays
 - Uncertainty of external funding
 - Building delays due to unavailability of materials or inclement weather
 - Availability of staff with appropriate skills to implement schemes

- 6.6 These can be managed through the use of appropriate professional officers and following best practice in project management techniques. The report also identifies the risk associated with the shortfall in maintenance expenditure compared to that identified by the latest condition surveys. With only those highest priorities receiving funding in 2016/17, there will be a further build up in the maintenance backlog and a

risk that the deterioration in Council assets will hamper the ability to deliver good services.

7 CONSULTATION

7.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. Targeted consultation exercises will be undertaken with business rate payers, the Schools Forum, town and parish councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.

7.2 The timetable for the approval of the 2016/17 Budget is as follows

| | |
|---|------------------------------------|
| Executive agree proposals as basis for consultation | 15 December 2015 |
| Consultation period | 16 December 2015 - 31 January 2016 |
| Executive considers representations made and recommends budget. | 9 February 2016 |
| Council considers Executive budget proposals | 24 February 2016 |

Background Papers

None

Contact for further information

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ECPB Approved Basic Need Grant Virements Seeking Final Approval

| | Approver | |
|--|---|---|
| | Borough Treasurer up to £0.25m £m | Full Council over £0.25m £m |
| Approved at ECPB meeting 22 June 2015 | | |
| Fox Hill Primary Net under £250k | 0.472 | -0.472 |
| Approved at ECPB meeting 30 September 2015 | | |
| Cranbourne Primary | | -0.372 |
| Great Hollands Surge & Expansion Phases 1a, 2, 3 | | 0.418 |
| Owlsmoor Suitability (modernisation) | | 0.300 |
| Easthampstead Park Refurbishment | | -0.254 |
| Edgbarrow School Expansion | | -0.380 |
| Edgbarrow Phase 1 - Sports Centre Net under £250k | 0.009 | 0.280 |
| Totals | 0.481 | -0.481 |
| Net Change to CYPL Capital Programme | | 0.000 |

Note: Figures are rounded.

**TO: THE EXECUTIVE
15 DECEMBER 2015**

**GENERAL FUND REVENUE BUDGET 2016/17
Chief Executive/Borough Treasurer**

1. PURPOSE OF REPORT

- 1.1 Under the Council's constitution, the Executive is required to consult on its detailed budget proposals with the Council's Overview & Scrutiny Commission and any other interested parties or individuals for a period of at least six weeks. This report summarises the current position on the Council's budget preparations for 2016/17.
- 1.2 At the time the Executive agenda was published the Provisional Local Government Financial Settlement had not been announced and is not expected until late December 2015. Therefore, in the absence of the Provisional Settlement, the report is based on a number of assumptions regarding government funding.
- 1.3 All comments received on these budget proposals will be submitted to the Executive on 9 February along with details of the final Financial Settlement. This will allow the Executive to determine its final budget package and recommend the appropriate Council Tax level to Council, who will formally approve the 2016/17 budget and Council Tax on 24 February 2016.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Agree the draft budget proposals for 2016/17 as the basis for consultation with the Overview & Scrutiny Commission and other interested parties or individuals.**
- 2.2 **Agree the Treasury Management Strategy and associated documents at Annexe E and request that the Governance and Audit Committee review each of the key elements.**
- 2.3 **Agree that the 2016/17 Schools Budget be set at the eventual level of grant income plus any accumulated balances, with the Executive Member for Children, Young People and Learning authorised to make amendments and agree budgets for schools and services centrally managed by the Council.**
- 2.4 **Approve the virements relating to the 2015/16 budget as set out in Annexes F and G and recommend those that are over £0.100m for approval by Council.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The recommendations are designed to allow the Executive to consult on its draft budget proposals for 2016/17 as required by the Local Government Act 2003.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The range of options being considered is included in the report and its Annexes.

SUPPORTING INFORMATION

5 INTRODUCTION

- 5.1 Following the national elections in May 2015, the overriding message from Government has been extremely clear. The priority is to eliminate the deficit and reduce the national debt. This is to be achieved through a continuation of austerity measures, with the focus principally on reducing public expenditure. The Chancellor of the Exchequer announced the plans in his Spending Review on the 25th November 2015. The Spending Review determines how the Government will spend public money over the course of this Parliament by setting budgets for each central department. The level of detail provided will not enable individual councils to identify their exact funding for 2016/17 but this will become clear once the Provisional Local Government Finance Settlement (LGFS) is published in late December.
- 5.2 Core central government funding to local government, comprising Business Rates and Revenue Support Grant, will fall by 24% in real terms over the period to 2019/20, however this masks a larger reduction of £6.1bn or 53% in cash funding between 2015/16 (£11.5bn) and 2019/20 (£5.4bn). In recognition of the funding pressures faced by local government however, the Chancellor announced a further £1.5bn to be added to the Better Care Fund over the period alongside the introduction of a “Social Care Precept” enabling authorities to levy an additional 2% increase in Council Tax over and above the threshold (above which a referendum is required) that is set each year. Further announcements included a 3.9% cut in the ring-fenced Public Health Grant, a £600m cut in the Education Services Grant and a reform of the New Homes Bonus.
- 5.3 The implications of the above for Bracknell Forest will become apparent when the Department for Communities and Local Government publishes the Provisional LGFS in December, however the assumptions included in this report remain valid based on the information that is currently available following the Chancellor’s announcements.
- 5.4 In response to this challenging financial climate a new Council Plan covering the period 2015 to 2019 has been adopted. Underpinning the Plan is a new narrative or philosophy for the organisation which contains the following key messages:
- many residents are affluent, well educated and independent. The Council wants to continue to support that by providing core services that all residents can benefit from
 - but we recognise that we need to prioritise if we are to live within our means, and that will mean making difficult decisions
 - we will prioritise people and areas with the greatest need and provide early help and prevention so struggling or vulnerable people can maximise their opportunities to become independent.
- 5.4 Future Council budgets will reflect both the national context within which local government operates and specifically the Council’s new narrative. 2016/17 is the first of those budgets.

6 COMMITMENT BUDGET 2016/17 – 2020/21

- 6.1 Initial preparations for the 2016/17 budget have focussed on the Council’s Commitment Budget for 2016/17 – 2020/21. This brings together the Council’s existing expenditure plans, taking account of approved commitments and the

Unrestricted

ongoing effects of service developments and efficiencies that were agreed when the 2015/16 budget was set.

6.2 A number of changes are proposed to the Commitment Budget since it was last considered by the Executive in September and are reflected in the summary in Table 1. The most significant are set out below:

- The inclusion of recruitment and retention proposals for Children's' Social Care approved by the Executive on the 21 July (£1.118m).
- The projection for the Minimum Revenue Provision now incorporates the latest forecast for capital spend and receipts (£0.064m).
- The departmental saving resulting from the Street Lighting Invest to Save Scheme has been included, following the supplementary capital estimate being approved by Council on 25 November (-£0.175m).
- Reductions in Bed and Breakfast accommodation costs and Home to School Transport costs resulting from the purchase of Tenterden Lodge have been added (-£0.182m).
- Updated Waste Disposal projections based on the latest tonnages and recycling data (£0.179m).
- Interest on external borrowing required to finance the construction of Binfield Learning Village (£0.075m).

The overall impact of these changes is to increase the Council's Commitment Budget by £1.032m compared to the position reported in September.

6.3 Taking account of these changes, Table 1 summarises the position and shows that base expenditure (excluding schools) is planned to increase by £1.556m to £80.735m next year, before consideration is given to allowances for inflation and the budget proposals identified by individual Departments in 2016/17. The commitment budget is shown in more detail in Annexe A.

Table 1: Summary Commitment Budget 2016/17-2020/21

| | Planned Expenditure | | | | |
|---|----------------------------|----------------|----------------|----------------|----------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| | £000 | £000 | £000 | £000 | £000 |
| Base Budget | 79,179 | 80,735 | 81,946 | 82,978 | 83,883 |
| <i>Movements in Year:</i> | | | | | |
| Adult Social Care, Health and Housing | -152 | 0 | 0 | 0 | 0 |
| Children, Young People and Learning (excluding schools) | 1,088 | 36 | 10 | -10 | -10 |
| Corporate Services / Chief Executive's Office | -159 | -44 | 29 | 51 | 29 |
| Environment, Culture & Communities | 42 | -376 | 184 | 152 | 226 |
| Non Departmental / Council Wide | 737 | 1,595 | 809 | 712 | 400 |
| <i>Total Movements</i> | 1,556 | 1,211 | 1,032 | 905 | 645 |
| Adjusted Base | 80,735 | 81,946 | 82,978 | 83,883 | 84,528 |

7 SPENDING REVIEW 2015 AND PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2016/17

- 7.1 Following the General Election in May 2015, the Government announced a Spending Review to be concluded and published on 25 November 2015. The Spending Review was duly delivered by the Chancellor of the Exchequer and provided a high-level overview of the Government's spending totals over the next 4 years to 2019/20. Although there has been some improvement in public finances, the headline news was that Local Government will see a more than 50% reduction in central government support over the next 4 years. This, in part, relates to the forthcoming review of Business Rates where the Government plans to remove all central government support through the Revenue Support Grant (RSG) by 2019/20. This reduction in Government support will undoubtedly place substantial financial pressure on all councils with total local government spending expected to remain at 2015/16 levels by 2019/20.
- 7.2 On a more positive note, the Government also announced it will allow councils with social care responsibilities to increase Council Tax income by 2%, in the form of a "social care precept", with the criteria that it is spent fully on relieving Adult Social Care pressures. This is understood to be in addition to the 2% threshold that currently exists before a referendum must be called for a Council Tax rise. Further details will be announced in December. In addition, a further £1.5bn of funding will be earmarked and ring-fenced for the Better Care Fund by 2019/20, although it is not yet clear where this funding has been found from.
- 7.3 The Government will also protect the schools budget in real terms, enabling a per pupil protection for the Dedicated Schools Grant and the pupil premium. However, this will involve making around £600 million savings from the Education Services Grant (ESG) and supporting schools to realise efficiencies, including phasing out the additional funding schools receive through the ESG. The government will reduce the local authority role in running schools and remove a number of statutory duties.
- 7.4 Consultations on the following areas were also announced as part of the Spending Review:
- Changes to the local government finance system to pave the way for the implementation of 100% Business Rates retention and to rebalance support to those councils with Social Care responsibilities;
 - Options to fully fund Public Health from retained Business Rates receipts as part of the move towards 100% Business Rates retention;
 - A national funding formula for schools, high needs and early year, which will be introduced in 2017/18.
- 7.5 Other announcements which are likely to impact on the Council included the following.
- Extension of the doubling of small Business Rates relief until April 2017.
 - Councils will have the flexibility to spend capital receipts (excluding Right to Buy receipts) from asset sales on the revenue costs of reform projects.
 - An apprentice levy will be introduced in April 2017 at the rate of 0.5% of an employer's pay bill.
 - Additional capital funds for infrastructure and schools.

7.6 As with past Spending Reviews, the information is provided at a Government Department level and is of limited value in terms of identifying the impact on Bracknell Forest as an individual council. Some of this detail will be provided as part of the provisional LGFS which is expected to be announced in mid to late December. Even then, however, uncertainties will exist due to the consultations referred to in paragraph 7.4

7.7 Funding from central government is currently received through RSG and Specific Grants. For planning purposes an estimate of the reduction in central government support has been incorporated within these Budget Projections reflecting a further cut of £3.0m in RSG for 2016/17. For the remaining period of the Commitment Budget, a reduction of 6% per annum in overall government support has been assumed. This would amount to an overall reduction over the next five years of a real terms cut of 30%. These figures will be refined when the provisional LGFS is received. As details are still awaited on the phasing out of RSG by 2020 (as the retention of Business Rates is increased), this has not been incorporated into the budget proposals. Further information on the potential impact is included in paragraph 7.10.

7.8 The Council also receives substantial external funding through a number of specific grants for which the following assumptions have been included within the latest budget projections.

a) New Homes Bonus

This non-ringfenced grant is designed to reward and encourage development of new properties in local communities and will generate -£3.290m for the Council in 2015/16. An increase of £0.600m has been incorporated at this stage of the budget process, bringing the total level of budget support to -£3.890m. The funding mechanism was initially designed to deliver a rolling 6-year's worth of funding and with the scheme starting in 2011/12, that years funding will fall out in 2017/18. The Government will be consulting on reforms to the New Homes Bonus, including the means of sharpening the incentive to reward communities for additional homes and reducing the length of payments from 6 years to 4 years. This will include a preferred option for savings of at least £800 million, which will be used to fund social care. This would result in income tapering off at a faster rate than currently forecast.

b) Other Specific Grants

Some of the largest specific grants received by the Council are the ring-fenced Public Health, NHS funding streams and Better Care Fund, totalling over -£111m in 2015/16. The Government has confirmed that the ring-fence on Public Health spending will be maintained in 2016/17 and 2017/18 and that a 3.9% cut in funding will be required. The Government will also consult on options to fully fund Public Health spending from retained Business Rates receipts, as part of the move towards 100% Business Rates retention. The Spending Review also refers to additional social care funds being made available to local government from 2017/18, rising to £1.5 billion by 2019/20 and to be included as part of an improved Better Care Fund.

It has been assumed that these funding streams will be used to support services and initiatives within the health and social care area and as such are financially neutral for planning purposes at this stage in the budget cycle.

- 7.9 A third important stream of income for the Council is Business Rates, a proportion of which is retained locally following the introduction of the Business Rates Retention reforms in April 2013. The level of Business Rates change each year due to inflationary increases (set by central government) and local growth or decline as local businesses and economic conditions expand or contract. The Government sets a baseline level of funding against which any growth or reduction is shared between local and central government.
- 7.10 The Government has announced that by 2020, local government will be able to retain 100% of Business Rates, RSG will be phased out and local government will be expected to take on new responsibilities. The government will abolish the Uniform Business Rate and give councils the power to cut Business Rates to boost economic activity in their areas. The Department for Communities and Local Government will consult on changes to the local government finance system to pave the way for the implementation of the 100% Business Rates retention. Currently the Council collects significantly more Business Rates than it is allowed to keep (although presumably a baseline will need to be established under the new arrangements) and only receives approximately a quarter of any Business Rates growth. However, until the finer details of the scheme are announced, any potential benefits need to be viewed with caution bearing in mind the need to take on new responsibilities, the overall deficit reduction programme and the increased exposure to volatility from appeals and business movements that will arise as a consequence.
- 7.11 During 2013/14 a large multi-national company transferred on to the Council's valuation list which materially increased the level of Business Rates collected locally. The 2015/16 base-budget was supported by an on-going transfer of £3m from this additional income on top of a one-off transfer of £3.988m from accumulated surpluses held in the Business Rates Equalisation Reserve. This company has successfully appealed against the rateable value of its business and details are awaited on the impact of the appeal from the Valuation Office. The timing of this information is uncertain but for the budget projections it has been assumed that a 50% reduction in rateable value will result from the appeal. A significant deficit is now projected on the Business Rates element of the Collection Fund as a result and ongoing income will also be reduced if this level of reduction is confirmed. Assuming baseline funding is increased by September RPI and taking into account known changes in section 31 income and local circumstances, the budget projections assume overall income of -£17.986m. This projection is subject to change and will be revised when the provisional LGFS is received, the annual Business Rates forecast is completed in January and any appeal notifications are received. There is a risk associated with these projections due to the impact of the outstanding appeals, the Town Centre regeneration and changes in the local economic conditions; however officers monitor total yield, revaluations, changes-in-circumstances, appeals and refunds on a monthly basis.

8 COLLECTION FUND

- 8.1 Following the acceptance of Council Tax Freeze Grant and the resultant zero increase for the last five years, Council Tax at present levels will generate total income of -£46.706m in 2016/17. The Local Council Tax Benefit Support Scheme is treated as a discount i.e. a reduction in the calculation of the Council Tax Base. The latest information on the take-up of Council Tax support indicates that it will be significantly less than that budgeted for in 2015/16. Based on the latest forecast, Council Tax income will increase by £0.345m as a result in 2016/17. If the proposed changes to the Scheme, which are included elsewhere on the agenda, are approved this will increase Council Tax income by a further £0.302m. An increase in the Tax

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Base arising from the occupation of new properties during 2016/17 is expected to contribute an additional £0.655m. Based on these provisional figures, Council Tax income is therefore expected to be -£48.008m for 2016/17. These figures will be updated when the Council Tax Base is finalised during December.

- 8.2 The Spending Review made no reference to Council Tax Freeze Grant and it has been assumed that the existing funding received by the Council up to 2015/16 will be maintained, but that there will be no new support going forward.
- 8.3 The Government limits Council Tax increases by requiring councils to hold a local referendum for any increases in excess of a threshold percentage which is normally included in the final Local Government Financial Settlement. No guidance is therefore currently available for 2016/17 but in 2015/16 a referendum was required for Council Tax increases of 2% or more. A 2% increase in Council Tax would generate approximately -£1m of additional income. As a council with Social Care responsibilities, it will now also be possible for Council Tax to be raised by a further 2% to support Social Care pressures.
- 8.4 A surplus will be generated on the Council Tax element of the Collection Fund in the current year, primarily due to a lower than expected take up of the Local Council Tax Benefit Support Scheme. The Council's share of this surplus, which can be used to support the 2016/17 budget, is estimated to be -£0.425m.
- 8.5 A deficit is expected to be generated on the Business Rates element of the Collection Fund and the Council's share is estimated to be £10.516m. This deficit will be funded from a one-off transfer out of the Business Rate Equalisation Reserve.
- 8.6 The Executive at its meeting in February will recommend to Council the level of Council Tax in light of the Final Settlement, the results of the consultation and the final budget proposals.

9 BUDGET PROPOSALS 2016/17

Service Pressures and Developments

- 9.1 In the face of significant reductions in public expenditure in general and in grants to Local Government in particular the scope to invest in new service provision is self evidently severely restricted. Nevertheless, it is important to retain a clear focus to ensure that the Council continues to deliver the Council's six strategic themes. In preparing the 2016/17 draft budget proposals each department has evaluated the potential pressures on its services and these are set out in Annexe B. Table 2 summarises the pressures by department.

Table 2: Service Pressures/Development

| Department | £'000 |
|---|--------------|
| Adult Social Care, Health and Housing | 708 |
| Children, Young People and Learning (excluding schools) | 246 |
| Corporate Services / Chief Executive's Office | 291 |
| Environment, Culture & Communities | 263 |
| Non Departmental / Council Wide | 841 |
| Total Pressures/Developments | 2,349 |

- 9.2 Many of the pressures are simply unavoidable as they relate to demographic trends, changes in funding and new legislation. They do, however, also support the six strategic themes included in the new Council Plan in the following way:
- A strong and resilient economy (0151.m)
 - people have the life skills and education opportunities they need to thrive (£0.100m);
 - people live active and healthy lifestyles (£0.614m);
 - a clean, green, growing and sustainable place (0.099m);
 - strong, safe, supportive and self-reliant communities (£0.260m);
- 9.3 Service pressures will be kept under review throughout the budget consultation period. There is always the risk in Social Care in particular, that the numbers of people requiring care packages, the content of existing care packages and contract inflation will vary considerably from the assumptions included in these draft budget proposals. Any revisions to service pressures will be reported to the Executive in February.
- 9.4 In addition to these revenue proposals the Council continues to invest in its priorities through targeted capital expenditure. A substantial investment in the long term future of the Borough is planned, to secure the delivery of regeneration in Bracknell town centre, to ensure that there are sufficient school places for our children and young people, and to protect and enhance the Borough's outstanding leisure offer. Details of these major investments are contained in the capital programme report, but the cost of funding all potential commitments arising from these various proposals is included in these draft budget proposals.

Service Economies /Balancing the Budget

- 9.5 Members and officers have held regular meetings to determine options for savings and a list of potential draft budget savings has been developed. This list totals -£3.687m and is attached at Annexe C and summarised in Table 3. As in previous years, these economies focus as far as possible on central and departmental support rather than on front-line services. However, since it became a Unitary Authority the Council has successfully delivered savings of around £65m in total. Against this background of continually bearing down on costs and driving to improve efficiency it is becoming increasingly difficult to find further savings in these areas, which would not compromise the Council's ability to function effectively. Additional economies identified by Adult Social Care, Health and Housing that result from changes to the Local Council Tax Benefit Support Scheme have now been incorporated into the Council Tax calculation as outlined in paragraph 8.1.

Table 3: Summary Service Economies

| Department | £'000 |
|---|---------------|
| Adult Social Care, Health and Housing | -710 |
| Children, Young People and Learning (excluding schools) | -714 |
| Corporate Services / Chief Executive's Office | -756 |
| Environment, Culture & Communities | -1,161 |
| Non Departmental / Council Wide | -346 |
| Total Savings | -3,687 |

Significant Budget Decisions

- 9.6 Consideration and approval of the budget is a major policy decision. However, the budget, by its nature, includes a range of proposals, some of which in themselves represent important policy decisions. More details on each of the proposals are included in Annexe C.
- 9.7 As the budget report is a policy document and is subject to at least six weeks consultation, the identification of these issues within the budget report facilitates detailed consultation on a range of significant policy decisions.

Council Wide Issues

- 9.8 Apart from the specific departmental budget proposals contained in Annexes B and C there are some Council wide issues affecting all departments' budgets which need to be considered. The precise impact of these corporate budgets is likely to change before the final budget proposals are recommended, however the current view on these issues is outlined in the following paragraphs.

a) Capital Programme

As outlined above, the scale of the Council's Capital Programme for 2016/17 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts, government grants, developer contributions or borrowing. The proposed Council Funded Capital Programme of £51.387m and externally funded programme of £17.498m for 2016/17 features in a separate report on tonight's agenda. After allowing for projected receipts of approximately £5m in 2016/17 and carry forwards, the additional revenue costs will be £0.041m in 2016/17 and £0.971m in 2017/18. These figures include on-going costs associated with the maintenance and support of IT capital purchases.

b) Interest and Investments

Investment returns are likely to remain relatively low during 2016/17 and for some time to come compared to historic averages rates. The Bank of England in its latest Inflation Report (November 2015) forecast the Bank Rate to remain unchanged at 0.5% during the next nine months before starting to rise in the last months of 2016. With inflation low and predicted to stay low for the next 12 months, the decision to raise rates by the Bank of England will be a difficult one with risks coming from concerns on declining global trade and geo-political tensions. Given the Council's approach to managing risk and keeping investments limited to a maximum of 6 months maturity with the exception of the part-nationalised UK Banks, the opportunity to achieve rates in excess of the Bank Rate is limited.

The 2016/17 budget is therefore based on an average rate of return of approximately 0.5% on its investments and reflects the lower cash balances as a result of the proposed 2016/17 Capital Programme. This programme is substantially larger than any previous plans and includes some major long-term projects (Binfield Learning Village, Local Housing Company, Street Lighting Replacement) that will span a number of years and which are reliant on a range of complex factors including agreements with partners, planning

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approvals and other issues outside of the control of the Council. The timing of the cash-flows related to these schemes will to a large extent be dependent on these factors. Given that taken together these major schemes cannot be funded completely from existing resources and will require external borrowing to complete, the projection of investment income is particularly difficult this year.

Maximum use of internal cash will be used in the first instance before going to the external market for borrowing, the timing of which will depend largely on the progress made on completing the major capital projects. However over the last two years underlying cash balances have been higher than predicted, enabling the Council to earn a greater income than budgeted (this has been reported as part of the budget monitoring process). It has also enabled the Council to maximise the opportunity of paying pension contributions 12 months up-front (rather than monthly in arrears) benefitting from a much higher return than could be achieved in the cash markets.

Taking these factors into account (the higher cash balances, the low interest rates and the benefit from pension pre-payments) the net impact of the capital programme, excluding the Binfield Learning Village, is an economy of -£0.034m - a gain of -£0.075m from the higher than expected cash balances less the £0.041m pressure from the Capital Programme.

There is an expectation that the cash flows required to complete the Binfield Learning Village will require external finance and this has been allowed for in the Commitment Budget (£0.075m).

There is a risk, however, that the Council's cash-flow will differ from past years as a result of the reforms to Business Rates Retention which has a dramatic impact on the cash-profile of the Council. With a number of outstanding large scale appeals and the shortly to be announced reforms to Business Rates this area represents a further layer of uncertainty.

As such any change in interest rates or cash balances will clearly have an impact on the overall investment income generated by the Council and may require the Council to borrow externally sooner than expected. It is difficult to estimate the impact given this transition between internal and external borrowing. Long-term interest rates are at historical lows with 25-year Public Works Loan Board rates at 3.5% compared to an internal investment return of 0.5%.

The Council reviews the annual Treasury Management Strategy Statement under the requirement of the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Local Government Act 2003 required the Council to "have regard to the Prudential Code and to set Prudential Indicators for the next three years to ensure that the capital investment plans are affordable, prudent and sustainable". Annex E outlines the Council's prudential indicators for 2016/17 – 2018/19 and sets out the expected treasury management activities for this period. It is recommended that the Executive agree the Treasury Management Strategy and associated documents and in line with the Code of Practice request that the Governance and Audit Committee review each of the key elements.

c) Provision for Inflation and Pay Awards

The Commitment Budget excludes the cost of inflation on both expenditure and income. In past years, the Council has restricted the provision for inflation on prices as a general economy measure, to help address the underlying budget gap, although pay awards have been fully funded. In the context of the Council's overall financial position, it is again prudent to consider where the provision for inflation on prices can be limited as an economy measure, although some exceptions will be necessary to reflect actual increases that will not be containable without real service reductions or to meet contractual commitments. In particular it will be important to have realistic discussions with key providers about what level of inflation is genuinely necessary on some contracts and placements.

At this stage the inflation provision is not finalised, although for planning purposes a sum of £0.800m (£1.511m 2015/16) has been added to the budget. This will be achieved by:

- Assuming a pay award of no more than 1%;
- Negotiating to minimise inflation on contracts;
- Reviewing the Bracknell Forest Supplement;
- Increasing fees and charges in line with the Council's income policy.

The Council will need to consider where it is appropriate and necessary to provide for inflation over the coming weeks so that the actual inflation provision can be added to the final budget report in February 2016.

d) Fees and Charges

Increases in fees and charges are determined by the overall economic conditions, the willingness of customers to pay the higher charges and continued demand for Council services. The Council policy for fees and charges requires each Department to consider the level of charges against the following criteria:

- fees and charges should aim, as a minimum, to cover the costs of delivering the service;
- where a service operates in free market conditions, fees and charges should at least be set at the market rate;
- fees and charges should not be levied where this is an ineffective use of resources, i.e. the cost of collection exceeds any income generated.

Certain other fees will attract the percentage determined by statute. The proposed fees and charges are included in Annexe D. These exclude the Fees and Charges for Coral Reef which will need to be reviewed before it is re-opened.

e) Corporate Contingency

The Council manages risks and uncertainties in the budget through the use of a general contingency added to the Council's budget. Every year the Council faces risks on its budget in relation to demand led services, Business Rates and the general economic climate.

A range of significant risks were identified in preparing the 2015/16 Budget and it was deemed prudent to increase the Contingency from £1m to £2m. Whilst the Council continues to face uncertain times, given the level of reserves held by the Council and progress made on some of these factors at this stage, it is proposed to reduce the level back to £1m for 2016/17.

The Executive will need to make a judgement on the appropriate level of contingency at its February meeting, taking advice from the Borough Treasurer who will need to certify the robustness of the overall budget proposals in the context of the Council's remaining general and earmarked reserves. All the reserves will be reviewed to ensure that they are sufficient to manage the financial risks facing the Council in the coming years.

Spending on Schools

- 9.9 The Schools Budget continues to be funded by grants, the most significant of which is the specific ring-fenced Dedicated Schools Grant (DSG). This comprises three notional blocks; schools, which includes delegated school budgets and a small number of centrally managed services aimed at 5 – 16 year olds; early years, which again includes funds to pay providers and a limited range of central support services for 2 – 4 year olds; and the high needs block, which is generally centrally managed and is intended to fund the cost of education for 0 – 25 year olds when individual needs exceed £10,000. The gross DSG totalled -£83.081m in 2015/16.
- 9.10 The allocations are not ring-fenced to each block, so more or less can be planned to be spent within each element, but a ring-fence continues on the DSG as a whole so that it can only be spent on the functions defined within the School and Early Years Finance Regulations.
- 9.11 In setting the 2015/16 Schools Budget, the Schools Forum agreed that £2.093m of funding allocated by the Department for Education (DfE) for schools needed to be diverted to fund an unavoidable cost increase on statutory provisions supporting high needs pupils. The cost pressure mainly arose from changes introduced through the Children and Families Act, the most significant of which related to extending LA funding responsibilities for the provision of education to young people with special educational needs up to age 25 rather than the existing age 19. Whilst additional resources were added into the DSG for these changes, the amount was based on 2011/12 student numbers, which typically rose by 40% by the time actual funding responsibility changed.
- 9.12 In terms of the 2016/17 funding settlement for the Schools Budget, the DfE has confirmed that DSG per pupil funding rates for the Schools and Early Years Blocks will remain unchanged from 2015/16. For the High Needs Block, the DfE has indicated that councils should also plan for no change in funding from 2015/16.
- 9.13 Many of the financial difficulties faced by the council on non-school services also impact on schools, with pressures arising on pay and other inflationary cost increases, a 2.5% increase in contributions to the teachers' pension fund and increases in National Insurance contributions which coupled with other pressures indicate an average cost pressure next year on individual school budgets of 4.5%. In the longer term, further cost pressures will arise from the school building programme which is responding to new housing developments. These new schools will generally open with relatively low pupil numbers and will need additional financial support until

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pupil numbers grow to a sustainable level. This pressure will ordinarily need to be managed through the DSG and even with inflationary increases in funding settlements now expected over the next four years, reductions to individual school budgets to finance future, unavoidable pressures, cannot be ruled out. The impact of the Government's proposed consultation on a national funding formula for schools is also unknown at this stage.

- 9.14 Whilst it is expected that the schools and early years block elements of the DSG will be confirmed by the end of December, it is unlikely that the high needs block amount will be known until March 2016. However, the DfE requires councils to confirm the basis on which actual school budgets will be allocated, including per pupil and all other funding rates, by 21 January 2016 even though relevant information required to calculate budgets will not be supplied before 10 December 2015. To meet this requirement, 2016/17 school budgets will have to be set on the basis of the estimated level of DSG plus any other grants and accumulated balances. The draft budget proposals therefore assume the Schools Budget is set at the estimated level of grants and that any accumulated deficit or surplus is managed to a nil balance by the end of the funding period.
- 9.15 In addition to the DSG, schools also receive revenue funding from other specific grants including School Sixth Forms (currently -£4.643m), the Pupil Premium (-£3.345m), Primary PE and Sports Premium (-0.292m) and the Universal Infant Free School Meals Grant (-£1.487m). All of these amounts are subject to change in 2016/17.
- 9.16 Decisions around the final balance of the budget between spending by schools and that on services managed by the Council is the responsibility of the Executive Member for Children, Young People and Learning, although the Schools Forum must be consulted, and in certain circumstances, agree to budget proposals.

Summary

- 9.17 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £72.035m as shown in Table 5.

Table 5: Summary of proposals:

| | |
|--|---------------|
| | £'000 |
| Commitment Budget | 80,735 |
| Budget Pressures | 2,349 |
| Budget Economies | -3,687 |
| Capital Programme | 41 |
| Changes in Investment Income | -75 |
| Inflation Provision | 800 |
| Reversal of one-off transfer from Business Rates Equalisation Reserve used to balance the Budget in 2015/16 | 3,988 |
| Change in Contingency | -1,000 |
| One-off transfer from the Business Rates Equalisation Reserve to meet the Collection Fund - Business Rates Deficit | -10,516 |
| New Homes Bonus 2016/17 | -600 |
| | |
| Draft Budget Requirement 2016/17 | 72,035 |

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- 9.18 Without the Provisional Finance Settlement assumptions have had to be made on the level of grant income. It has been assumed that the Council can anticipate income of up to -£65.991m. This arises from Revenue Support Grant and Business Rates baseline funding (-£28.074m), the Collection Fund – Council Tax surplus (-£0.425m), Council Tax at the 2015/16 level (-£48.008m) less the deficit of £10.516m on the Collection Fund – Business Rates.
- 9.19 With the potential overall cost of the budget package being consulted on in the region of £72.035m, this leaves a potential gap of around £6.044m. Members can choose to adopt any or all of the following approaches in order to bridge the remaining gap:
- an increase in Council Tax;
 - an appropriate contribution from the Council's revenue reserves, bearing in mind the Medium Term Financial Strategy;
 - identifying further expenditure reductions.
- 9.20 With regards to identifying additional economies the Council has established a Transformation Board which will take the lead on reviewing the way in which all Council services are delivered over the next four years. This represents a continuous programme of work, with the aim of identifying significant savings that can be incorporated into the 2016/17 budget and beyond. The following services have been included in the first phase of Transformation Board's work programme:
- Adult Social Care Commissioning
 - Highways and Transport
 - Housing Benefits
 - Cultural and Leisure Services
 - Public Health
- 9.21 It is anticipated that a significant proportion of the budget gap identified in paragraph 9.19 (£6.044m) will be met from the five service areas above.

10 RESERVES

- 10.1 The Council has an estimated £10.0m available in General Reserves at 31 March 2016. Details are contained in Table 6.

Table 6: General Reserves as at 31 March 2016

| | £m |
|--|-------------|
| General Fund | 10.9 |
| Planned use in 2015/16 | (0.9) |
| Estimated Balance as at 31 March 2016 | 10.0 |

- 10.2 The Council has, in the past, planned on maintaining a minimum prudential balance of £4m. This assessment is based on the financial risks which face the Council and the Borough Treasurer considers these in the February report to the Executive at which a final decision on the use of balances can be taken, taking account of the financial position likely to face the Council over the next five years.

11 CONCLUSION

- 11.1 The Council's constitution requires a consultation period of at least six week on the draft budget proposals. In this context, it is inevitable that, of the broad range of options proposed for consultation, not all will necessarily be included in the final budget package. It is also likely that some further issues with a financial impact will arise between now and February. When the Final Settlement is known, the Executive can consider the prudent use of revenue balances to support expenditure in line with the overall medium term financial strategy, along with any further expenditure reductions.
- 11.2 It is suggested, therefore, that the normal process whereby the Overview & Scrutiny Commission reviews the overall budget package and determines whether any specific issues should be considered further by the Overview and Scrutiny Panels at their meetings in January, is followed. The proposals will also be placed on the Council's website for public consultation.
- 11.3 All comments from the Overview & Scrutiny Commission, Overview and Scrutiny Panels and all others will then be submitted to the Executive on 09 February 2016. This will allow the Executive to determine the final budget package and recommend the appropriate Council Tax level to the Council on 24 February 2016.

12 BUDGET MONITORING 2015/16- VIREMENT REQUEST

- 12.1 A virement is the transfer of resources between two budgets but it does not increase the overall budget approved by the Council. Financial Regulations require formal approval by the Executive of any virement between £0.050m and £0.100m and of virements between departments of any amount. Full Council approval is required for virements over £0.100m. During 2015/16 a number of virements have been identified which require the approval of the Executive. These have been previously reported to the Corporate Management Team which recommends them to the Executive for approval. They have been included in the Quarterly Service Reports. Details of virements between departments are set out in Annexe F. Details of internal departmental virements exceeding £0.050m are set out in Annexe G.

13 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 13.1 Nothing to add to the report.

Borough Treasurer

- 13.2 The financial implications of this report are included in the supporting information.

Equalities Impact Assessment

- 13.3 The Council's final budget proposals will potentially impact on all areas of the community. A detailed consultation process is planned in order to provide individuals and groups with the opportunity to comment on the draft proposals. This will ensure that in making final recommendations, the Executive can be made aware of the views

of a broad section of residents and service users. A number of the budget proposals require specific equality impact assessments to be carried out and draft versions of these are attached in Annexe H. Consultation with equalities groups that are likely to be affected by the proposal is part of the assessment process.

Strategic Risk Management Issues

- 13.4 A sum of £1m is currently included in the draft proposals to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. The Executive will need to make a judgement on the level of Contingency at its meeting in February.
- 13.5 The Borough Treasurer, as the Council’s Chief Finance Officer (Section 151 Officer), must formally certify that the budget is sound. This will involve identifying and assessing the key risk areas in the budget to ensure the robustness of estimates and ensuring that appropriate arrangements are in place to manage those risks, including maintaining an appropriate level of reserves and Contingency. This formalises work that is normally undertaken each year during the budget preparation stages and in monthly monitoring after the budget is agreed. The Borough Treasurer will report his findings in February, when the final budget package is recommended for approval.

14 CONSULTATION

Principal Groups Consulted

- 14.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. Targeted consultation exercises will be undertaken with business rate payers, the Schools Forum, town and parish councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council’s web site at <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.
- 14.2 The timetable for the approval of the 2016/17 Budget is as follows

| | |
|---|------------------------------------|
| Executive agree proposals as basis for consultation | 15 December 2015 |
| Consultation period | 16 December 2015 - 31 January 2016 |
| Executive considers representations made and recommends budget. | 09 February 2016 |
| Council considers Executive budget proposals | 24 February 2016 |

Background Papers

None

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Summary Virements between Departments

| | Reorganisation £'000 | Structural Changes Reserve £'000 | Other Earmarked Reserves £'000 | S106 Bus Contracts £'000 | Other S106 £'000 | Council Wide £'000 | Total £'000 |
|--|-------------------------|---|---|--------------------------------|------------------------|--------------------------|----------------|
| Adult Social Care, Health and Housing Children, Young People and Learning | 13 | 0 | 0 | 0 | 0 | 35 | 48 |
| Corporate Services / Chief Executive's | 0 | 18 | 388 | 0 | 0 | -17 | 389 |
| Environment, Culture & Communities | 7 | 0 | 12 | 0 | 0 | 122 | 141 |
| Non Departmental / Council Wide | -20 | 0 | 53 | 90 | 94 | -28 | 189 |
| Earmarked Reserves | 0 | 0 | 0 | 0 | 0 | -112 | -112 |
| | 0 | -18 | -453 | -90 | -94 | 0 | -655 |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

ADULT SOCIAL CARE, HEALTH AND HOUSING

Virements between Departments

| Total | Explanation |
|--------------|---|
| £'000 | |
| | <u>Reorganisation</u> |
| 13 | Transfer from the Preventing Domestic Abuse budget within Corporate Services to Adult Social Care Health Support for the Berkshire Women's Aid contract to 31 August 2015. |
| | <u>Council Wide items</u> |
| 51 | Adjustment to pension deficit contribution budgets following on from the triennial review. |
| -3 | Landscape services was re-tendered and a new contract awarded to an external contractor. Charges to other departments changed as a result but these changes were included in the total public realm economy within Environment, Culture and Communities' 2015/16 base budget and now need to be transferred to the relevant departments. |
| -13 | A new Vodafone contract was negotiated by ICT, the key element of which is that there is a fixed monthly charge for both standard mobile phones and BlackBerrys resulting in a Council Wide saving. To remove the need for cash recharges, the relevant departmental budgets are being centralised so that the costs form part of the Corporate non-cash recharges. |
| 48 | Total Virements |

CHILDREN, YOUNG PEOPLE AND LEARNING

Virements between Departments

| Total | Explanation |
|------------|---|
| £'000 | |
| | <u>Structural Changes</u> |
| 18 | An allocation from the Structural Changes Reserve to finance salary protection payments following a restructuring and redeployments. |
| | <u>Other Earmarked Reserves</u> |
| 346 | An allocation from the SEN Unit Reserve to support the start-up costs for RISE@GHC, the new Autistic Spectrum Disorder SEN Unit at Eastern Road (£0.229m). In addition, an allocation of £0.117m from the Job Evaluation Reserve to part finance the cost of implementing the Bracknell Forest Supplement for non-teaching staff in schools. |
| 42 | Funding from the Insurance Reserve for works required at the new Autistic Spectrum Disorder Unit on Eastern Road as some of the damage at the site was not covered under the insurance |
| | <u>Council Wide items</u> |
| 45 | Adjustment to pension deficit contribution budgets following on from the triennial review. |
| -1 | Landscape services was re-tendered and a new contract awarded to an external contractor. Charges to other departments changed as a result but these changes were included in the total public realm economy within Environment, Culture and Communities' 2015/16 base budget and now need to be transferred to the relevant departments. |
| -19 | A new Vodafone contract was negotiated by ICT, the key element of which is that there is a fixed monthly charge for both standard mobile phones and BlackBerrys resulting in a Council Wide saving. To remove the need for cash recharges, the relevant departmental budgets are being centralised so that the costs form part of the Corporate non-cash recharges. |
| -42 | Revenue contribution for capital works at the new Autistic Spectrum Disorder Unit on Eastern Road. |
| 389 | Total Virements |

CORPORATE SERVICES / CX OFFICE

Virements between Departments

| Total | Explanation |
|--------------|---|
| £'000 | |
| | <u>Reorganisation</u> |
| -13 | Transfer from the Preventing Domestic Abuse budget to Adult Social Care Health Support for the Berkshire Women's Aid contract to 31 August 2015. |
| 20 | There is currently a charge made to Street Cleansing and Highways for rent of those parts of the Commercial Centre that are used by the contractors providing those services. In order to be consistent these charges will now be included in the Corporate Recharges and therefore a virement is required from Environment Culture and Communities. |
| | <u>Structural Changes</u> |
| | An allocation from the Structural Changes Reserve to finance costs associated with two redundancies within the Operations Unit. |
| | An allocation from the Structural Changes Reserve to finance additional costs associated with redundancy in the Chief Executive's Office. |
| | <u>Other Earmarked Reserves</u> |
| 12 | The Town Centre Economic Strategy aims to create a hub for small businesses making use of empty office space in the Town Centre. A virement of £0.012m from the Economic Development Reserve to support this strategy by providing 23 car parking spaces to Oxford Innovations from April to December 2015. |
| | <u>Council Wide items</u> |
| 52 | Adjustment to pension deficit contribution budgets following on from the triennial review. |
| 24 | Landscape services was re-tendered and a new contract awarded to an external contractor. Charges to other departments changed as a result but these changes were included in the total public realm economy within Environment, Culture and Communities' 2015/16 base budget and now need to be transferred to the relevant departments. |
| 46 | A new Vodafone contract was negotiated by ICT, the key element of which is that there is a fixed monthly charge for both standard mobile phones and BlackBerrys resulting in a Council Wide saving. To remove the need for cash recharges, the relevant departmental budgets are being centralised so that the costs form part of the Corporate non-cash recharges. |
| 141 | Total Virements |

ENVIRONMENT, CULTURE & COMMUNITIES

Virements between Departments

| Total | Explanation |
|-------|--|
| £'000 | |
| | <u>Reorganisation</u> |
| -20 | There is currently a charge made to Street Cleansing and Highways for rent of those parts of the Commercial Centre that are used by the contractors providing those services. In order to be consistent these charges will now be included in the Corporate Recharges and therefore a virement is required in the sum of £19,810 to Corporate Services. |
| | <u>Other Earmarked Reserves</u> |
| 38 | A transfer from the Economic Development Reserve to cover the cost of a Development Engineer for a further year. |
| 15 | A transfer from the Commuted Maintenance Reserve for the maintenance of play equipment at the Look Out. |
| | <u>S106 Bus Contracts</u> |
| 90 | The Section 106 Agreement for Wykery Copse, agreement number YN364, allows for bus services to be provided between Jennetts Park and the Bracknell bus and rail stations. The contract was re-let for this service with effect from April this year resulting in an annual cost of £89,680. A virement is therefore requested for this sum. |
| | <u>Other S106</u> |
| 94 | 3 FTE posts are to be met from Section 106 SPA Mitigation monies at a cost of £0.090m. A 0.5 FTE post in Parks and a full time post in Planning Policy to enable the production of, co-ordination and monitoring of the Suitable Alternative Non Green Spaces (SANGS) plans together with the co-ordination of access management measures. Plus 1.5 Ranger posts to maintain and manage the areas that have been designated SANGS, which are required to be maintained at a higher standard than general open areas. An additional virement of £0.004m is also required to fund the annual running costs of a new vehicle required for the maintenance of the enhanced SANG's. |
| | <u>Council Wide items</u> |
| -54 | Revenue contribution for the purchase of bins. |
| 60 | Adjustment to pension deficit contribution budgets following on from the triennial review. |
| -20 | Landscape services was re-tendered and a new contract awarded to an external contractor. Charges to other departments changed as a result but these changes were included in the total public realm economy within Environment, Culture and Communities' 2015/16 base budget and now need to be transferred to the relevant departments. |
| -14 | A new Vodafone contract was negotiated by ICT, the key element of which is that there is a fixed monthly charge for both standard mobile phones and BlackBerrys resulting in a Council Wide saving. To remove the need for cash recharges, the relevant departmental budgets are being centralised so that the costs form part of the Corporate non-cash recharges. |
| 189 | Total Virements |

Departmental Virements over £50,000

| Debit | Credit | Explanation |
|-------|--------|---|
| £'000 | £'000 | |
| | | <u>Adult Social Care, Health and Housing</u> |
| | | Housekeeping journal to re-align non-staff Housing budgets into the correct cost centre to ensure budgets are properly aligned to the management structure. |
| | -508 | Housing Options - Rents |
| | -5 | Housing Options - Fees & Charges |
| 167 | | Housing Options - Premises Related Expenditure |
| 330 | | Housing Options - Third Party Payment |
| 21 | | Housing Options - Supplies & Services |
| | -5 | Strategy & Enabling - Supplies & Services |
| | | Housekeeping journal to re-align the Adult Social Care purchasing and client contribution budgets to reflect the profile of costs based on client profile at the start of the financial year. This was informed by the zero based review exercise which allocated each client a primary support reason based on national definitions. |
| | -288 | Memory & Cognition - Fees & Charges |
| 1,187 | | Memory & Cognition - Third Party Payments |
| 319 | | Memory & Cognition - Other Grants, Reimbursements and Contributions |
| 172 | | Memory & Cognition - Transfer Payment |
| | -763 | Learning Disabilities - Third Party Payments |
| 136 | | Learning Disabilities - Fees & Charges |
| 103 | | Learning Disabilities - Transfer Payments |
| 308 | | Learning Disabilities - Other Grants, Reimbursements and Contributions |
| | -321 | Mental Health - Third Party Payments |
| 14 | | Mental Health - Fees & Charges |
| 229 | | Mental Health - Other Grants, Reimbursements and Contributions |
| 91 | | Mental Health - Transfer Payment |
| 407 | | Physical Support - Fees & Charges |
| | -2,136 | Physical Support - Third Party Payments |
| 28 | | Physical Support - Transfer Payments |
| 438 | | Physical Support - Other Grants, Reimbursements and Contributions |
| | -11 | Sensory Support - Fees & Charges |
| 86 | | Sensory Support - Third Party Payments |
| 1 | | Sensory Support - Transfer Payments |
| | | To set up budgets for the Better Care Fund. |
| | -1,266 | Director - Other Grants, Reimbursements and Contributions |
| | -194 | Director - Other Income |
| 1,598 | | Director - Third Party Payments |
| | -235 | Community, Response & Reablement - Other Grants, Reimbursements and Contributions |
| 97 | | Community, Response & Reablement - Employees |
| | -522 | Physical Support - Other Grants, Reimbursements and Contributions |
| 100 | | Physical Support - Employees |
| 422 | | Physical Support - Third Party Payments |
| | -478 | Joint Commissioning - Other Grants, Reimbursements and Contributions |
| 101 | | Joint Commissioning - Employees |
| 377 | | Joint Commissioning - Third Party Payments |
| | -40 | Mental Health - Other Grants, Reimbursements and Contributions |
| 40 | | Mental Health - Third Party Payments |
| | | To consolidate the Housing vacancy factor with the Adult Social Care and Health vacancy factors, so that it can be better managed by the Department: |
| 66 | | Other Housing - Employees |
| | -66 | Director - Employees |

Departmental Virements over £50,000

| Debit | Credit | Explanation |
|--------------|---------------|--|
| £'000 | £'000 | |
| 1,112 | -1,112 | Amendment of Housing Benefit budgets to reflect the mid-year Housing Benefit Subsidy Estimate: Housing Benefit Payments - Government Grants Housing Benefit Payments - Transfer Payments |
| 117 | -152 | To reflect the grant received in year to cover the additional costs to be incurred by the Council following the closure of the Independent Living Fund: Learning Disabilities - Government Grants Learning Disabilities - Third Party Payments |
| 35 | | Learning Disabilities - Transfer Payments |
| 10 | -64 | Physical Support - Government Grants Physical Support - Third Party Payments |
| 54 | | Physical Support - Transfer Payments |
| 8,166 | -8,166 | Total |

Departmental Virements over £50,000

| Debit | Credit | Explanation |
|------------|-------------|---|
| £'000 | £'000 | |
| | | <u>Children, Young People and Learning</u> |
| | | A number of net nil effect virements are proposed. These include resetting budgets in the light of new grant notifications that require matching adjustments to expenditure and income profiles, most notably in respect of the Delivering Differently in Communities and the Trouble Families Programme. Following the endorsement of the Executive Member, there have also been some virements between staffing and non-staffing budgets in respect of the externalisation of the Adoption Service and also bringing in-house contracts previously delivered by Action for Children in respect of some early years services, which also relates to some budgets in the Schools Budget, as detailed below. |
| | -74 | Re-setting Troubled Families Grant income budget to level of receipt. |
| 74 | | Re-setting Troubled Families expenditure budgets to level of grant |
| | -87 | New Delivering Differently in Communities Grant |
| 87 | | Setting Delivering Differently in Communities expenditure budgets to level of grant |
| | -136 | Adoption Service - staffing budget |
| 136 | | Adoption Service - non-staffing budget |
| 132 | | Early Years - staffing budget |
| | -132 | Early Years - non-staffing budget |
| 429 | -429 | Total |

Departmental Virements over £50,000

| Debit | Credit | Explanation |
|--------------|---------------|---|
| £'000 | £'000 | |
| | | <u>Schools Budget</u> |
| | | The Council Budget setting process agreed that the allocation of budgets to individual lines of the Schools Budget could be agreed by the Executive Member, up to the level of anticipated grant income. The original budget approved by the Council was on a provisional basis and adjustments are now reported to reflect the changes agreed by the Executive Member, all of which were supported by the Schools Forum. |
| 991 | | Delegated School Budgets |
| 2,128 | | SEN Provisions and Support Services |
| | -128 | School Staff Absence and Other Items |
| | -326 | Early Years Provisions and Support Services |
| | -117 | DSG Balance |
| | -2,548 | Dedicated Schools Grant |
| | | There have also been changes to the level of Dedicated Schools Grant (DSG) after initial budget decisions were taken. These are in respect of a net deduction to DSG relating to recalculated SEN and Early Years funding, together with deductions to finance Ranelagh and St Margaret Clitherow academies, with corresponding adjustments to relevant budgets. Changes have also been made to funding allocations paid through other school related grants of post 16 SEN, the Pupil Premium and the Universal Infant Free School Meals Grant. As set out above, there has also been virements between staffing and non-staffing budgets in respect of bringing in-house contracts previously delivered by Action for Children in respect of some early years services. |
| | -3,789 | Delegated School Budgets |
| | -122 | Other School Grants |
| 59 | | SEN Provisions and Support Services |
| 3,852 | | Dedicated Schools Grant |
| | -93 | Re-setting Post 16 SEN Grant income budget to level of receipt. |
| 93 | | Re-setting Post 16 SEN expenditure budgets to level of grant |
| | -619 | Re-setting Pupil Premium Grant income budget to level of receipt. |
| 619 | | Re-setting Pupil Premium expenditure budget to level of grant. |
| | -627 | Re-setting Universal Infant Free School Meal Grant income budget to level of receipt. |
| 627 | | Re-setting Universal Infant Free School Meal expenditure budget to level of grant. |
| 136 | | Early Years - staffing budget |
| | -136 | Early Years - non-staffing budget |
| 8,505 | -8,505 | Total |

Departmental Virements over £50,000

| Debit | Credit | Explanation |
|-----------|------------|--|
| £'000 | £'000 | |
| | | <u>Corporate Services / CX Office</u> |
| | | The Devolved Staffing Budgets (DSB) have then been realigned to reflect in year staff turnover and amendments to staffing structures. In order to balance the DSB it has been necessary to identify underspends within non-DSB budgets to vire to the DSB budgets. |
| 64 | | Operations Unit |
| | -10 | Industrial & Commercial Properties - Non DSB |
| | -54 | Operations Unit - Non DSB |
| 64 | -64 | Total |

**TO: COUNCIL
20 JANUARY 2016**

**PAY & WORKFORCE STRATEGY 2015/18
(Director of Corporate Services– Human Resources)**

1 PURPOSE OF REPORT

- 1.1 This is the Council's 9th Pay and Workforce Strategy which is agreed annually by full Council. Like all strategies it is important to regularly review it in the light of changing priorities, new legislation and other issues which impact on the Council.
- 1.2 The attached report provides both an update on progress to date against the previously agreed priorities, and an assessment of what changes need to be made to the Strategy over the coming three years alongside detailed Action Plans.
- 1.3 This Strategy is intended to demonstrate how HR priorities for the Council link into departmental priorities and take into account local issues; it is not intended to be a resource allocation document but should be viewed as an outline plan on priority HR areas for the Council to tackle in the next 1-3 years.
- 1.4 The Strategy is not intended to relate in detail to work with schools staff although there are some generic issues contained within it which do cover schools employees.
- 1.5 The purpose of this report is therefore to bring the Council's attention to the key elements which make up the workforce requirements over the next 12 – 36 months and impact on the delivery of the Council's strategic objectives.

2 RECOMMENDATION

- 2.1 **That the Council endorse the attached 9th Pay and Workforce Strategy**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 The Department of Communities and Local Government expects that all local authorities will have a strategy in place which shows how they plan to address the 5 key national workforce priorities, which are detailed in the Pay and Workforce Strategy.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 As it is a requirement for the Council to produce an updated pay and workforce strategy on a regular basis, no other options were considered.

5 SUPPORTING INFORMATION

- 5.1 The Council's current Pay and Workforce Strategy is a "living" document which is annually revised and regularly updated to take account of changes to national, regional and local priorities. The Strategy consists of a number of linked plans including the Local Safeguarding Children's Board Workforce Strategy, the Adult Social Care Workforce Strategy and the Recruitment and Retention Strategy.

The Local Government workforce (including Bracknell Forest) faces a number of major issues which include: an aging workforce (particularly in relation to senior staff experience), recruitment difficulties in particular skills shortage areas, equalities requirements, improving leadership and management capability and competence, developing fair and modern pay systems and increasing flexibility in working practices. These issues can be successfully addressed at a local level by identifying them in the Strategy and then introducing suggested remedial actions through the Action Plans.

- 5.2 There is a particular emphasis in this 9th Strategy on the Council's new narrative and Council Plan as implementing the Council Plan over the next four years will mean that a number of services will change significantly. Some of the more notable points from the Plan are:

- All services will be reviewed over the next four years, including considering alternative service delivery models
- Charging appropriately for services, including reducing the subsidy on some services will be paramount
- Seeking opportunities to generate additional income will be key

- 5.3 Within this change of approach it's important to recognise that there will be significant staffing implications which will impact on the Pay and Workforce Strategy as those implications develop and become clearer. The Council will likely see a reduction of between 10% and 15% in its workforce. Natural turnover will help but that process will not be an easy one for everyone affected by it. The Council's Organisational Change Protocol will be key to ensuring the staffing issues are address equitably and in line with legal requirements.

5.4 Conclusion

- 5.4.1 When revising strategy documents, it is important to ensure that links to other high level plans are taken into account and any impact on them assessed and addressed. This Strategy seeks to do that through its work across the Council in services areas to ensure all workforce priorities are identified and addressed.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 There are no specific legal implications arising from the contents of this report.

Borough Treasurer

- 6.2 Within the context of a challenging financial environment, the delivery of this strategy will be dependent upon future budget decisions by the Council. The action plans attached as appendices to the strategy provide the means by which available resources are prioritised to best effect, within the overall budget constraints.

Equalities Impact Assessment

- 6.3 The Pay and Workforce Strategy, alongside the Equality Scheme 2012-16 sets out how the Council will achieve its equality objectives and further advance equality of opportunity amongst the workforce of the Council.

Strategic Risk Management Issues

- 6.4 The Council requires an overall people management strategy in order to ensure it meets its obligations and makes the best use of its resources.

Other Officers

- 6.5 Contributions from other relevant officers are included in the Strategy.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Employment Committee, Corporate Management Team and Departmental Human Resource Managers.

Method of Consultation

- 7.2 By face to face meetings

Representations Received

- 7.3 Representation was received from CMT on behalf of the organisation and from departmental Human Resource Managers on behalf of their individual departments.

Background Papers

8th Pay and Workforce Strategy December 2013

Contact for further information

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The Ninth Pay & Workforce Strategy

DELIVERING THROUGH PEOPLE

2016-2019

December 2015

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1 INTRODUCTION

1.1 The five national priority themes previously set by the DCLG Workforce Strategy still remain relevant to the construction of an effective local workforce strategy. These are

- (a) **Organisational development** – addressing the workforce dimensions of organisational transformation to deliver citizen – focused and value for money services, in partnership with other organisations and the community.
- (b) **Leadership development** – building visionary, effective and ambitious leadership to make the best use of political and managerial roles, in a partnership context.
- (c) **Skill development** – developing employees’ skills and knowledge in an innovative, high performance, multi-agency context.
- (d) **Recruitment and retention** – taking action to recruit and retain the right workforce, address key future occupational skill shortages; promote jobs and careers; identify, develop and motivate talent and address diversity issues.
- (e) **Pay and rewards** – implementing effective approaches to reward the workforce while controlling employment costs to reflect budget efficiency requirements, as well as new ways of working and innovative working patterns.

1.2 Since the Council’s last Pay & Workforce Strategy was produced in November 2014, there have been a number of important developments both nationally and locally which have already impacted or are likely to impact on the way in which local government provides services to the community. They include:

Nationally

- Continuing financial constraints.
- The Living Wage and the Minimum Wage.
- Children and Families Act 2014.
- Family Justice Review
- The Care Act 2014
- The Better Care Fund.
- Raising the age of participation of young people to remain in education or training until their 18th birthday from 2015.
- New childcare disqualification regulations.
- Performance related pay arrangements for teachers.

Locally

- The election of the new Council
- The significant budget pressures on the Council.
- Town Centre regeneration
- Recruitment and Retention challenges which require constant monitoring and actions where necessary.
- The demographics of the senior officer structure as this (and the likely £95K severance payment cap) will fundamentally affect the type, pace and ease of leadership change.
- PSN framework requiring changes to information security for personal information.
- Temporary closure of Coral Reef for refurbishment.
- The continuing focus on how to best provide adult social care services.

1.3 The Council, in responding to the national and local agenda, has developed this strategy which is reviewed on an annual basis.

2 **PURPOSE**

2.1 The overall aim of this Strategy continues to be the need to identify the key Human Resource challenges facing the Council over the next three years and suggest actions which can be taken in response to these challenges.

The Pay and Workforce Strategy has also incorporated the key themes arising from the directorate workforce plans.

3 **THE NATIONAL JOURNEY**

3.1 The most recent Local Government Workforce Strategy by the Local Government Employers was published in April 2014 and there have been some changes since then.

Whilst the prevailing economic situation has been especially difficult for some years now, the underlying challenges facing the local government workforce have never really changed. There is continuing pressure to deliver more and better services with less resource through greater efficiency, service transformation and partnership development.

The level of change affecting the local government workforce is unprecedented since the 1970's and 1980's, which impacts not only on how the workforce sees itself and how it is seen by others but also on the psychological contract between employer and employee. The impact of continuing pay constraints /changes to terms and conditions, coupled with pension changes all have the potential to compound the challenges.

Job losses in local government, brought about by spending reductions will continue for some time. Government figures indicate that further losses of public sector jobs can be expected between now and 2020.

Whilst the impact of the economic downturn may have lessened as economic growth has begun to return, there has still been an extra demand for some services, but without any significant reduction in demand for others.

- 3.2 The public sector faces continuing uncertainties because of the financial constraints placed on it. On the one hand, staff may be prepared to stay longer with the organisation rather than risk moving job and home but on the other hand it could result in natural healthy turnover remaining stagnant. As the financial pressures on the public sector are widely publicised in the media, fewer people may see a local government career as a safe or desirable option. Whilst it is generally easy to recruit staff, significant difficulties exist in specific areas e.g. social workers.
- 3.3 The nationally imposed financial constraints have reduced all authorities' income, and pushed up costs leading to the need to make significant savings and service cuts, including reducing posts. The pressure to do "more for less", more efficiently and to increase productivity is greater than ever, especially through using technology to do more.

4 THE LOCAL JOURNEY

4.1 Demographic background

Demographic pressures have an impact. The 2011 Census indicated that the population of Bracknell Forest has grown by 3.3% from 109,617 to 113,200 between 2001-2011, with a 7% increase in the numbers of children under 5 and an 18% increase in the number of those over 65; this has a resultant impact on schools and adult social care support. The latest statistics available indicate that the population in July 2014 had grown to 118,025. And of course there is a significant house building programme planned to address the growing needs of the population.

Also increasing diversity in the numbers of residents from black and minority ethnic groups will affect both the workforce composition and service demands. There has been an increase in the number of ethnic minority pupils in schools over the last 12 years from 7.5% to 18.7% and the forecast is for this to continue.

The Census showed that 84.9% of the population was "White British" with the BME population being 15.1%. Currently 9.6% of pupils have English as an additional language and 79 different languages are spoken in our schools.

One impact of government's policies is that a significant proportion of employees in their fifties are likely to have to work to an older age before they can claim their pension; it could therefore be that a sizeable proportion of the workforce will consist of employees aged over 60, who are working longer than they wanted or expected to.

Equally the removal of the default retirement age means that workers over the age of 65 are now more common than in previous years.

4.2 Financial Background

Since becoming a Unitary Authority in 1998 the Council has made savings in its annual revenue spending in excess of £70m. Of this over £18m has been removed from budgets in the last few years against a net revenue budget of around £90m. By all comparative measures, the Council provides value for money. However, pressure on public sector spending remains intense and it is predicted that a further £25m of savings will be needed over the next five years.

This scale of savings coming on top of previous economies means it will not be possible to continue to deliver services in the way the Council has come to accept and expect. In order to meet this challenge the Council needs to find a framework for delivering services that allows it to innovate, find new ways of working and, in some cases, reduce what is done.

4.3 The Council Plan

The new Council Plan is rooted firmly in the Conservative election manifesto of 2015. It puts those election commitments into the post general election financial context to provide the organisation with a strategic approach and framework to meet the challenges ahead. In the past the council has made genuine and realistic attempts to please most residents for most of the time. With increasing pressures on spending and significant reductions in the amount of money available the expansive narrative of the last decade or so is no longer tenable and a new approach and narrative is needed.

The Plan contains a new 'harder' narrative to help the Council manage the real and large financial gap. The key messages include:

- Bracknell Forest is a good place to live with a mainly affluent, well educated and independent population.
- The Council will provide leadership and work with others to keep the borough a place where all residents can thrive and benefit from core services. What it does itself it aims to do well, but it must prioritise to live within its means.
- In targeting services, it will prioritise people and areas with the greatest need, early help and prevention so struggling or vulnerable people can maximise their opportunities to become independent.

4.4 The Plan sets out six strategic themes:

- Value for money
- A strong and resilient economy
- People have the life skills and education opportunities they need to thrive
- People live active and healthy lifestyles
- A clean, green, growing and sustainable place
- Strong, safe, supportive and self reliant communities.

Collectively, these themes are the Council's vision of what it wants the borough to be. Each theme is linked to key measures of success and performance indicators. The vision, themes and key measures provide the framework for it to deliver its new approach and be a Council that can adapt and innovate to keep Bracknell Forest a good place to live. This framework will be underpinned by Service Plans for each department.

- 4.5 Implementing the Council Plan over the next four years will mean that some services will change there will therefore be a significant transformation programme to reshape the structures needed for a changed service delivery model. Some of the notable points from the Council Plan are:
- All services to be reviewed over the next four years, including considering alternative service delivery models
 - Charging appropriately for services, including reducing the subsidy on some services
 - Seeking opportunities to generate additional income
- 4.6 Within this change of approach it's important to recognise that there will be significant staffing implications which will impact on the Pay and Workforce Strategy as those implications develop and become clearer. The Council will likely see a reduction of between 10% and 15% in its workforce. Natural turnover will help but that process will not be an easy one for everyone affected by it. The Council's Organisational Change Protocol will be key to ensuring the staffing issues are address equitably and in line with legal requirements.
- 4.7 It is part of the work of the Council HR teams to anticipate and react to change and to forecast the future skills and numbers required of local government through effective workforce planning. For example, the move to flexible ways of working will require different approaches to management and changed skills within the workforce in order to implement these changes successfully.

5 SKILLS, QUALIFICATIONS AND DEVELOPMENT ACTIVITIES

- 5.1 The Learning & Development team is able to take a wide corporate view on all training activities. There is a significant amount of development activity taking place and over 200 events are run annually. In addition, specialist training for staff working within Adult and Children's social care, formal management and other qualification programmes are offered. Increasingly employees are interested in training which leads to nationally recognised qualifications.
- 5.2 The requirement for social workers to re-register every two years with the Health Care Professional Council (HCPC) means that continuous professional development events are run to ensure that this group of employees are able to comply with the HCPC requirements.

Significant changes in terms of post qualification training requirements for all social workers, especially those in their first year post qualification have impacted on what is offered to employees.

- 5.3 Each year additional e-learning packages are produced to provide employees and Elected Members access to learning material at their convenience, rather than through face to face sessions. In 2014-2015, 1,988 employees successfully completed e-learning packages.

Bracknell Forest, as part of the Log Onto Care Thames Valley network, has enabled local authority social care employees and those working in the private, independent and voluntary sector in social care to access specialist e-learning packages including child sexual exploitation, working as a personal assistant, etc. During 2014-2015 over 4,000 packages have been completed.

6 BENCHMARKING

- 6.1 The 2014 Local Government Pay and Workforce Strategy survey contained detailed information on a range of issues including turnover, off the job training, sickness absence, etc. However gathering information for the survey for 2014/2015 has only just begun and comparative data will not be available until April 2016.

The HR function will continue to participate in other benchmarking groups (e.g. CIPFA) to identify how well it compares to other local authorities.

| Performance Indicators | England local government employment 2014 | Unitary authorities in England 2014 | Bracknell 2014/15 |
|--|---|--|--------------------------|
| All turnover | 11.9% | 12.7% | 13.4% |
| Days off the job training per employee | 1.2 | N/A | 2.9 |
| Gross training expenditure per employee | £165 | £102 | £261* |
| Members gross training expenditure | £169 | £166 | £160 |
| Sickness absence rates (days per employee) | 8.4 | 8.7 | 5.2 |

The voluntary turnover rate for people with less than one year's service has decreased from 18.1% in 2013/2014 to 17.8% in 2014/2015, this figure includes staff on fixed term contracts who often leave before their contracts expire if a permanent opportunity arises elsewhere.

*The significant increase in employees taking up e-learning opportunities has led to the reduction in time spent away from the office and an overall reduction in expenditure although the spend per employee remains significantly above the local government average which demonstrates the Council's clear commitment to the development of its staff.

7 RECRUITMENT AND RETENTION ISSUES

- 7.1 Bracknell Forest remains an area of relatively low unemployment and high housing costs, and with a mixture of a skilled/semi-skilled population. Recruitment into posts of a generic nature eg administration continues to present no significant problems.

However, problems still remain with filling professional vacancies for some areas particularly childrens social workers, approved mental health practitioners and social care management positions. There is an outflow of experienced professionals into locum work where market forces are setting significantly higher remuneration rates than those paid in permanent employment. The Bracknell Forest situation reflects similar local difficulties and also nationally recognised issues across the U.K. However the Council still retains its reputation as an “Employer of Choice” because of its performance, its approach to employees and its job offer in terms of flexible benefits and flexible working.

- 7.2 The key priority areas for the next year are:

- Keeping a clear approach to recruitment activities in the face of new requirements in the Council Plan.
- Monitoring the use of key staff retention payments, “Golden Hellos” and Market Premia payments to respond to market forces. This is particularly the case for Childrens Social Care, an area where the Council has put in place a major retention package (and the recruitment of the CSC workforce will also remain a key issue).
- Addressing the difficulties of achieving change with the age profile of the senior leadership group (and the effect of new pension scheme regulations/severance legislation on managing that change).
- To further focus on the Council’s employer brand, especially in the light of the well-publicised public sector austerity measures.
- The continued development of approaches to enhance management competence and develop talent.
- Monitoring the potential loss of staff as the Council Plan takes effect (see paragraph 4).
- Monitor the effectiveness of the “Talent Talk” approach on development and retention of staff.
- Investigating the use of social media as part of recruitment practice.

- Further strengthening the links between learning and development and the recruitment strategy to embed “grow-our-own” as an attractive alternative to recruiting fully experienced staff. Apprenticeships will be used to support this “grow your own” approach.
- The recruitment exercise for the re-opening of Coral Reef.

7.3 Whilst Bracknell has a relatively low level of young people who are NEET (not in employment, education or training) but the Business and Enterprise section of the Chief Executive’s office is leading on Borough wide initiatives which will improve the position of these young people. The Council already uses apprentices within its own workforce, organises a local careers fair event, and supports work experience programmes within local schools.

8 THE FIVE WORKFORCE PRIORITIES – PROGRESS TO DATE

As identified in paragraph 1, the five national priorities have been used as the basis for identifying the key issues for the Council, what has been achieved to date and what still needs to be done.

8.1 Organisational Development

Key issues:

- Anticipating and tackling critical current and future workforce challenges.
- Engaging with staff in service transformation and other major changes.
- Developing new ways of working, including maximising the use of new technology and flexible and mobile working arrangements.
- Increasing workforce productivity (particularly through continuing to reduce staff absence which is already significantly below the local government average) and use of technology.
- Moving from the Achieving level of the Equality Standard to the Excellent Level.

What we have achieved

- Development of a single Equality Scheme 2012-2016 with workforce objectives
- Reaccreditation of the Achieving Level of the Equality Standard.
- Promotion of greater flexibility in terms of working arrangements and increased range of flexible benefits.
- In response to “Every Child Matters” 2014, revised and updated all safeguarding training.
- In response to the Care Act, 2015, provided training to all Adult Social Care staff on the implications of this with regard to working practices.
- Improved the clarity of linkage between the Council’s business objectives/service plans and individual employee work objectives through revising and digitising the appraisal process for 2015

What we still need to do:

- Continue to encourage managers and employees to make use of key outcomes from the Good to Great programme e.g. Secondment policy, coaching/mentoring initiatives.
- Update the on-line appraisal process, following a review after its first year of use.
- Develop the use of online and self service HR and Learning & Development systems making full use of the new iTrent system.
- Continue to benchmark services where appropriate.
- Use the results of the 2014 staff survey to improve the organisation eg through the work being done with the new “Recognition and Reward” Working Group.
- Further exploration of the use of mobile technology for staff.

8.2 **Developing Leadership**

Key issues:

- Creating leaders for the future.
- Developing partnerships to improve leadership and skills.
- Developing the leadership capabilities of officers

What we have achieved:

- Managerial and supervisory competency frameworks integrated into all management programmes.
- Accreditation by the Institute of Leadership and Development of Level 3 and a Level 5 Coaching/Mentoring Certificate Programme.
- Produced e-learning package relating to the managerial competencies
- Produced development material, including e-learning for employees including the use of social media.

What we still need to do:

- Put in place a programme focussed on Developing Future Chief Officers as a means of ensuring leadership succession planning.
- Focussing Leadership skills on service integration, shared service provision and commissioning.
- Develop suitable mechanisms to ensure all social workers are able to comply with all recommendations of the Social Work Taskforce.
- Enhance and expand management development opportunities.
- Develop our processes in line with the Department for Education proposed new knowledge and skills standards for qualified social workers at all levels, including preparing staff for mandatory testing

8.3 **Developing Workforce Skills and Capacity**

Key issues:

- Maximising access to learning and development opportunities for employees.
- Developing an ever more flexible and skilled workforce.
- Improving skills for managers, including developing new skills e.g. commissioning, working in partnerships, managing flexible working effectively, performance management.
- Improving skills for all staff in customer care.
- Enhancing partnership approaches to learning and development.
- Enabling the Council to meet the government's Data Protection and Information Security standards.

What we have achieved:

- Delivery of a wide range of management development opportunities for service managers.
- Redesigned the corporate induction programme linked to e-learning.
- Launched e-learning through the recognised provider for the public sector; to date 62 packages are currently available
- Expanded access to safeguarding awareness training to the wider children's and adult's workforces and volunteers.
- Delivered a range of workshops and e-learning opportunities in line with the government's Information Security requirements
- Developed a Performance Management toolkit to enable managers to support staff effectively as part of the Performance Management Good to Great initiative.

What we still need to do:

- Develop further equality and diversity related programmes eg faith and belief, cultural awareness, etc.
- Further develop and then embed a Performance Management toolkit to enable managers to support staff effectively as part of the Performance Management Good to Great initiative.
- Implement the new Learning Management system across the Council which will enable managers and staff to self manage their own learning.

8.4 **Resourcing, Recruitment, Retention and Diversity**

Key issues:

- Keep abreast of the challenges the new town centre will present by creating many job opportunities for Council staff.
- Remodelling the workforce in response to future trends.
- Maximising the use of technology to improve services (this includes a modern efficient HR system linked to effective business processes).
- Developing cost effective means of attracting suitable job applicants and retaining skilled workers.
- Developing suitable strategies to encourage a diverse range of suitable applicants to apply for jobs within the Council and to support their development including apprenticeships.

What we have achieved:

- Carried out Equality Impact Assessments (EIA) to ensure equality implications are taken into account in all policy initiatives.
- Continued to develop recruitment initiatives to expand the ways in which the public can find out about job vacancies, etc.
- Monitoring all aspects of recruitment for equality issues.
- Supported the contract requirements with Comensura for temporary agency workers to ensure that the Council obtains value for money.
- Tendered for a new HR/Payroll system which has been in place since August 2015.
- Developed a specialist microsite for Childrens Social Worker recruitment.

What we still need to do:

- Monitor the actions of other local authorities in this area and assess their impact; take steps to mitigate that impact on the Councils workforce.
- Continue to come up with innovative approaches to combat the serious shortfall in Childrens Social Workers.
- More detailed workforce planning to better predict need particularly in relation to local partners and in line with economic regeneration initiatives.
- Encourage a diverse a range of job applicants to increase workforce diversity
- Implement the new HR/Payroll system to provide fast and accurate workforce information to managers and develop the use of self service through this new system.
- Refresh and reinvigorate the approach to apprenticeships.
- Recruit a new workforce for Coral Reef.

8.5 **Pay and Reward**

Key issues:

- Competitive, fair and flexible pay structures.
- Equal pay.
- Clear linkage between service objectives and improvements.
- Modernising pay systems.
- Transparent pay structures for senior staff.
- The lack of pay increases for senior staff since 2008.
- Expansion of flexible working options.

What we have achieved

- Achieved total workforce integration onto the Bracknell Grading structure.
- Expanded the flexible benefits scheme.
- Produced an annual Pay Policy Statement in accordance with required statute.
- Reviewed the Council's severance policy to facilitate workforce restructuring.
- Addressed the issue of lower paid workers by implementing the "Bracknell Forest Supplement".

What we still need to do:

- Continue to explore additional flexible benefits for staff and make it easier to access benefits on-line.
- Reassess the value of the Bracknell Forest Supplement and adjust if necessary.
- Keep abreast of trends in pay at all levels to ensure the Council remains competitive in the market.
- Take into account the governments requirement's on the National Minimum Wage and Living Wage (as part of the Pay Policy Statement).
- Consider how case law affects pay requirements eg holiday pay for casual overtime etc.
- Press forward on the staff engagement group on Recognition and Reward.

9 DEPARTMENTAL KEY WORKFORCE PLANNING PRIORITIES

9.1 The Council has previously incorporated workforce planning into service planning with the aim of producing annual departmental workforce plans. Each department's key priorities will be reflected in their action plans and they will continue to monitor progress at a local level. The key priorities for each of the Council's departments are as follows:

Environment, Culture and Communities

- Support managers and staff through the Coral Reef shutdown and reopening.
- Monitor the ability to recruit and retain suitable candidates in key professional roles including planning, building control, regulatory services and engineers.
- Further proposed changes to planning regulations, including the impact of the National Planning Policy Framework.
- Potential regionalisation of some regulatory functions.
- Continue to support managers and staff who work on the redevelopment of the town centre.

Children, Young People and Learning

- Ensure the Children's Social Care Workforce is properly staffed through imaginative and appropriate recruitment and retention strategies.
- Review the arrangements for induction across the Children's and Young People's workforce.
- Develop the Children and Young People's workforce strategy as a result of the priorities identified through the Children and Young People's Plan (CYPP) and early intervention strategies.
- Support secondary schools with School Direct – the training and recruitment of newly qualified teachers.
- Support Head teachers and school leaders through effective performance management and performance related pay.
- Continue to operate a Newly Qualified Teacher pool and provide support to schools through recruitment and retention activities.

Chief Executives Office/Corporate Services

Council wide activities

- Develop an action plan to move to the Excellent level in the Equalities Framework.
- Commence the production of the new Equality Scheme for 2016-2021
- Implementing changes arising from employee involvement in the “Good to Great” programme which developed ideas from employees on how to further improve Council performance – including the launch of the Development and Performance Toolkit.
- Planning actions arising from the 2014 Staff survey including the establishment of two working groups on Cross Council Working and Recognition and Reward.
- Enabling managers to take greater responsibility for the learning and development requirements of their teams via direct access to the new Learning Management system.

Directorate activities

- Developing and launching the self-service options for managers through the introduction of the new HR/Payroll and the My Learning Space systems.
- Provision of support and legal advice to the Council in connection with the Town Centre re-development, the delivery of SALP sites for housing, the implementation of the Care Act, etc.
- Manage the key financial pressures including maintaining the property infrastructure and the costs of changes to ICT infrastructure.
- Implementing the actions arising for the Investors in People reaccreditation

Adult Social Care Health and Housing

- Ensure the skills of the wider adult workforce meet those set out in the East Berkshire Workforce and Development Strategy for Safeguarding.
- Integration with Health Services and also ensure that their learning and development needs of Public Health are met.
- Enhance the skills of the workforce to meet the needs arising as a result of the implementation of the Welfare Reform Act 2012.
- Impact of the introduction of the Care Certificate from March 2015.
- Reorganisation of Adult Social Care to provide a more efficient and stream lined service to the community including maximising the opportunities presented by service commissioning.

10 ISSUES WHICH WILL IMPACT ON THE COUNCIL'S WORKFORCE

(i) Staff Communications

This remains key to having an effective workforce as major change issues are fundamentally affected by communications particularly in cases of workforce remodelling and restructuring.

(ii) Mobile and Flexible Working

Current policies reflect the new flexible working arrangements and accommodate employment rights which also means that training and development activities are offered in a variety of different ways to accommodate these arrangements.

(iii) Audits and Inspections

The amalgamated Adult Learning Inspectorate, OFSTED and the Care Quality Commission, will continue as will audits of financial arrangements. The focus of inspections is moving towards one of identifying the impact of changes on the outcomes from those people in receipt of services. This has meant a greater emphasis on post course evaluation to identify how learning has been incorporated into practice. Less regular, planned inspections will be undertaken but with less notice being given.

(iv) Enhancing managerial skills and competencies

Supporting managers to develop new skills needs to be embedded into management thinking through training and HR advice. A new Performance Management toolkit has been developed as part of the Good to Great Performance management initiative..

(v) The actions of other potentially competitive employers

The Council will need to continue to monitor neighbouring Boroughs and the actions they are taking in relation to recruiting and retaining key staff in eg Social Care, Planning etc.

(vi) Developing and Nuturing Talent

As part of the Good to Great initiative and in response to the findings of the Peer Review in March 2013, the Council is working to better harness the creativity, talent and energy for change of its workforce, through a range of initiatives including secondments and mentoring. The potential loss of senior managers will mean a new Leadership Programme launched will be put in place to identify and support emerging talent.

(vii) Increasing and improving the e-learning offer

To maximise the Learning and Development opportunities for the workforce by providing more cost effective programmes.

(viii) **Using modern technology effectively**

In order to enable customers/service users to contact the Council at times and in ways which best suit them, the Council is actively working on promoting and improving access to Council services through a redeveloped website and customer portal and an improved Customer Relationship Management System.

11 A REVIEW OF THE 2014 PAY AND WORKFORCE STRATEGY

11.1 Achievements and actions still outstanding

There are 28 actions shown in the Action Plans of the 2014 Eighth Pay & Workforce Strategy. As the Strategy is constructed as a 3 year rolling programme not all actions will be completed in year 1. Therefore of the 28 actions 10 have been fully completed, 5 part completed, and 13 not completed because they have a longer timeframe .

11.2 The 10 completed actions are:

Priority Area 1

- Developed and implemented mechanisms to nurture and develop talent through mentoring, coaching and secondments.
- Revised and updated the 8th Pay and Workforce Strategy.
- Participated in benchmarking activities.
- Supported managers and employees to develop flexible working arrangements

Priority Area 2

- Delivered a programme on Data Protection and Information Security.

Priority Area 3

- Expanded the use of the Common Induction and new managers standards and assessment tool in line with the requirements of the Care Certificate.
- Developed a performance management toolkit

Priority Area 4

- Ensured that the new HR/Payroll system provided the ability to provide improved management information

Priority Area 5

- Considered the Council's position on a new pay and grading structure
- Reassessed the value of the Bracknell Forest supplement

11.3 The 5 actions partially completed actions are:

Priority Area 1

- Capturing up to date information on the skills/qualifications of all employees through the new LMS and HR systems.

Priority Area 2

- Enhancing partnership approaches with regard to learning and development activities.

Priority Area 3

- Complying with the introduction of new induction standards for social care staff.
- Raising skills and competence within the private, independent and voluntary sector.

Priority Area 4

- Identify and access opportunities for external funding.

11.4 The 13 actions which will continue to be developed and hence have not yet been completed are:

Priority Area 1

- Implement actions required to achieve the Excellent level of the Equality Framework
- Continue to remodel the Children's and Adults workforce through organisational development activities
- Implementing the actions from the most recent Staff Survey

Priority Area 2

- Piloting the ILM level 5 programmes in mentoring and coaching
- Enhancing managerial skills and knowledge especially in areas of performance management skills

Priority Area 3

- Raising skills and competence in the private, independent and voluntary sector in care.
- Continuing to develop the skills of the Adult social care workforce including the provision of nationally recognised qualifications.

Priority Area 4

- Continuing to enhance the image of the Council as an attractive employer
- Working towards a diverse workforce which reflects the community
- Supporting the development of school leavers, graduates and older people particularly in areas of skills shortage.

Priority Area 5

- Monitoring the effectiveness of the Golden Handcuffs and other initiatives to recruit and retain key employees.
- Assisting departments in fitting staffing to available budgets
- Further developing the Council's flexible benefits approach

12 **CONCLUSIONS**

12.1 All the issues discussed in this Strategy will have a fundamental impact on the way in which the Council approaches achieving greater economies and improving efficiency, workforce planning, recruitment and retention, reward mechanisms and skills development of its staff. All these factors will need to be taken into account in the coming years and the Strategy adjusted accordingly.

12.2 The following documents inform and underpin the actions proposed in the Strategy:

- Medium Term Financial Strategy – General Fund Revenue Budget Book 2014/15
- Equality Scheme 2012-2016
- Creating Opportunities – a joint strategic plan for children and young people 2014-2017
- Staff Survey Action Plans 2015

13 **APPENDICES – ACTION PLANS**

13.1 The attached appendices are based on the 5 key national priorities outlined in paragraph 1 of the Strategy.

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TO: COUNCIL
20 JANUARY 2016

**ANNUAL UPDATE OF THE COUNCIL'S PAY POLICY STATEMENT
(Director of Corporate Services – Human Resources)**

1 PURPOSE OF REPORT

- 1.1 Since 2012, and in accordance with the 2011 Localism Act, the Council has been required to publish a Pay Policy Statement. The Statement is also aligned with the requirements of the Transparency Regulations.

2 RECOMMENDATIONS

That the Council agree the Pay Policy Statement for 2016/17.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To comply with the Department of Communities and Local Government (DCLG) guidance and 2014 Transparency Code requirements.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None. It is a legal requirement to produce and publish the statement.

5 SUPPORTING INFORMATION

- 5.1 Pay Policy Statement

This is a requirement under the Localism Act. The pay policy statement is attached.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 Section 40 of the Localism Act 2011 requires a Local Authority, in performing its functions regarding Pay Policy Statements to have regard to any guidance issued or approved by the Secretary of State. A local authority must comply with such statutory guidance unless it has good reasons for not so complying.

Borough Treasurer

- 6.2 None

Equalities Impact Assessment

- 6.3 The Bracknell Forest Supplement assists those in lower socio-economic groupings; women and younger employees in particular are strongly represented in the affected group.

Strategic Risk Management Issues

- 6.4 Failure to explicitly respond to guidance on the content of published information will run the risk of challenge from the DCLG.

7 CONSULTATION

Principal Groups Consulted

- 8.1 This was subject to discussion at the Local Joint Committee.

Method of Consultation

- 8.2 By report.

Representations Received

- 8.3 No comments received.

Background Papers

None

Contact for further information

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Bracknell Forest Council
PAY POLICY STATEMENT FOR THE FINANCIAL YEAR 2016/17
(Reported data based on 2015/16)

INTRODUCTION

Source and scope of policy statement

This Policy Statement has been produced in accordance with Sections 38 to 43 of the Localism Act 2011 (the Act), which, from 2012 onwards, require local authorities to publish an annual statement of their policy for the relevant financial year in relation to:

- The remuneration of their most senior employees (which the Act defines as the head of paid service (Chief Executive), the Monitoring Officer, the Chief Officers (or Directors), and the Deputy Chief Officers (i.e. managers who report directly to a Director));
- The remuneration of their lowest-paid employees; and
- The relationship between the remuneration of the most senior employees and that of other employees.

The policy is for the financial year 2016/17. Data on existing salaries, job roles and statistics contained within the statement are based on the year 2015/16.

The Secretary of State has produced guidance on the Act's provisions relating to openness and accountability in local pay, which local authorities must have regard to in preparing and approving their annual pay policy statements, and the Council's statement takes full account of this guidance to date as well as the provisions of the Act.

It also takes account of:

- Local Government Transparency Code 2014;
- Guidance issued by the Joint National Council (JNC) for Local Authority Chief Executives on pay policy statements, published in November 2011;
- Guidance under section 40 of Localism Act 2011, published by DCLG
- Employment and equalities legislation affecting local authority employers, where relevant.

To aid transparency, this policy also contains or refers to information which the Council is already required to publish under other legislation, i.e.

- Information on the actual level of remuneration paid to senior managers, as required by The Accounts and Audit (Amendment No. 2) (England) Regulations 2009;
- Policies on the exercise of its discretions over payments upon termination of employment under the Local Government Pension Scheme, as required by Local Government Pension Scheme Regulations;
- Policies on the exercise of its discretions over payments upon termination of employment under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as required by Regulation 7 of those regulations.

The Government's guidance on the Localism Act's pay provisions states that it is open to Councils to include in this Statement their policies on the remuneration of employees who are

neither the most senior officers nor the lowest paid. Accordingly, this Policy Statement also gives details of:

- The policies applied to employees earning in excess of £50,000, as required by Local Government Transparency Code 2014;
- Elements of remuneration which apply to all employees, regardless of their pay level, status or grading within the Council.

As such, this Statement draws together all the relevant existing policies and can therefore be seen as a comprehensive document covering all relevant aspects of pay and remuneration within the Council.

Status of policy statement

In line with the requirements of the Localism Act, the Pay Policy Statement will need to be reviewed on an annual basis, with a new version approved before the start of each subsequent financial year, which will need to be complied with during that year.

The Pay Policy Statement can also be amended during the course of any financial year, but only by a resolution of the full Council. If it is amended during the year to which it relates, the revised version of the statement will be published as soon as reasonably possible after the amendment is approved by the Council.

Transparency and autonomy

It is important to recognise that, whilst producing national legislation relating to their pay policies, the Government also explicitly recognises that each local authority remains an individual employer in its own right, and, as such, has the autonomy to make decisions on pay that are appropriate to local circumstances and deliver value for money for local taxpayers.

SECTION 1: REMUNERATION OF STATUTORY AND NON-STATUTORY DIRECTORS, CHIEF OFFICERS, MONITORING OFFICER AND OTHER SENIOR POSTS

1.1 REMUNERATION COVERED IN THIS SECTION OF THE POLICY

This section covers the Council's policies in relation to the remuneration of its senior employees, including:

- Its Chief Executive;
- Its Directors who report to and are directly accountable to the Chief Executive – this includes both statutory and non-statutory Directors;
- Its Chief Officers, who report to and are directly accountable to Directors;
- Its Section 151 Officer (the Borough Treasurer), who is also a Chief Officer and remunerated as such;
- Its Monitoring Officer (the Borough Solicitor, who is the officer responsible for ensuring the Council's compliance with the law in all its activities) is also a Chief Officer and is remunerated as such.

1.2 CONTEXT

These senior employees are responsible for working with elected politicians to determine the overall strategic direction of the Council, to develop the scale, nature, efficiency and effectiveness of all the services provided by the Council, and to provide day-to-day leadership and management of those services.

In relation to other organisations in all sectors across the UK, the Council is a large, complex organisation providing a very diverse range of services. Many of those services are vital to the wellbeing of individuals and groups of residents in the local community and are delivered in very challenging circumstances, taking account of levels of need and the availability of resources to meet them.

The Council's senior employees are responsible for:

- 3921 employees (equivalent to 2878 full-time equivalent (FTE) employees). These numbers are as at 1 April 2015.
- Services to an estimated 118,500 residents within the local community.
- Total Gross Expenditure of £267.7million, which was the Council's Total Gross Outturn Expenditure in 2014/15.
- The following services to the local community:
 - Adult social services
 - Children and families social services
 - Countryside and open space management and maintenance
 - Education and schools
 - Elections and local democracy
 - Environmental and public health, including pest control
 - Environmental Services, including refuse collection, recycling, street cleaning and waste disposal
 - Housing
 - Housing and Council tax benefits
 - Leisure and Arts provision
 - Libraries
 - Planning

- Economic development
- Roads, transport, street lighting and car parking
- Trading Standards and Licensing
- Youth and Community Services
- Public Health
- Regeneration
- Community Safety

- The following facilities:
 - 37 schools (including one Pupil Referral Unit)
 - 1 residential care home with day centre, one respite service (overnight and daytime) and one intermediate care centre
 - 4 Children's Centres
 - 9 libraries
 - 9 leisure centres
 - Over 80 park sites totalling over 1,000 acres of land
 - 24 play areas, plus wheeled sports areas, tennis courts, soccer pitches, a baseball diamond and a sports pavilion
 - 14 community centres

- The Council:
 - Is responsible for the education of around 17,000 children
 - Deals with around 1,200 planning applications per year
 - Manages and maintains around 456 kilometres of roads, 700+ kilometres of paths and cycleways, 200+ bridges, underpasses and other structures
 - Manages and maintains cutting almost 2.5 million square metres of grass and manages and maintains approximately 625,000 square metres of woodland
 - Is responsible for around 100 looked-after children
 - Licences 244 premises and clubs and 284 taxis
 - Arranges care and support for 2,000-2,500 adults

The Council has to compete with other employers in the area (and, in many cases, in the country) to recruit and retain managers who are capable of meeting the challenges of delivering this diverse range of services to the required standards. This has an important bearing on the levels of remuneration it offers which has been kept under review on a regular basis by the Employment Committee. At the same time, the Council is under an obligation to secure the best value for money for its residents and tax-payers in taking decisions on pay levels. In recent years the Employment Committee has sought to strike a fair balance between these competing pressures.

In a report on senior pay in the public sector commissioned by the government in 2011, Will Hutton concluded that "Chief Executive Officers of [private sector] companies with a turnover of between £101million and £300 million earn more than twice their public sector counterparts." He also observed that "The sharp increase in executive pay over the last decade, and the wider trend of growing income inequality, has been largely a private sector phenomenon".

1.3 RESPONSIBILITIES OF SENIOR ROLES

To give further contextual information for remuneration levels, the main accountabilities of the Chief Executive and Directors are set out below.

- **Chief Executive**

The Chief Executive is the Council's most senior employee who leads and takes responsibility for the work of the Council. It is a full time appointment and post holders are selected on merit, against objective criteria, following public advertisement.

The role of Chief Executive is complex with ultimate responsibility for managing expenditure of £267.7m of public funds, serving around 118,500 people in the Council's area.

As head of the paid service of the Council's employed staff, the Chief Executive is a non-political post. Whilst the elected councillors provide the policies, Council paid employees put them into practice. The Chief Executive is responsible to and accountable to, the Leader of the Council, the Executive and the whole Council in delivering their political and policy objectives.

The Chief Executive works closely with elected councillors to deliver:

Leadership: to ensure strong and visible leadership and direction, encouraging and enabling managers to motivate and inspire their teams;

Strategic direction: ensuring all staff understand and adhere to the strategic aims of the organisation and follow the direction set by elected councillors;

Policy advice: acting as the principal policy adviser to the elected councillors to lead the development of workable strategies which will deliver the political objectives set;

Partnerships: leading and developing strong partnerships across the local community to achieve improved outcomes and better public services for local people;

Operational Management: overseeing financial and performance management, risk management, people management and change management within the Council.

The Chief Executive also has a unit (The Chief Executive's Office) under the direct control of the Assistant Chief Executive, which deals with Communications and Marketing, Business and Enterprise, Performance and improvement, Overview and Scrutiny, Crime and Disorder reduction, Regeneration, and the local area agreement.

Staff under indirect management responsibility: 3897

- **Director – Adult Social Care, Health and Housing**

This post has a statutory role in relation to adult social care, and is responsible and accountable for assessing local needs and ensuring the availability and delivery of a full range of adult social services, often interfacing with Health bodies.

The directorate provides advice and information about the range of services that may be available to support individuals or families. Practitioners will work with individuals and their carers to identify needs for care and support, and how those needs can be met. If people are not eligible, the department can give them information about other ways of accessing support and organisations where they could go to get help. There is joint work with Children's Services to ensure support is in place when the young person reaches 18 years of age. .

The focus of support is to enable people to maximise their ability and retain their independence, which will mean people can stay in their own homes for as long as possible. Support may be needed for a crisis or a longer period, and the directorate will generally provide this. Depending on assessed needs, a range of services could be provided in partnership with other organisations to meet the social care needs of adults and older people. Services include home support, day care opportunities, the provision of equipment for daily living and residential and nursing care. The Directorate also has a responsibility to ensure that the needs of "informal" carers (usually family or friends) are identified, and appropriate support is offered to enable them to continue in their caring role, should this be what they wish.

The post is also responsible for ensuring the provision of Housing Advice and Homelessness Prevention as well as the provision of Housing and Council Tax Benefits.

Public Health functions, formerly part of the NHS, aim to improve the health and wellbeing of the population, tackle health inequalities and reduce premature mortality. One Public Health team covers the Bracknell area and another covers strategic Public Health work across Berkshire.

Its duties include specific support for the following individuals and/or their families:

- Older people
- People with a learning disability
- People with mental health needs, including dementia
- People with an Autistic Spectrum Disorder (autism)
- People who misuse substances such as drugs and alcohol
- People with long term conditions
- Carers
- Users of the Forestcare Community Alarm and Out of hours service.
- People affected by HIV/Aids

Budget responsibility: £33.4 million per annum

Staff under direct or indirect line management responsibility: 380

- ***Director – Children, Young People and Learning***

This post has a statutory role and is responsible and accountable for education services and the full range of children's services in the Council's area, and aims to ensure that children and young people achieve the best possible outcomes for their lives through education, advice and guidance, access to support and where necessary specialist placements.

Children's Social Care

- Child Protection
- Looked After Children
- Youth Offending Team
- Duty and Assessment Team
- Family and Adolescent Support Team
- Under and Over 11s Team
- After Care Team
- Family Placement Team
- Disabled Children's Team
- Family Centre
- Family Group Conference Coordinator
- Domestic Abuse Perpetrator Service
- Family Intervention project

Learning & Achievement

- School Improvement Service
- Community Learning
- Governor Services
- Targeted Services
- Pupil Referral Service
- Education Library Service
- Support for Learning Service
- ASSC Service
- Behaviour Support Team
- Education Psychology Service
- Education Welfare Service
- Education Centre
- Virtual School for Vulnerable Children
- Special Educational Needs
- Safeguarding and Inclusion
- Open Learning Centre
- South East Grid for Learning

Strategy, Resources and Early Help

- Early Years, Childcare and Play
- Integrated Youth Services
- Performance and Governance
- School Admissions
- Human Resources
- Finance
- Policy and Commissioning
- Parent Partnership
- Child Participation
- ICT Services
- Policy and Research
- Conference and Review Team
- Statutory Complaints
- LSCB
- Education Capital and Property

Budget responsibility: £15.6 million per annum (not including schools, £79.6m)

Staff under direct or indirect line management responsibility:
2774(including schools).

- **Director – Environment, Culture and Communities**

This post is responsible and accountable for the strategic planning and delivery of services to ensure Bracknell Forest is a clean, safe, healthy and attractive place to live. The directorate targets its services to meet the high standards residents, local businesses and visitors expect. Some of these services are delivered directly, others in partnership with the voluntary and charitable sectors and some through contracts with private companies. The directorate operates with 4 service divisions and one support division, and includes:

- Town and country planning
- Building Control
- Transport Development
- Parks and countryside management,
- Leisure facilities
- Libraries
- Environmental health and licensing,
- Emergency planning,
- Highways engineering and maintenance,
- Trading standards,
- Refuse collection and street cleansing
- Waste disposal and recycling,
- Public parking.

Budget responsibility: £24.3 million per annum

Staff under direct or indirect line management responsibility: 529.

- **Director - Corporate Services**

This post is responsible and accountable for eight separate sections - Finance, Information and Communication Technology, Legal Services, Human Resources, Democratic and Registration Services, Corporate Property, Customer Services and Community Engagement and Equalities. A wide range of functions and activities are carried out within each of these sections, but falling into three main categories:

- Direct public services (e.g. customer services, revenue collection, electoral registration)
- Core management responsibilities (setting standards and ensuring that the organisation functions legally within a robust financial framework, acts as a good employer and promotes equality and community cohesion)
- Support to service departments (providing advice and support to front line departments on a wide range of issues and projects, such as HR, Legal, ICT and Property)

The directorate is responsible for the strategic planning and operational delivery of services including:

- Finance,
- Revenues and payments,
- Council Tax,

- Customer services
- Legal services
- Democratic management
- Corporate ICT
- Corporate HR
- Community engagement and equalities

The Director of Corporate Services also acts as Statutory Overview & Scrutiny Officer and Deputy Chief Executive, and leads on key projects such as Civic Accommodation and Flexible and Mobile working.

Budget responsibility: £14.2 million per annum

Staff under direct or indirect line management responsibility: 214.

1.4 OVERALL POLICY ON REMUNERATION FOR SENIOR ROLES

The Council's overall approach to remuneration for its senior employees is based on:

Compliance with equal pay, discrimination and other relevant employment legislation, plus recognition of the demanding nature of the challenges which the Council faces, and the requirement to offer competitive remuneration in relation to the rest of the local government and public sectors, in order to secure the most talented managers. This means that, on the advice of the Employment Committee, the Council has always taken account of

- pay levels in the local area, including neighbouring public sector employers;
- the relative cost of living in the local area, particularly housing costs;
- the responsibilities and accountabilities of particular posts which may be exceptionally demanding.

The Council seeks to maintain this overall approach by carefully monitoring pay data provided by the Joint National Councils (JNCs) for Chief Officers and Chief Executives, the Local Government Association/Employers, and other relevant pay surveys. In recognition of the economic situation, the Council has not increased the salary of the Chief Executive and the Directors since 2008; and Chief Officers had not seen an increase since 2008 until 2015 when a 2% national pay award was implemented for Chief Officers.

In terms of pay differentials, the Council recognises that the role of Chief Executive leads the organisation's workforce and has the greatest level of accountability, and so warrants the highest pay level in the organisation.

At Director level:

- The Council recognises that all its Directors have a collective and corporate responsibility for contributing to and delivering the overall strategy of the organisation, and therefore offers the same level of remuneration (the same incremental grade) to all Directors. The Director of Corporate Services receives an additional 2.5% as the Deputy Chief Executive, rising to 10% during any longer period of at least four weeks where, in his absence, she is acting as Chief Executive.

At Chief Officer level:

- The Council recognises that certain roles are more demanding than others, and has identified those with a greater level of accountability through job evaluation, (which provides a careful analysis of job demands) and offers them higher remuneration than other Chief Officer posts. Evaluation is based upon the Hay system and evaluations are carried out independently by the Hay Group. The one exception at Chief Officer level is the Director of Public Health, who is paid on the relevant NHS payscale.

Below Chief Officer level, the Council recognises that the demands on and accountabilities of different management roles vary considerably, and seeks to align pay levels with the relative importance and responsibilities of jobs, using a process of job evaluation, and including Market Premia where applicable to match certain posts with the market rate for similar jobs. There are, additionally, some posts which are on other national payscales such as the teaching payscales, NHS payscales or Soulbury conditions. Some of the posts below Chief Officer level are specifically listed later in this report as earning more than £50,000 pa because they either receive a Market Premia payment or are subject to other national payscales.

1.5 SPECIFIC REMUNERATION OFFERED TO SENIOR EMPLOYEES

At Chief Executive, Director and Chief Officer level, the Council offers only an annual salary and access to the Local Government Pension Scheme. No other cash benefits or benefits in kind are offered - except any benefits purchased by the employee under the Council's Flexible Benefits scheme under which all employees may purchase benefits from a range offered to all staff. The only one of these benefits which gives an opportunity to increase income is the selling of annual leave, which is available to most employees but not to those at Chief Officer level and above (see section 4). The Council does not offer performance related payments or bonuses to its senior employees.

Geographical/location allowance (local weighting) is not payable to the Chief Executive, Directors or Chief Officers.

The Chief Executive, Directors and Chief Officers are not eligible to participate in the Council's flexible leave scheme whereby employees are able to "buy and sell" annual leave within certain parameters (See section 4, below).

Mobile phones/devices are provided to the Chief Executive/Chief Officers/other senior managers on the basis that they are necessary to undertake their duties effectively, and it is a condition of their contracts that they are on an emergency rota requiring them to be issued with a mobile phone/device. The Council funds the provision of the phone and business calls. Employees are required to pay for personal calls (see page 20). All employees working flexibly are issued with a mobile phone .

Annual salaries:

Annual salary levels for senior employees are fixed in accordance with the overall principles set out in section 1.4. At Chief Executive, Director and Chief Officer level and for other senior managers, they consist of a grade range which is determined locally by the Council. This grade range consists of a number of incremental salary points, through which employees may progress until the top of the grade is reached.

Remuneration of senior employees on recruitment

The Council's policy is that any newly appointed senior employee will normally commence employment at the lowest pay point in the pay range for their job, other than when taking account of the successful applicant's current salary and the market requirements. Any decision to appoint a senior employee on a higher pay point within the relevant pay range would be made by the Appointments Committee.

Pay progression

Pay progression within a specific grade is normally by annual increment, payable from 1 April, until the employee reaches the top pay point of their grade.

- Pay progression is based on the period of time the employee has served in that grade, subject to satisfactory performance.
- Senior employees who are considered to have demonstrated exceptional performance may receive accelerated incremental progression within the grade at the discretion of the Chief Executive or relevant Director or, in the case of the Chief Executive, at the discretion of the Leader of the Council.

Pay awards

- The salaries of senior employees are reviewed annually in line with any pay award agreed in the Joint National Councils (JNCs) for Chief Executives/Chief Officers, the National Joint Council (NJC) for Local Government Services, NHS or Soulbury conditions, as appropriate for the contracts of the senior managers.

Bonuses

- The Council does not pay bonuses to any of its employees.

Local Government Pension Scheme (LGPS)

The Council offers all its senior employees access to the Local Government Pension Scheme, in accordance with the statutory provisions of the scheme, on exactly the same basis as all of its employees. Any pension payments made to its senior employees on termination of employment either on grounds of redundancy, in the interests of the efficiency of the service or on grounds of ill health are made within the statutory terms of the LGPS.

- The employer's contribution rate for senior employees who join the scheme is the same as for all other employees, as set out in Section 4 "**POLICIES COMMON TO ALL EMPLOYEES**".
- The discretions which the Council is able to apply under the scheme upon termination of employment are the same for senior employees as for all other employees who are LGPS members and are set out in Section 4 "**POLICIES COMMON TO ALL EMPLOYEES**".

Payments on Termination of Employment

Other than payments made under the LGPS, the Council's payments to managers whose employment is terminated on grounds of redundancy or in the interests of the efficiency of the service will be in accordance with the policy the Council has adopted for all its employees in relation to the Local Government (Early Termination of

Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as set out in Section 4 **“POLICIES COMMON TO ALL EMPLOYEES”**.

Other than payments pursuant to the LGPS (including the exercise of the Council's discretions) or payments in accordance with the Council's policies under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, the Council's policy is not to make any other termination payments to its senior employees. The only exception to this, which is very rarely used, is where it has received specific legal advice to the effect that a payment is appropriate to settle proceedings in an Employment Tribunal or court of law, or may be required to eliminate risk of claims against the Council. Any severance payment of £100,000 or more which falls outside the agreed policy parameters will be referred to full Council for approval.

Election fees

Election fees are paid separately. Returning Officer fees for national elections are set by central government. Local election fees are paid in accordance with a scale of fees which is based on national election rates and agreed locally.

1.6 RE-ENGAGEMENT OF CHIEF OFFICERS

Re-engagement of Chief Executives, Directors and Chief Officers who have left Bracknell Forest Council with a severance or termination payment

Re-engagement as employees

(1) Subject to any relevant provisions in employment and equalities legislation, the Council's policy is not to re-employ *in any capacity* any former Chief Executive, Director or Chief Officer who was in receipt of a severance or termination payment for any reason other than compulsory redundancy, for a period of three years from the date of termination of employment.

(2) Where a Chief Executive, Director or Chief Officer's employment has been terminated compulsorily on grounds of redundancy, they will not be re-employed *in the same or a similar post* for a period of three years following the date of termination of employment. If they are re-employed in another post within four weeks after the effective date of redundancy, they will lose their right to a redundancy payment, including any enhancements under the provisions of the LGPS or the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. Any re-employment will be subject to the Council following the strict application of the normal process of competitive selection for employment.

(3) Any former Chief Executive, Director or Chief Officer who is employed by the Council who has previously received a severance, termination or redundancy payment from this or any other Council or related body will not have previous service counted when determining any further entitlements to notice periods, sickness payments, annual leave or other benefits/entitlements based on continuous service.

Re-engagement under a contract for services

The Council's policy is not to re-engage under a contract for services any former Chief Executive, Director or Chief Officer who left the Council for any reason and was in receipt of a redundancy, severance or termination payment, for a period of three years from the cessation of employment.

Policy variation

This re-engagement policy may be varied only in exceptional circumstances and then subject to the agreement of the Employment Committee.

Employment of those in receipt of an LGPS pension

General:

Policy is set out in Section 4 **POLICIES COMMON TO ALL EMPLOYEES**.

Flexible retirement:

The LGPS regulations permit the Council to offer flexible retirement to employees (including Chief Executive, Directors and Chief Officers) aged 55 or over, so that they can reduce their hours of work, and receive a pension in respect of the proportion of full-time hours they are no longer required to work. This policy is set out in Section 4 **POLICIES COMMON TO ALL EMPLOYEES**.

1.7 PUBLICATION OF DETAILS OF EMPLOYEE REMUNERATION

In accordance with 39 (5) of the Localism Act, this policy will be published on the Council's website.

The Council is also required to publish information about the remuneration of senior officers under The Accounts and Audit (Amendment No. 2) (England) Regulations 2009, and the Local Government Transparency Code 2014.

For ease of reference, remuneration data for posts identified under these Regulations is set out below, individual annual salaries can be found on the Council's website.

| | |
|--|---------------------|
| Chief Executive | £144,764 - £156,638 |
| Director - Corporate Services (Deputy CE) | £106,956 - £115,712 |
| Director – Children, Young People and Learning | £104,348 - £112,890 |
| Director – Adult Social Care, Health and Housing | £104,348 - £112,890 |
| Director – Environment, Culture and Communities | £104,348 - £112,890 |
| Director of Public Health | £98,313 - £115,097 |
| Borough Treasurer and Section 151 Officer | £90,932 - £96,456 |
| Borough Solicitor and Monitoring Officer | £85,718 - £90,932 |
| Chief Officer: Children's Social Care | £85,718 - £90,932 |
| Chief Officer: Environment and Public Protection | £85,718 - £90,932 |
| Assistant Chief Executive | £80,810 - £85,718 |
| Chief Officer: Information Services | £80,810 - £85,718 |
| Chief Officer: Human Resources | £80,810 - £85,718 |
| Chief Officer: Property | £80,810 - £85,718 |

Unrestricted

| | |
|---|-------------------|
| Chief Officer: Strategy, Resources and Early Intervention | £80,810 - £85,718 |
| Chief Officer: Leisure and Culture | £80,810 - £85,718 |
| Chief Officer: Planning and Transport | £80,810 - £85,718 |
| Chief Officer: Older People and Long Term Conditions | £80,810 - £85,718 |
| Chief Officer: Adults and Joint Commissioning | £80,810 - £85,718 |
| Chief Officer: Housing | £74,688 - £80,810 |
| Chief Officer: Customer Services | £67,556 – 73,249 |
| Chief Adviser: Learning and Achievement | £85,719 - £90,932 |

Figures as at 1 April 2015 and are inclusive of local weighting/supplements and/or market premia where payable. Teaching staff not included.

SECTION 2: REMUNERATION OF LOWEST PAID EMPLOYEES

This section sets out the Council's policies in relation to the remuneration of its lowest-paid employees, as defined in this Pay Policy Statement.

2.1 ORGANISATIONAL CONTEXT

The Council considers it is important that its policy with regard to the remuneration of its lowest paid employees is seen within the broader organisational context, in particular the range and diversity of services for which it is responsible, either directly or indirectly, the number of residents within the local community, the level of its financial responsibilities and the numbers of staff directly employed.

2.2 OVERALL REMUNERATION POLICY: LOWEST PAID EMPLOYEES

Aims, Objectives and Key Principles

The Council aims to develop, implement and maintain fair and equitable remuneration arrangements which enable it to recruit, retain, motivate and develop staff with the skills and capabilities necessary to ensure the continued provision of high quality services and which are cost effective and provide value for money.

The Council's remuneration policy complies with all equal pay, discrimination and other relevant employment legislation.

When setting pay levels for specific posts the Council takes account of both internal differentials, as measured by job evaluation, and external relativities, as measured against the relevant employment market. The Council aims to ensure its pay rates for specific posts are set at a level which enable it to recruit and retain staff with the appropriate knowledge, skills and capabilities necessary for the particular role.

2.3 DEFINITION OF LOWEST PAID EMPLOYEES

The definition of the "lowest-paid employees" adopted by the Council for the purposes of this statement is as follows:

The lowest paid employees within the Council paid on the Council's lowest hourly pay rate.

The current annual full-time equivalent value of this pay level, based on a 37 hour standard working week and including local weighting, is £14,073. However, in April 2014 the Council introduced a new low pay supplement, the Bracknell Forest Supplement, which would guarantee employees a minimum pay level; the minimum level from 1 April 2015 is £7.85 per hour (including local weighting). This gives an annual minimum for a 37 hour week of £15,144. For the purposes of this report therefore £15,144 is regarded as the lowest point of pay within the financial year.

This is the most appropriate definition as this is the lowest pay point on the Council's substantive pay structure plus the Bracknell Forest Supplement, and having regard to guidance issued by the Local Government Association and JNC for Local Authority Chief Executives.

2.4 REMUNERATION OF LOWEST PAID EMPLOYEES

Pay structure

The Council's lowest paid employees are on a grade range derived from the national pay spine, as set out in the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. This grade range consists of a number of incremental salary points through which employees may progress until the top of the grade is reached.

Pay Progression

Pay progression is normally by annual increment, payable from 1 April.

Pay progression is based on the period of time the employee has served in that grade, subject to satisfactory performance. Directors may accelerate incremental progression within the grade for employees who are considered to have demonstrated exceptional performance.

Annual Pay Review

The basic pay of the Council's lowest paid employees is reviewed annually at a national level, with any cost-of-living, or other, increase normally applied on 1 April in each year. Unusually in 2015 the pay award was applied from 1 January 2015; the next annual pay award is expected to be applied from 1 April 2016.

Any increase will normally be applied in accordance with that agreed by the National Joint Council for Local Government Services.

Bracknell Forest Supplement

In April 2014 the Council introduced a pay supplement which would guarantee a level of pay to employees on permanent and temporary contracts. The level of the minimum hourly rate guaranteed for 2015-16 was £7.85. The amount is reviewed annually by Employment Committee and for 2016-17 will be £8.25ph. In April 2016 a new "National Living Wage" rate for those 25 years of age and over will be introduced at £7.20 per hour. The Bracknell Forest Supplement will therefore still result in pay levels above the statutory minima, but the gap between the basic salary and the locally guaranteed level will be reduced for workers over 25.

Pension provision

The Council's lowest paid employees may participate in the Local Government Pension Scheme in accordance with the statutory terms of that scheme.

Contributions are made to this scheme in respect of each participating employee as set out in Section 4, **Policies Common to all Employees**.

Any increases in or enhancements to the pension entitlement of the Council's lowest paid employees would be made in accordance with the discretions available to it under the statutory provisions of the Local Government Pension Scheme, as exercised by the Council and set out in the relevant policy statement (see Section 4 of this Pay Policy Statement, **Policies Common to all Employees**).

Termination or Severance Payments

Any termination or severance payments made by the Council to its lowest paid employees, either on grounds of redundancy, in the interests of the efficiency of the service or on grounds of permanent ill-health, will be made in accordance with the statutory terms of the Local Government Pension Scheme, as applicable, and/or in accordance with the discretions available to it under that Scheme or under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as set out in the relevant policy statement (see Section 4 of this Pay Policy Statement, **Policies Common to all Employees**).

Other than payments pursuant to the LGPS (including the exercise of the Council's discretions) or payments in accordance with the Council's policies under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, the Council's policy is not to make any other termination or severance payments to its lowest paid employees, other than where it has received specific legal advice to the effect that a payment may be necessary to eliminate risk of claims against the Council.

Other elements of remuneration

The other elements of remuneration which it is the Council's policy to offer to its lowest paid employees (where applicable) are listed below and are as set out in section 4, "Policies common to all employees":

Recruitment/retention payments

Reimbursement of removal/relocation costs/mortgage subsidy on appointment

Geographical/location allowance (local weighting)

Car allowances/mileage rates

Payment of professional subscriptions or membership fees

Subsistence or other expenses allowance

Provision of mobile telephones/personal devices

Honorarium/acting up/additional responsibility payments

Payment for reduced leave entitlement

Discounted loans

In addition, the Council's lowest paid employees may have access to the following payments where their patterns of work make them appropriate:

Working arrangements

Employees on national conditions who are required to work beyond the Council's normal full-time equivalent working week of 37 hours and/or work other non-standard working patterns, as listed below, will receive payment in accordance with the provisions of the National Joint Council for Local

Government Services National Agreement on Pay and Conditions of Service for:

- Additional hours;
- Saturday and Sunday working;
- Night work;
- Public and Extra Statutory holidays;
- Sleeping-in duty.

Employees on local conditions who are required to work beyond their normal full-time equivalent working week of 37 hours and/or work other non-standard working patterns, as listed below, will receive payment as below.

- Additional hours (Leisure plain time)
- Saturday and Sunday working (Leisure plain time)
- Public and Extra Statutory holidays

Standby and/or call-out payments

Employees who are required to be on standby at times which are outside their normal working week and/or who may be called-out to attend to an issue at the Council's premises or other location may receive an additional payment in accordance with the provisions of the relevant Council policy.

2.5 OTHER TERMS AND CONDITIONS

The other terms and conditions which apply to the Council's lowest paid employees are as set out in the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service, as amended and/or supplemented by any local agreements which may apply.

2.6 REMUNERATION OF EMPLOYEES WHO ARE PAID MORE THAN THE LOWEST PAID EMPLOYEES BUT WHO ARE NOT CHIEF OFFICERS

The Council's policy and practice with regard to the remuneration of employees who are paid more than its lowest paid employees but who are not Chief Officers is the same as that which applies to its lowest paid employees, other than where any differences are indicated in this policy statement. Some specific groups of employees are paid on nationally determined Soulbury Conditions or Youth and Community Conditions.

2.7 EMPLOYEES WHO ARE PAID LESS THAN THE COUNCIL'S LOWEST PAID EMPLOYEES, AS DEFINED IN THIS PAY POLICY STATEMENT

The following categories of employees *may* be paid less than the Council's lowest paid employees, as defined in this Pay Policy Statement:

Trainees/apprentices;
Temporary workers
Casual workers.

The Council may apply a lower pay rate and/or different remuneration arrangements to these categories of employees, which reflects the particular nature and/or duration/frequency of their employment.

SECTION 3: PAY RELATIONSHIPS

This section sets out the Council's overall approach to ensuring pay levels are fairly and appropriately dispersed across the organisation, including the current pay multiples which apply, and its policy toward maintaining acceptable pay multiples in the future.

The Council believes that the principle of fair pay is important to the provision of high quality and well-managed services and is committed to ensuring fairness and equity in its remuneration practices. The Council's pay policies, processes and procedures are designed to ensure that pay levels are appropriately aligned with and properly reflect the relative demands and responsibilities of each post and the knowledge, skills and capabilities necessary to ensure they are undertaken to the required standard, as well as taking account of relevant market considerations. This includes ensuring that there is an appropriate relationship between the pay levels of its senior officers, as defined in this Pay Policy Statement, and of all other employees.

The Council has adopted a number of policies and practices to ensure fairness in the overall pay relativities within the Authority. These include:

- Using an analytical job evaluation scheme to determine the grading of all posts below Chief Officer level.
- Jobs at Chief Officer level and above are also subject to measurement using a separate job evaluation scheme.
- Applying a clear and objective methodology for evaluating all new and changed jobs to ensure they are properly graded and that pay levels properly reflect their level of responsibility;
- Establishing a defined procedure for employees who wish to request a review of their job grade or who wish to appeal against their grading outcome;
- Providing for additional payments and allowances, with clearly defined eligibility criteria, to recognise and reward any working arrangements or requirements not reflected in basic pay levels;
- Undertaking corporate monitoring of the application of pay progression arrangements to ensure these are applied and operated on a fair and consistent basis across the organisation;
- Reviewing the roles and responsibilities of individual posts on a regular basis, for example, as part of the annual appraisal process, when a vacancy arises, as part of any organisational restructuring;
- Undertaking an equal pay audit at intervals, investigating and addressing the outcomes, as appropriate

Under the provisions of the Code of Recommended Practice for Local Authorities on Data Transparency, issued by the Department for Communities and Local Government under Section 2 of the Local Government Planning and Land Act 1980, the Council is required to publish its "pay multiple", i.e. the ratio between the highest paid salary and median full time equivalent salary of the whole of the local authority's workforce. The current pay multiple, based on full time equivalent earnings in the financial year ending 31 March 2014 including base salary, overtime pay and any lump sum car allowances is 6.6. (Last year's multiple was 6.7).

The figures are not a direct comparison because of the number of hours actually worked; for example senior officers do not have a specific number of required work

hours/week in their contract of employment and will often work more than the standard 37 hours used in non-senior contracts.

The median salary is the salary value at which 50% of the full time equivalent salaries which apply to the whole of the Council's workforce are below that salary value and 50% are above it. The lowest pay point in the overall salary range which has been used by the Council in calculating the median salary is that which applies to its lowest paid employees, as defined in section 2 of this Pay Policy Statement.

If the mean salary is used in the above calculations instead of the median, the pay multiple is 5.8. (Last year's multiple based on mean was 5.9).

The Council considers that the current pay multiple, as identified above, represents an appropriate, fair and equitable internal pay relationship between the highest salary and that which applies to the rest of the workforce and has adopted the following actions to ensure an acceptable level is maintained:

Periodic benchmarking against the market rate for the Chief Executive will continue to take place and changes such as job evaluation outcomes may impact on the median payment levels; both of these may affect the pay multiple. However the multiple will be reviewed annually by means of this document to ensure it remains acceptable.

SECTION 4: POLICIES COMMON TO ALL EMPLOYEES

The following elements of remuneration are determined by corporate policies or arrangements which apply to all permanent employees of the Council (including its Chief Executive, Chief Officers and Deputy Chief Officers), regardless of their pay level, status or grading within the Council:

Contracts of Employment

It is the Council's policy to engage all of its permanent employees on standard contracts of employment and to apply Pay As You Earn taxation arrangements to all remuneration under those contracts in accordance with Her Majesty's Revenue and Customs rules.

Access to Local Government Pension Scheme

The Council offers all its employees access to the Local Government Pension Scheme in accordance with the statutory provisions of the scheme (except where the Teachers Pension Scheme applies). The employers' contribution rate for employees who join the scheme is currently 12.8% of salary for all employees. The employee contribution rate ranges from 5.5% to 12.5% dependent on salary. All employees, including casuals and those on very short term contracts, have a right to be in the scheme.

Local Government Pension Scheme (LGPS) - discretions on termination of employment

Any termination or severance payments made by the Council to all its employees, either on grounds of redundancy, in the interests of the efficiency of the service or on grounds of permanent ill-health, will be made in accordance with the statutory terms of the Local Government Pension Scheme, as applicable, and/or in accordance with the discretions available to it under that Scheme.

The Council's policies on the exercise of these discretions under the LGPS are set out in the policies it has published under the requirements of the Local Government Pension Scheme Regulations. These are shown in Appendix A.

Payments on Termination of Employment

Other than payments made under the LGPS, the Council's payments to any employee whose employment is terminated on grounds of redundancy or in the interests of the efficiency of the service will be in accordance with the policy the Council has adopted for all its employees in relation to the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. This policy has been published in accordance with the requirements of Regulation 7 of these regulations and, in summary, is:

- Actual weekly pay is used in all redundancy calculations
- Those with immediate access to pension are paid in accordance with the statutory number of weeks' pay
- Those with no immediate access to pension are paid 1.75 times the statutory number of weeks' pay.

Employment of those in receipt of an LGPS pension

Subject to the administering authority's policy, pension benefits built up under regulations in force prior to 1 April 2014 (i.e. final salary benefits) may be subject to abatement where an individual in receipt of such a pension is re-employed. However, the policy of the administering authority to the Berkshire Pension Fund is not to abate pensions in these circumstances.

The only occasion where a re-employed pensioner may suffer some abatement to their pension is where they have previously been awarded compensatory added years in accordance with regulations 16 or 19 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2000.

Flexible retirement

The LGPS regulations permit the Council to offer flexible retirement to employees aged 55 or over, so that they can reduce their hours of work, and draw a pension in respect of the proportion of full-time hours they are no longer required to work. The Council uses this discretion in the same way for all employees. The Council will consider requests for flexible retirement on a case by case basis. Approval will be sought through the Employment Committee for any flexible retirement where there is a cost to the Council, and all costs and business benefits will be made explicit before any decision is taken on whether to grant flexible retirement. Where the flexible retirement is at no cost to the Council, it may be granted by a Director, taking into account the business benefits.

Market Premia

The job evaluation scheme does not recognise market pay rates when determining the grade for a job. If Directors identify market scarcity through difficulty with recruitment and/or a lack of success with advertising, they may discuss the need for a market premium with the CO: HR, who will, using pay surveys and research of the prevailing job market, suggest a level of supplement. The Employment Committee decide whether to authorise a market premia payment which is then periodically reviewed.

Recruitment/retention payments

Recruitment payments are a recruitment incentive which can be used for positions where there is a nation/regional/local shortage of qualified persons. They are used to induce an individual to take up employment within the Council and are in the form of a one-off lump sum. These are infrequently used and are repayable on a sliding scale if the individual leaves within 3 years of appointment.

Key staff retention payments may be given where it is important to retain the services of an employee to the end of a specific project. The period of tie in will not exceed three years and any lump sum payment will not be made if the employee leaves before the relevant date. Employees in some children's social work teams are currently in receipt of retention payments as part of a strategy to retain these key staff in a recruitment shortage area, whilst a wider review of children's social care is carried out.

Geographical/location allowance (local weighting)

The Council applies London and Fringe Area Allowances in accordance with the provisions of and rates agreed by the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service, or Soulbury or Youth and Community Conditions as appropriate. There are certain employees whose pay is determined locally who do not receive this type of allowance, and it is therefore not payable to the Chief Executive, Directors or Chief Officers.

Reimbursement of removal/relocation costs on appointment

The Relocation Scheme provides assistance to people moving house in order to take up an appointment with the Council. The scheme will not necessarily cover the full expenses of moving and is not intended to do so. The maximum amount payable under the relocation scheme is £8,000, plus mortgage subsidy where appropriate. The scheme does not apply to all advertised roles only to those where there is less likelihood of recruiting suitable staff locally.

Honorarium or ex gratia payments/acting up/additional responsibility allowances

The Council pays honoraria or *ex gratia* payments to employees only in accordance with its corporate scheme for such payments, and all such payments are made only with the express approval of the relevant Director. Where employees are required to "act-up" into a higher-graded post or take on additional responsibilities beyond those of their substantive post for a temporary/time-limited period, they may receive an additional payment. Merit payments are similar to honoraria payments but are generally paid as a "one off" sum. They can be for a variety of reasons including examination success or for a particularly demanding or meritorious piece of work.

Car provision – employees using their own cars on Council business

The Council compensates:

- Employees who are required to use their own car on Council business paying an Essential Car User payment of £963pa plus mileage at below the HMRC rate; and
- Employees who are otherwise authorised to use their own car on Council business by paying a casual user mileage rate based on the HMRC rate.

Payment of professional subscriptions or membership fees

The Council will pay one professional subscription or membership fee on behalf of any employee where the subscription or membership is appropriate to the duties of the post.

Subsistence or other expenses allowance

The Council reimburses expenditure on meals and overnight accommodation and any other expenses necessarily incurred by employees on Council business, in line with the Council's Expenses policy.

Car loans

All employees have access to loans at a favourable rate of interest for the purchase of cars/bicycles or the purchase of season tickets for travel. The current car loan rate is 3%. There is no subsidy for these loans.

Flexible benefits

The Council offers a range of flexible benefits which enable employees to elect to buy certain benefits from their salary. The only part of the range which enables employees to increase their pay is a flexible leave scheme whereby employees are able to "buy and sell" annual leave within certain parameters. Under this scheme, employees may be able to receive a day's additional pay for each day of leave they "sell" to the Council and agree to work. Chief Officers and above may not participate in this scheme, although they may elect to buy other flexible benefits in the range. The maximum number of days that can be sold is 5 (pro rata for those working less than 5 days per week.)

Provision of mobile telephones and personal devices

Mobile phones and personal devices are provided on the basis that they are necessary to undertake their duties effectively. The Council funds the provision of the phone and the cost of business calls. The use of these telephones for personal calls is discouraged but where they are made, employees are expected to reimburse the Council the full cost of those calls.

SECTION 5: CONTRACTORS AND OTHER ORGANISATIONS WORKING FOR THE COUNCIL

There may be occasions where the Council procures, commissions or contracts-out one or more of the services for which it is responsible. This section sets out the Council's approach to and policies on the pay policies of contractors, partners and other organisations who may undertake work for, or on behalf of, the Council.

The terms and conditions of employment by contractors of their workers are non-commercial matters, so we are required to procure without reference to them (S17 (1) and (5) LGA 1988).

Where any of the Council's services are contracted-out or re-tendered or where a previously outsourced service returns to the Council, any matters relating to the remuneration of the transferred employees will be managed, as appropriate, in accordance with the relevant provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014.

Any payments to agency workers who may undertake work for the Council will be made in accordance with the terms and conditions of the contract between the Council and the relevant agency provider, having due regard to the relevant provisions of the Agency Workers Regulations 2010 and any other relevant employment legislation.

SECTION 6: DECISION MAKING ON PAY

The Council recognises the importance of ensuring openness, transparency and high standards of corporate governance, with clear lines of accountability, in its pay decision-making processes and procedures. Any pay-related decisions must be capable of public scrutiny, be able to demonstrate proper and appropriate use of public funds and ensure value for money. The arrangements adopted by the Council are designed to reflect these requirements, as well as ensuring compliance with all relevant legislation and other statutory regulation.

The Council has agreed that the following roles and responsibilities with regard to decision-making in remuneration matters will apply within the Authority as follows:

Full Council: consideration and approval of the annual Pay Policy Statement, as required under the Localism Act 2011. Approval of both the senior salary pay structure, within which senior appointments are made, and the severance policy, within which severance payments are made. Approval of any salary or severance payment over £100,000 which is not consistent with these policies.

Employment Committee: responsible for decisions relating to changes to terms and conditions of employment other than those dictated by employment law/statute, including scrutiny of this statement.

The provisions of this Pay Policy Statement will apply to any determination made by the Council in the relevant financial year in relation to the remuneration or other terms and conditions of senior officers of the Authority and of its lowest paid employees, as defined in this statement, and other employees who are paid more than the lowest paid employees but who are not senior officers.

The Council will ensure that the provisions of this Pay Policy Statement are properly applied and fully complied with in making any such determination.

This Pay Policy Statement has been approved by full Council.

The full Council will approve the appointment or dismissal of the Chief Executive (Head of Paid Service) following the recommendation of such an appointment by a Committee or Sub-Committee of the Council, which will include at least one Member of the Executive. Council will resolve that the post is remunerated in accordance with the Senior Salary Pay Structure.

For Director posts, unless otherwise directed by the Council, a Committee or Sub-Committee of the Council, the Council will appoint. The Committee or Sub-Committee will include at least one Member of the Executive. Council will resolve that the post is remunerated in accordance with the Senior Salary Pay Structure.

For Chief Officer posts, the Chief Executive or his nominated representative, with the relevant Executive Member or members and the Leader of the Council, may determine whether any appointment to a Chief Officer post is to be made exclusively from the Council's existing officers. Where the Chief Executive or his or her nominated representative, determines that it is to be made from existing Officers, the appointment may be made by the Chief Executive or his/her representative. Where a recruitment process is undertaken involving external candidates, a Committee or Sub-Committee will be appointed to interview the shortlisted candidates and make the final appointment. That Committee or Sub Committee will include at least one member of the Executive.

Unrestricted

The above arrangements ensure that the Council meets the requirement of the Localism Act that any proposal to offer a new appointment on terms and conditions which include a total remuneration package of £100,000 or more, including salary, bonuses, fees or allowances which would routinely be payable to the appointee and any benefits in kind to which the officer would be entitled as a result of their employment (but excluding employer's pension contributions), will be referred to the full Council for approval before any confirmed offer is made to a particular candidate, if they fall outside the scope of the agreed senior salary pay scales.

SECTION 7: AMENDMENTS TO THIS PAY POLICY STATEMENT

This Pay Policy Statement relates to policy for the financial year 2016/17.

The Council may agree any amendments to this Pay Policy Statement during the financial year to which it relates in accordance with the decision-making arrangements set out in the introduction to this document.

SECTION 8: PUBLICATION OF AND ACCESS TO INFORMATION

The Council will publish this Pay Policy Statement on its website as soon as is reasonably practicable after it has been approved by the Council. Any subsequent amendments to this Pay Policy Statement made during the financial year to which it relates will also be similarly published.

The information advised to be published by the Council in accordance with the requirements of the Local Government Transparency Code 2014 and in accordance with the requirements of the Accounts and Audit (Amendment No. 2) (England) Regulations 2009, as referred to in this Pay Policy Statement, is also available on its website.

The Council's policies in relation to the exercise of discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and under the Local Government Pension Scheme Regulations 2013, are set out in this policy statement.

For further information about this Pay Policy Statement, please contact the Council as follows:

Chief Officer: HR, tony.madden@bracknell-forest.gov.uk telephone 01344 352049.

EMPLOYER DISCRETIONS**PART A – Formulation of COMPULSORY policy in accordance with Regulation 60 of the Local Government Pension Scheme Regulations 2013****Regulation 16 – Additional Pension Contributions**

The Scheme employer may resolve to fund in whole or in part any arrangement entered into by an active scheme member to pay additional pension contributions by way of regular contributions in accordance with **Regulation 16(2)(e)**, or by way of a lump sum in accordance with **Regulation 16(4)(d)**.

The Scheme employer may enter into an APC contract with a Scheme member who is contributing to the MAIN section of the Scheme in order to purchase additional pension of not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

The amount of additional contribution to be paid is determined by reference to actuarial guidance issued by the Secretary of State.

Consideration needs to be given to the circumstances under which the Scheme employer may wish to use their discretion to fund in whole or in part an employee's Additional Pension Contributions.

Scheme Employer's policy concerning the whole or part funding of an active member's additional pension contributions

The Employing Authority has resolved not to adopt this discretion

Regulation 30(6) – Flexible Retirement

An active member who has attained the age of 55 or over and who with the agreement of their employer reduces their working hours or grade of employment may, with the further consent of their employer, elect to receive immediate payment of all or part of the retirement pension to which they would be entitled in respect of that employment as if that member were no longer an employee in local government service on the date of the reduction in hours or grade (*adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State – separate policy required under Regulation 30(8)*).

As part of the policy making decision the Scheme employer must consider whether, in addition to the benefits the member may have accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014 and all, part or none of the pension benefits they built up after 1 April 2014.

Due consideration must be given to the financial implications of allowing an employee to draw all or part of their pension benefits earlier than their normal retirement age.

Scheme Employer's policy concerning flexible retirement

The Employing Authority will consider requests for flexible retirement on a case by case basis. Approval will be sought through the Employment Committee where all costs and benefits will be explicit; requests which carry no costs to the Employing Authority will be dealt with by officers and reported back to the Committee.

Regulation 30(8) – Waiving of Actuarial Reduction

Where a Scheme employer's policy under regulation 30(6) (flexible retirement) is to consent to the immediate release of benefits in respect of an active member who is aged 55 or over, those benefits must be adjusted by an amount shown as appropriate in actuarial guidance issued by the Secretary of State (commonly referred to as actuarial reduction or early payment reduction).

A Scheme employer (or former employer as the case may be) may agree to waive in whole or in part and at their own cost, any actuarial reduction that may be required by the Scheme Regulations.

Due consideration must be given to the financial implications of agreeing to waive in whole or in part any actuarial reduction.

Scheme Employer's policy concerning the waiving of actuarial reduction

The Employing Authority has resolved to examine such issues on a case by case basis.

Regulation 31 – Award of Additional Pension

A Scheme employer may resolve to award

- (a) an active member, or
- (b) a member who was an active member but dismissed by reason of redundancy, or business efficiency, or whose employment was terminated by mutual consent on grounds of business efficiency,

additional annual pension of, in total (including any additional pension purchased by the Scheme employer under Regulation 16), not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

Any additional pension awarded is payable from the same date as any pension payable under other provisions of the Scheme Regulations from the account to which the additional pension is attached.

In the case of a member falling within sub-paragraph (b) above, the resolution to award additional pension must be made within 6 months of the date that the member's employment ended.

Scheme Employer's policy concerning the award of additional pension

The Employing Authority resolves to use the scheme for awarding additional pension in cases of redundancy, efficiency of the service and severance, only in exceptional circumstances.

Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014

Schedule 2 – paragraphs 2 and 3

Where a scheme member retires or leaves employment and elects to draw their benefits at or after the age of 55 and before the age of 60 those benefits will be actuarially reduced unless their Scheme employer agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous Regulations.

So as to avoid the member suffering the full reduction to their benefits the Scheme employer can 'switch on' the 85 year rule protections thereby allowing the member to receive fully or partly unreduced benefits but subject to the Scheme employer paying a strain (capital) cost to the Pension Fund

Scheme Employer's policy concerning the 'switching on of the 85 year rule

The Employing Authority resolves not to adopt this discretion.

**PART B – Formulation of RECOMMENDED policy in accordance with the
Local Government Pension Scheme Regulations 2013**

Regulation 9(1) & (3) – Contributions

Where an active member changes employment or there is a material change which affects the member's pensionable pay during the course of a financial year, the Scheme employer may determine that a contribution rate from a different band (as set out in Regulation 9(2)) should be applied.

Where the Scheme employer makes such a determination it shall inform the member of the revised contribution rate and the date from which it is to be applied.

Scheme Employer's policy concerning the re-determination of active members' contribution bandings at any date other than 1st April

The Employing Authority has resolved to make changes to employee contribution rates throughout the year from the effective date of any change in employment or material change to the rate of pensionable pay received.

Regulation 17(1) – Additional Voluntary Contributions

An active member may enter into arrangements to pay additional voluntary contributions (AVCs) or to contribute to a shared cost additional voluntary contribution arrangement (SCAVCs) in respect of an employment. The arrangement must be a scheme established between the appropriate administering authority and a body approved for the purposes of the Finance Act 2004, registered in accordance with that Act and administered in accordance with the Pensions Act 2004.

The Scheme employer needs to determine whether or not it will make contributions to such an arrangement on behalf of its active members.

Scheme Employer’s policy concerning payment of Shared Cost Additional Voluntary Contributions

The Employing Authority has resolved not to adopt this discretion

Regulation 22 – Merging of Deferred Member Pension Accounts with Active Member Pension Accounts

A deferred member’s pension account is automatically aggregated with their active member’s pension account unless the member elects within the first 12 months of the new active member’s pension account being opened to retain their deferred member’s pension account.

A Scheme employer can, at their discretion, extend the 12 month election period.

Scheme Employer’s policy concerning merging of Deferred Member Pension Accounts with Active Member Pension Accounts

The Employing Authority has resolved not to extend the 12 month election period

Regulation 100(6) – Inward Transfers of Pension Rights

A request from an active member to transfer former pension rights from a previous arrangement into the Local Government Pension Scheme as a result of their employment with a Scheme employer must be made in writing to the administering authority and the Scheme employer before the expiry of the period of 12 months beginning with the date on which the employee first became an active member in an employment (or such longer period as the Scheme employer and administering authority may allow).

Scheme Employer’s policy concerning the extension of the 12 month transfer application period

The Employing Authority has resolved to examine such issues on a case by case basis

Regulation 21(5) – Assumed Pensionable Pay

A Scheme employer needs to determine whether or not to include in the calculation of assumed pensionable pay, any ‘regular lump sum payment’ received by a Scheme member in the 12 months preceding the date that gave rise to the need for an assumed pensionable pay figure to be calculated.

Scheme Employer’s policy concerning inclusion of ‘regular lump sum payments’ in assumed pensionable pay calculations

The Employing Authority has resolved that “Regular lump sum payments” will always be included in the calculation of assumed pensionable pay

Regulation 74 – Applications for Adjudication of Disagreements *(see guidance note 9 in employer’s guide)*

Each Scheme employer must appoint a person (“the adjudicator”) to consider applications from any person whose rights or liabilities under the Scheme are affected by:

- (a) a decision under regulation 72 (first instance decisions); or
- (b) any other act or omission by a Scheme employer or administering authority,

and to make a decision on such applications.

Responsibility for determinations under this first stage of the Internal Disputes Resolution Procedure (IDRP) rests with “the adjudicator” as named below by the Scheme employer:

Name: Tony Madden
Job Title: Chief Officer: HR
Full Address: Easthampstead House, Town Square, Bracknell
Post Code: RG12 1AQ
Tel No: 01344 352062

Adjudicator’s Signature: _____

Date: _____

Or alternatively:

Name: Alan Nash
Job Title: Borough Treasurer
Full Address: Easthampstead House, Town Square, Bracknell
Post Code: RG12 1AQ
Tel No: 01344 355605

Adjudicator’s Signature: _____

Date: _____

APPENDIX B – EMPLOYER DISCRETIONS: INJURY ALLOWANCE

Formulation of COMPULSORY policy in accordance with Regulation 14 of the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

Regulation 3 - Reduction in remuneration

Whilst an employee is receiving reduced pay as a direct result of an injury or disease contracted in the course of carrying out their employment, a relevant employer may consider paying the employee an allowance while the reduction in pay continues.

The relevant employer shall from time to time determine whether the employee should be entitled to continue to receive the allowance.

Any allowance payable must be paid directly by the relevant employer and, when added to the value of the reduced pay being received by the employee, must not be of a value that means the employee receives total pay in excess of the pay that they would normally expect to have received but for their injury or disease.

Employer's policy concerning the award of an allowance due to reduction in remuneration

The Employing Authority has resolved to examine such issues on a case by case basis in line with its existing Standing Orders.

Regulation 4 – Loss of employment through permanent incapacity

Where an employee ceases employment due to permanent incapacity as a direct result of injury or disease contracted in the course of carrying out their employment, a relevant employer may consider paying the employee an allowance not exceeding 85 per cent of the employee's annual rate of remuneration at the point the employment ceased.

The relevant employer shall from time to time determine whether the employee should be entitled to continue to receive the allowance.

Any allowance payable must be paid directly by the relevant employer and, where the employee was receiving no pay or reduced pay at the time the employment ended because of absence, the employer must assess the remuneration on the basis of the pay the employee would have received but for being absent.

The relevant employer may suspend or discontinue the allowance if the (former) employee secures gainful employment (paid employment for not less than 30 hours in each week for a period of not less than 12 months).

Employer's policy concerning the award of an allowance due to loss of employment

The Employing Authority resolves not to adopt this discretion.

**TO: COUNCIL
20 JANUARY 2016**

ESTABLISHMENT OF AN APPOINTMENT COMMITTEE (Chief Executive)

1 PURPOSE OF DECISION

- 1.1 Members will be aware that Glyn Jones, Director of Adult Social Care, Health and Housing retired on the grounds of ill health with effect from 31 December 2015. With the formal retirement, however, it is now necessary to agree a recruitment process to fill the vacancy. Since his condition made it impossible for him to cover the full role the post has been covered on an interim basis. The Officer Employment Procedure Rules (Part 4, Section 12 of the Council's Constitution) are relevant to such appointments and this report invites the Council to establish an Appointment Committee for the recruitment to this post.

2 RECOMMENDATIONS

The Council is asked to agree:

- 2.1 **That a Committee of the Council of five members (4:1), including at least one Member of the Executive (plus up to two substitute members per group) be appointed, with the following terms of reference:**

“To interview and appoint on behalf of the Council to the post of Director of Adult Social Care, Health and Housing”

- 2.2 **That the nominated Members are to be confirmed.**
- 2.3 **That the substitute Members are to be confirmed.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that the appointment process is in accordance with the Council's Constitution.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5 SUPPORTING INFORMATION

Appointment Committee

- 5.1 With the retirement of the previous Director, a close examination of the need for the post has inevitably been carried out. The Director post is responsible for the whole range of functions within Adult Social Care, Health and Housing and for providing strategic leadership on provision of services to adults. These services are essentially strong within the Borough and there is a shared agenda with partners in the NHS and

other sectors. Public Health and Housing are key to the seamless integration of all services relating to the delivery of adult social care.

- 5.2 Each of these services, along with most others provided by the Council, will be subject to significant sustained change as the organisation moves through a transformation process to live within the reduced level of resources signalled by the Government. Sustained change needs to be strategically directed and effectively lead, if it is to deliver positive results for local residents and that requires sufficient capacity at a senior level. On this basis, there is a clear requirement to recruit to the post to ensure these crucial Council functions continue to be effectively lead and managed.
- 5.3 The Council's Officer Employment Procedure Rules, which form Part 4, Section 12 of the Constitution, deal with the arrangements for the appointment of officers at director and chief officer level. Those rules dictate that if it is proposed that an appointment to a post at this level is not made exclusively from within the Council's existing staff, it must be advertised externally. This is the case with the Director of Adult Social Care, Health and Housing.
- 5.4 The Officer Employment Procedure Rules require that where a committee is to be established for the purposes of making an appointment it should include at least one Member of the Executive. Whilst it is a matter for the political groups to make their own nominations, in this instance it would be appropriate for the Executive Member responsible for Adult Services, Health and Housing to serve on the Committee. It is also suggested that the Chairman of the Employment Committee be included.
- 5.5 In accordance with standard practice for a Chief Officer post, the Committee will be responsible for approving the shortlist of candidates prepared by officers, for interviewing candidates and for making the final appointment. It is suggested that the Committee should comprise five with four of these members from the Conservative Group, with the remaining Member from Labour. Accordingly, nominations have been sought from the Conservative Group Leader, the nominations will be announced at the Council meeting.
- 5.6 The likely date for interviews will be 11 March 2016.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Treasurer

- 6.1 There are no financial implications arising from the establishment of this Appointment Committee.

Borough Solicitor

- 6.2 The post incorporates the statutory role of Director of Adult Social Services. It is politically restricted and as such the role may not be discharged by a Member of a local authority. In law the Director of Adult Social Services function is directly accountable to the Chief Executive.

Equalities Impact Assessment

- 6.3 The recruitment process will be conducted in accordance with the Council's employment policies.

Strategic Risk Management

- 6.4 Not to recruit to the post would expose the Council to risk as the functions identified in paragraph 5.1 could not be carried out effectively.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Group Leaders regarding composition of the Committee.

Method of Consultation

- 7.2 Discussion and email.

Representations Received

- 7.3 Not applicable

Background Papers

None

Contact for further information

Timothy Wheadon, Chief Executive - 01344 355601

timothy.wheadon@bracknell-forest.gov.uk

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