



Doncaster Council

Agenda

To all Members of the

CABINET

Notice is given that a Meeting of the Cabinet is to be held as follows:

Venue: 007a and b - Civic Office Waterdale, Doncaster, DN1 3BU

Date: Tuesday, 12th February, 2019

Time: 10.00 a.m.

Items for discussion:

1. Apologies for Absence.
2. To consider the extent, if any, to which the public and press are to be excluded from the meeting.
3. Public Questions and Statements.

(A period not exceeding 20 minutes for questions and statements from members of the public and Elected Members to the Mayor of Doncaster, Ros Jones. Questions/Statements should relate specifically to an item of business on the agenda and be limited to a maximum of 100 words. As stated within Executive Procedure Rule 3.3 each person will be allowed to submit one question/statement per meeting. A question may only be asked if notice has been given by delivering it in writing or by e-mail to the Governance Team no later than 5.00 p.m. on Thursday 7th February 2019. Each question or statement must give the name and address of the person submitting it. Questions/Statements should be sent to the Governance Team, Floor 2, Civic Office, Waterdale, Doncaster, DN1 3BU, or by email to Democratic.Services@doncaster.gov.uk)

Jo Miller
Chief Executive

Issued on: Monday, 4 February 2019

Governance Services Officer for this meeting:

Amber Torrington
Tel. 01302 737462

Doncaster Metropolitan Borough Council

www.doncaster.gov.uk

4. Declarations of Interest, if any.
5. Decision Record Forms from the meeting held on 29th January 2019 for noting (previously circulated).

A. Reports where the public and press may not be excluded

<u>Key Decisions</u>	Page No.
6. Corporate Plan 2019-2020.	1 – 20
7. School Admissions Arrangements for 2020/21 Academic Year.	21 – 78
8. Revenue Budget 2019/20 - 2020/21.	79 – 146
9. Capital Strategy and Capital Budget 2019/20 to 2022/23.	147 - 190
10. Housing Revenue Account Budget 2019/20.	191 - 210
11. Treasury Management Strategy Statement 2019/20 - 2022/23.	211 - 248

Cabinet Members

Chair – Ros Jones, Mayor of Doncaster

Vice-Chair – Deputy Mayor Councillor Glyn Jones

Councillor Nigel Ball
 Councillor Joe Blackham
 Councillor Rachael Blake
 Councillor Nuala Fennelly
 Councillor Chris McGuinness

Councillor Bill Mordue
 Councillor Jane Nightingale

Cabinet Responsibility For:

Budget and Policy Framework

Housing and Equalities

Public Health, Leisure and Culture
 Highways, Street Scene and Trading Services
 Adult Social Care
 Children, Young People and Schools
 Communities, Voluntary Sector and the Environment
 Business, Skills and Economic Development
 Customer and Corporate Services.

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Doncaster Council

Report

Date: 12 February 2019

To the Mayor and members of the Cabinet

CORPORATE PLAN 2019-20

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Mayor Ros Jones	All	Yes

EXECUTIVE SUMMARY

1. The current Corporate Plan runs out at the end of 2018/19. An updated 2019/20 Corporate Plan is presented at **Annex 1** to provide clear direction for the work of the council for the next year. The new Corporate Plan summarises:
 - The council's contribution over the next year to the Doncaster Growing Together Plan (DGT).
 - How the council will ensure it has the capacity to deliver DGT transformational priorities and quality services day in, day out.
2. The overall structure and format of the Corporate Plan has been retained from 2018-19. The Corporate Plan is framed around the 4 DGT priority themes and the cross-cutting 'Connected Council' theme. The following changes have been made to reflect the latest priorities and significant budgetary challenges:
 - The overall tone of the document is more direct and focused on the "must dos".
 - The Foreword and Overview provide a clearer focus on the imperatives that must guide our transformation work (e.g. early intervention and prevention).
 - The 'Areas for Action' under the DGT Working Theme have been updated to reflect the drivers for inclusive growth in the new Inclusive Growth Strategy.
 - The 'Areas for Action' under the Connected Council theme have been refreshed to capture updated priorities for improvement.
 - The 'Key things we will deliver' sections under each DGT Theme have been updated to capture the priorities identified as part of 2019/20 service planning.
3. The Council has already made significant progress in modernising and integrating services whilst delivering significant budget savings. We have a clear plan to manage our resources in 2019/20, despite reducing funding, rising demand for services and increasing costs. The council faces an estimated budget gap of £13m in 2020/21.

EXEMPT REPORT

- This report is not exempt.

RECOMMENDATIONS

- It is recommended that Cabinet:
 - Considers the updated Corporate Plan.
 - Agrees the Corporate Plan for submission to Full Council 4 March 2019.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- The Corporate Plan is the Council's key strategic document for directing its work towards achieving its purpose which is 'to ensure Doncaster and its people thrive - ensuring value for money is at the heart of everything we do'.

BACKGROUND

- The Corporate Plan forms the 'Plan' phase of Council's annual 'Define and Deliver' improvement cycle:

PROCESS	STAGE	IMPROVEMENT CYCLE
State of the Borough Assessment	ANALYSE	
Updating and resourcing the Corporate Plan	PLAN	
Updating Delivery Programmes, Service Plans and staff Performance & Development Reviews	DO	
Performance monitoring and reporting	REVIEW	

- Cabinet agreed a new Inclusive Growth Strategy on the 6 November 2018. Delivery of the Strategy is focused on 6 drivers for inclusive growth:
 - Quality of Place
 - Industry Specialisms
 - Education & Skills
 - Better Work & Jobs
 - Social Value & Community Wealth Building
 - Reaching Vulnerable People & Places

UPDATED CORPORATE PLAN 2019-20

- The Corporate Plan sets out the Council's contribution to the DGT Plan with a focus on the key deliverables for 2019/20. The overall tone of the 2019/20 Corporate Plan is more direct and focused on the "must dos". We have a clear plan to manage our resources in 2019/20, despite reducing funding, rising demand for services and increasing costs. The overall funding gap is £21m for 2019/20 and following the use of £3m one-off reserves, the gap for 2020/21 is £13m, taking the total gap we've had to bridge since 2010/11 to £272m. Over this time, Government funding will have more than halved.
- The Foreword and Overview provide a clearer focus on the imperatives that must guide our transformation work (e.g. early intervention and prevention).

11. Each of the four DGT Themes and the Connected Council Theme has a specific page in the Corporate Plan which sets out the vision, areas for action, service standards, outcomes and key deliverables. The vision for each Theme has been retained from the 2018/19 Plan, however the additional paragraph under them has been removed to provide a sharper focus on the key deliverables for 2019/20. The 'key strategies and plans that will support this theme' under each DGT Theme have been removed and replaced by a signpost to the new Policy Register pages on the council website.
12. The 'Areas for Action' for the Working theme have been updated to reflect the priorities in the Inclusive Growth Strategy. The wording of second Area for Action in the Caring Theme has been revised. The Areas for Action for the Connected Council theme have also been refreshed to capture updated priorities for improvement. These changes are set out below:

Themes	2018/19 'Areas of Action'	2019/20 'Areas of Action'
Working	<ol style="list-style-type: none"> 1. Support for Doncaster businesses to flourish 2. Better access to fulfilling work 3. Target the Inward Investment we need 	<ol style="list-style-type: none"> 1. Shape the quality of place by enhancing, connecting and promoting our key assets and strengths. 2. Grow our industry specialisms and supporting services. 3. Increase the availability and accessibility of good work and jobs.
Caring	<ol style="list-style-type: none"> 1. Children have the best start in life. 2. Vulnerable families and individuals have support from someone they trust. 3. Older people can live well and independently in their own homes. 	<ol style="list-style-type: none"> 1. Children have the best start in life. 2. Vulnerable families and individuals have the appropriate support that meets their needs. 3. Older people can live well and independently in their own homes.
Connected Council	<ol style="list-style-type: none"> 1. A modern, efficient and flexible workforce. 2. Modern, accessible customer interactions. 3. Operating within our resources and delivering value for money. 4. A co-ordinated, whole person, whole life focus on the needs and aspirations of residents. 5. Building community resilience and self-reliance by connecting community assets and strengths. 6. Working with our partners and residents to provide effective leadership and governance. 	<ol style="list-style-type: none"> 1. Develop a modern, efficient and flexible workforce with the right behaviours and skills. 2. Use technology to support modern, accessible customer interactions and as a catalyst for cross council service improvement. 3. Operate within our resources and deliver value for money. 4. Build community resilience and self-reliance by connecting, community assets and strengths. 5. Work with our partners and residents to deliver our joint priorities through effective leadership, governance and democratic processes.

13. The 'Key priorities that our resources will support' sections under each DGT Theme have been updated to capture the priorities identified as part of the 2019/20 service planning process.

OPTIONS CONSIDERED

14. Three main options were considered for the updated Corporate Plan:
- A Plan which focuses on the internal 'Connected Council' components – service standards and capacity to deliver DGT.
 - A detailed Plan which reflects the breadth and depth of the council PMF/Quarterly Monitoring report.
 - A high level Plan which reflects the breadth of the Council PMF, picking out key milestones/achievements for the 2019-20 - but which signposts to further detail.

REASONS FOR RECOMMENDED OPTION

15. Option 'c' is the recommended option as this provides a Corporate Plan that:
- Dovetails with DGT and sets out the council's contribution to it over the next year, without duplicating the detail of what is already happening across the DGT Programmes.
 - Sets out how the council will ensure it has the capacity to deliver its DGT transformational priorities and quality services day in, day out.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

16.

Outcomes	Implications
<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> Better access to good fulfilling work Doncaster businesses are supported to flourish Inward Investment 	<p>The Corporate Plan is the key document for focusing the council's attention on these priorities and ensuring it has the capacity to deliver its contribution towards them.</p>
<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> The town centres are the beating heart of Doncaster More people can live in a good quality, affordable home Healthy and Vibrant Communities through Physical Activity and Sport Everyone takes responsibility for keeping Doncaster Clean Building on our cultural, artistic and sporting heritage 	<p>The Corporate Plan is the key document for focusing the council's attention on these priorities and ensuring it has the capacity to deliver its contribution towards them.</p>
<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> Every child has life-changing learning experiences within and beyond school 	<p>The Corporate Plan is the key document for focusing the council's attention on these priorities and ensuring it has the capacity to deliver its</p>

<ul style="list-style-type: none"> • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	contribution towards them.
<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	The Corporate Plan is the key document for focusing the Council's attention on these priorities and ensuring it has the capacity to deliver its contribution towards them.
<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	The Corporate Plan is the key document for focusing the Council's attention on these priorities.

RISKS AND ASSUMPTIONS

17. There is a risk that the priorities in the Corporate Plan do not drive the council's activity and resource allocation. This is mitigated by:
- DGT Governance arrangements, including partnership boards and sub-boards with clear accountabilities, and also quality assurance arrangements.
 - An improved Council PMF, including quarterly corporate reporting which combines progress in delivering the DGT and Connected Council priorities in the Corporate Plan and the latest council financial position.
18. As the Corporate Plan does not detail all the legal duties and objectives of the Council, there is a risk that the performance management process will not highlight all areas of underperformance. To reduce the likelihood of this happening, Service Plans will capture Directorate objectives which may be escalated to the quarterly corporate reporting level if appropriate.

LEGAL IMPLICATIONS [SRF 17/12/18]

19. Whilst there are no specific legal implications arising out of the report, the programmes of activity which will deliver the Corporate Plan and the related Doncaster Growing Together programmes will require specific and detailed legal advice as they develop further and move towards delivery. The Corporate Plan forms part of the budgetary and policy framework and must also be approved by Full Council.

FINANCIAL IMPLICATIONS [AT 20/12/18]

20. The financial implications of the priorities and actions in the Corporate Plan are contained within the Revenue, Capital and Housing Revenue Account 2019/20

budget reports that will be considered by Council in March 2019. As specific actions and programmes of activity are developed further, more specific financial implications will be provided in relevant reports

HUMAN RESOURCES IMPLICATIONS [KG 17/12/2018]

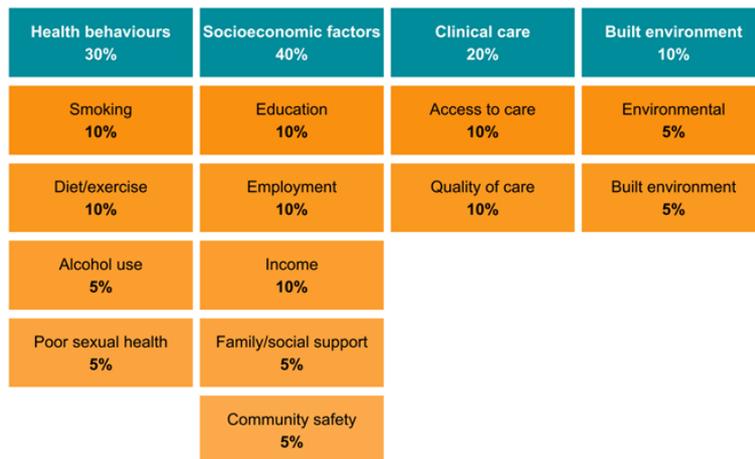
- 21. There are no specific HR implications arising from this report however there may be HR implications within specific projects arising from the corporate plan objectives; these will be included in the appropriate individual reports.

TECHNOLOGY IMPLICATIONS [ET 31/12/2018]

- 22. Technology is as ever an evolving key essential enabler to support the delivery of all services together with the outcomes and objectives outlined in the updated Corporate Plan; robust and effective ICT governance arrangements will continue to be needed to ensure the delivery of the key priorities. Any new technology requirements to support the delivery of the key priorities will need to be considered by the Council’s Technology Governance Board (TGB) for inclusion in the Technology Forward Plan, to ensure the resources, expertise and capacity within services is available. This will be monitored and continuously reviewed via TGB.

HEALTH IMPLICATIONS [SH 8/1/19]

- 23. Inequalities in the pattern of health are caused by different factors: socio-economic factors e.g. the availability of work, education, income housing and amenities; lifestyle and health-related behaviours e.g. smoking, diet, and physical activity; healthcare factors e.g. access to services, understanding the needs of the population; and personal factors e.g. age, gender, ethnicity, and genetics. All of these factors contribute to the likelihood that an individual will develop ill health. One of the best ways of describing the relative contribution of these factors is the Robert Wood Johnson Foundation work which estimates the contribution of each factor. The figure below outlines these contributions:



Source: Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute. Used in US to rank counties by health status

- 24. Local authorities can play a significant part in creating health and addressing unequal patterns of illness. The Corporate Plan which sets out the Council’s contribution to the Doncaster Growing Together (DGT) plan aims to set the conditions to improve health and reduce inequality. The Corporate Plan and service priorities for 2019/20 are both informed by current health outcomes and use health outcomes to monitor impact. It

will be essential that the 'Review' phase of Council's annual 'Define and Deliver' improvement cycle monitors progress in terms of creating health and assures that inequalities in patterns of illness are not increased. On-going vigilance and attention to these issues should be a key component in the successful delivery of the new Corporate Plan. The public health function within the council can provide on-going support and advice in this area.

EQUALITY IMPLICATIONS [AW 09.01.19]

25. In line with the corporate approach to compliance against the Equality Act 2011, due regard must be shown across all activity within the Council. As the Corporate Plan brings together key plans and delivery programmes that are already shaping how we work a due regard statement is not required. However as the individual components and programmes that underpin the Plan become further developed, due regard statements will need to be completed and reported as and when appropriate. The Corporate Plan now includes Equalities, Diversity and Inclusion objectives which form part of the Council's quarterly monitoring process.

CONSULTATION

26. Consultation on the updated Corporate Plan document is summarised below:

- 14.01.19 - Directors
- 29.01.19 - Executive Board
- 07.02.19 - OSMC
- 12.02.19 - Cabinet
- 04.03.19 - Full Council

BACKGROUND PAPERS

27. None.

REPORT AUTHOR & CONTRIBUTORS

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Doncaster
Council

Corporate Plan 2019-20

Doncaster – growing together

Foreword by: Ros Jones, Mayor of Doncaster & Jo Miller, Chief Executive

The priorities for 2019/20 in this Plan demonstrate the Council's unwavering **focus on ensuring Doncaster and its people thrive**, despite continued budget constraints and domestic policy uncertainty. They are the “**must dos**” – our choices on where to take action and invest resources to achieve our ambitions for the borough, balanced with realism.

Over the past year we have continued to modernise and integrate services and direct them to the areas of greatest need. We are two years into the four year **Doncaster Growing Together (DGT) Plan** with our Team Doncaster partners and have already achieved some of the agreed transformations.

We have added to the **learning opportunities** in the Borough by securing agreement for a new University Technical College (**UTC**), opening the UK's first big picture learning school and by starting work on our new library and museum. Our four priority areas for Social Mobility are helping children get the **best start in life** and 'Expect Youth' is providing **youth-centred provision** across the borough. More Doncaster 5 year olds are experiencing a good level of development, however child poverty remains relatively high.

In response to increases in the number of homeless people we have created the 'Complex Lives Team', which together with the further integration of Health and Social Care provision shows our determination to be a borough that **cares for its most vulnerable residents and connects them to opportunity**. The increase in residents living independently in their own homes is therefore very positive.

The **employment rate** is at a record high and the completion of phase two of the Great Yorkshire Way, further growth at the airport and iPort, together with record levels of **investment** and **house building** are boosting jobs and quality of life across the borough. However, wage rates remain lower than the national average. With the success of major events like the **Tour de Yorkshire, Delicious Doncaster Food Festival** and **Museum of the Moon** we are creating a vibrant place where people enjoy spending time.

To be a **modern, connected Council** we need to combine effective service delivery and budget management with a broader place shaping and enabling role. Local tax payers rightly expect that over time Doncaster improves as a place to live, work, visit and invest. As a local anchor institution, we have a key role in creating **social value** through our actions, for example through our local commissioning processes.

Looking ahead, the **UTC** provides us with a stronger case to become a **University City**. The proposed **360 Degrees Media** investment at High Melton will be a long-term game-changer alongside '**Culture 2020-22**'. The delivery of the **Town Centre Masterplan** will continue as will our push for a **train station at the airport**. We also have the **Tour de Yorkshire** and **cycling world championships** to look forward to.

We have a clear plan to **manage our resources in 2019/20**, despite reducing funding, rising demand for services and increasing costs. The council faces an estimated budget gap of £13m in 2020/21, taking the total gap we've had to bridge since 2010/11 to £272m. Over this time, Government funding will have more than halved. **Difficult decisions** are required – we may need to stop providing a universal service or accept a reduction in the standard of a service. We will continue to look outwards for the resources, powers and partnerships to deliver our ambitions including pursuing a Yorkshire-wide **Devolution Deal**.

A stronger focus on early **intervention and prevention is now required** for example by continuing to increase residents' physical activity rates. This must be accompanied by more **community level work** which harnesses local strengths and collaboration to tackle inequalities and enable more improvements in well-being to be delivered by communities. Strong, vibrant communities and strong vibrant economies go hand in hand, as reflected in Team Doncaster's new **Inclusive Growth Strategy**. This is accompanied by a new Community Engagement Strategy to improve community participation in shaping Doncaster's future.

Throughout all the uncertainty surrounding Brexit and funding, one constant remains – **people and places** – holding on to our sense of purpose, delivering quality services and supporting and inspiring others to make a daily difference. That's why we are **continuing to crack on** with our ambitions for Doncaster.

Overview

This Corporate Plan summarises:

- The council's contribution over the next year to the Doncaster Growing Together (DGT) plan – the Borough Strategy for Team Doncaster.
- The overall quality of life improvements the council will contribute to, including those relating to Equality, Diversity and Inclusion.
- How the council will ensure it delivers quality services - as measured by service standards.

Priority Themes

This Corporate Plan is framed around the same 4 themes as the DGT Plan, with the addition of a fifth 'Connected Council' theme:

THEME	VISION
Doncaster Learning	Learning that prepares all young people and adults for a life that is fulfilling
Doncaster Working	More people are able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future
Doncaster Living	Doncaster's people live in a borough that is vibrant and full of opportunity, where people enjoy spending time
Doncaster Caring	A borough that cares together for its most vulnerable residents
Connected Council	A Connected Council, ready for the future

Resources

The council continues to face the **significant challenge of setting a balanced budget** with reducing funding, rising demand for services and increasing costs (e.g. inflation), whilst continuing to invest in the borough and protect the most vulnerable in our communities. The overall funding gap is £21m for 2019/20 and following the use of £3m one-off reserves, the gap for 2020/21 is £13m. This will take the total budget gap the council has had to bridge since 2010/11 to £272m. Over this time period, **Government funding will have more than halved.**

Despite continued budget constraints, we have a clear plan to manage our resources in 2019/20 and a robust and balanced **gross revenue budget of £485m** is expected to be in place for 2019/20.

As well as funding high quality services for residents, the council will **continue to invest in the future of the borough** with £135.6m of capital spending estimated for 2019/20. This is part of an overall package of £323m of investment to 2022/23 to stimulate growth and prosperity. Residents across Doncaster will benefit from investment in projects to further improve education, housing, infrastructure, retail, leisure and culture, as well as attracting investors and visitors to the borough. Wherever possible, we will spend our money locally to support local businesses and organisations.

The council's services are delivered through people, directly and indirectly, and by far the largest element of investment is connected with the cost of employing and developing staff. The satisfaction of our customers, our efficiency and overall performance depend on **our workforce's skills, abilities, behaviour** and motivation in modernising services and changing the way it works to meet customer needs.

Approach

Five imperatives must now guide our transformation work more than ever before:

1. Harnessing **community strengths, collaboration and assets**, particularly to enable more improvements in well-being to be delivered by communities.
2. A stronger focus on **early intervention and prevention**.
3. Demand management, including ensuring we **deliver services right first time for residents**.
4. Ensuring **services are targeted** and make a difference to those people who need them most.
5. **Growing our economy** and improving people's ability to access opportunities.

To drive the delivery of the **DGT Plan** Team Doncaster has:

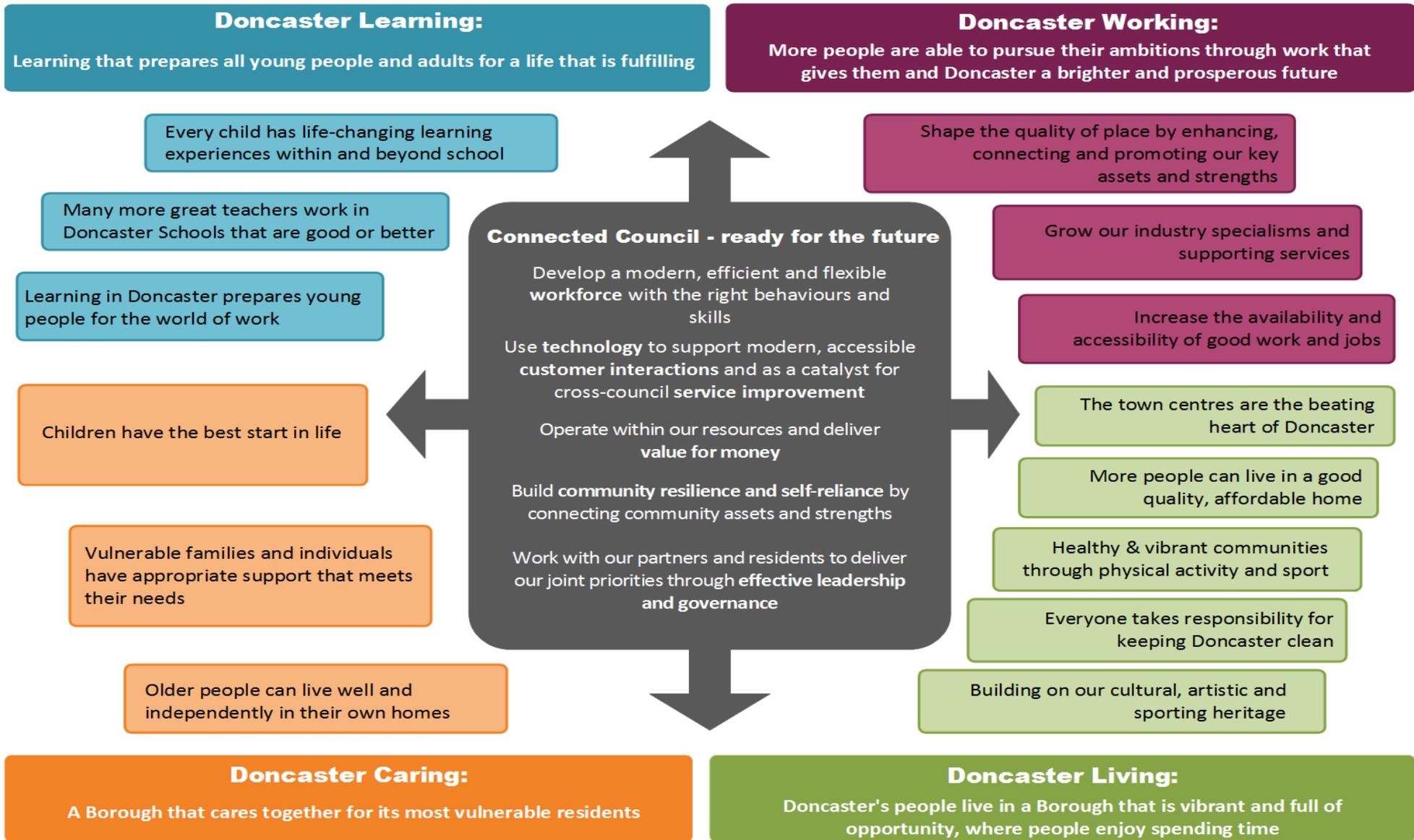
- Governance arrangements that include partnership boards and sub-boards with clear accountabilities.
- A Programme Management approach to the day-to-day delivery of priorities.
- Quality of life indicators to measure overall success.

The **Council's performance management framework** captures:

- The Council's progress in delivering the DGT Programmes (or parts of) it is responsible for.
- The latest data for the DGT quality of life indicators.
- Service Standards - reflecting what the council needs to do well, day in, day out.
- An effective performance and development scheme linked to a corporate skills framework.
- Equalities, Diversity and Inclusion objectives.
- Progress in quarterly monitoring reports to the council's Leadership.

A new **council policy register** provides a single place to access the key plans and strategies that underpin all our work.

Corporate Plan 2019/20 – Impact & Areas for Action



Learning

Learning that prepares all young people and adults for a life that is fulfilling.

Areas for action

1. Every child has life-changing learning experiences within and beyond school.
2. Many more great teachers work in Doncaster schools that are good or better.
3. Learning in Doncaster prepares young people for the world of work.

How we want to make life better for residents

- More young people are equipped to access employment, training and higher education.
- More young people are ready for school.
- More people are learning throughout their lives and have the skills to access work.
- More young people do well in school.
- Pupil attendance and behaviour of disadvantaged young people is improved.
- Greater work readiness of all children and young people particularly for disadvantaged young people.
- More young people from BME backgrounds as well as people with a disability do well at school.

What the Council needs to do well

- Support schools and early year's settings to provide good or excellent provision.
- Ensure Education, Health and Care plans are issued quickly and effectively.
- Ensure as many children as possible gain entrance to their first choice school placement.

Key priorities that our resources will support in 19-20

We will:

- Deliver the priorities in the Children and Young People's plan¹ in partnership to make Doncaster the most child friendly borough in the country
- Drive forward our four priority areas for Social Mobility:
 - Building solid foundations for all children
 - Brilliant teaching and leadership for all secondary pupils
 - No career out of bounds
 - Opportunity extends to all
- Provide leadership across the local education system to ensure inclusion is equitable and accessible to all, including;
 - Opening of new provision
 - Supporting schools to be inclusive
 - Children with SEND have their needs met
- Develop our proposals around:
 - An integrated commissioning model building on the joint agreement between our health partners and the council
 - Opportunities to ensure all internal services are ready to respond to new service demands and deliver value for money services
 - A joint commissioning strategy and underpinning work plan
- Work in partnership to ensure families and residents are receiving high quality information and advice on the services that are important to them.
- Work in partnership to strengthen early help and prevention activity to support child and family development to encourage self-care and build resilience through whole family working
- Explore and develop a pathway for Doncaster to become a University City including, progressing the new University Technical College opening in 2020.

¹ <http://www.doncaster.gov.uk/services/schools/children-and-young-people-s-plan>

Working

More people are able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future.

Areas for action

1. Shape the quality of place by enhancing, connecting and promoting our key assets and strengths.
2. Grow our industry specialisms and supporting services.
3. Increase the availability and accessibility of good work and jobs.

How we want to make life better for residents

- Doncaster's economy is more productive.
- More people are employed in good quality jobs.
- Wages increase for Doncaster residents.
- The number of businesses in Doncaster increases and more of them export.
- More people are in sustained work.
- More quality jobs are created in the local economy.
- More people in Doncaster are completing good quality apprenticeships.
- Fewer people claim out of work benefits, including Universal Credit.
- More care leavers enter employment, education or training.
- The number of people from BME communities that take up apprenticeship opportunities in Doncaster increases.
- The gap in female employment and the female wage rate reduces within the organisations in Doncaster that we can influence.

What the Council needs to do well

- Process planning applications quickly and appropriately.
- Market the borough as a good place to live, work and visit.
- Encourage and support inward investment opportunities in the borough, targeting key employment sectors.

Key priorities that our resources will support in 19-20

We will:

- Deliver on-going development projects and develop the investment pipeline, in particular:
 - Urban Centre Masterplan²
 - iPort development (expansion, rail link, new routes)
 - Road network investment
 - Integrated and sustainable transport, active travel and Smart Cities
 - DN7 Unity and the wider northern growth corridor (e.g. A1-A19 link)
 - Improving digital connectivity across the borough
- Market the borough to investors and visitors and take destination management to the next level.
- Lobby government over the preparation for HS2 routes through the borough.
- Continue to lobby for a train station at the airport.
- Develop targeted programmes to grow our existing/potential industry specialisms: Engineering & Technology; Digital & Creative; Future Mobility (via rail, road & air); and Advanced Materials (e.g. for manufacturing).
- Develop targeted programmes to grow of Supporting Services (e.g. finance and professional services).
- Direct business support resources to growth opportunities and challenges, including accessing new export markets and supply chains.
- Provide support for employment, recruitment and in-work progression including those with the poorest health:
 - 'Advance' – a project to support people into work, self-employment and particularly to thrive in their chosen career
 - Early Intervention Employment Support Pilot
 - Working Win - Health-Led Employment Trial
- Respond to the challenges of Brexit and assess the impacts on the borough and its economy.
- Leverage social value from inward investment.

² <http://www.doncaster.gov.uk/services/planning/doncaster-town-centre-masterplan>

Living

Doncaster's people live in a borough that is vibrant and full of opportunity, where people enjoy spending time.

Areas for action

1. The town centres are the beating heart of Doncaster.
2. More people can live in a good quality, affordable home.
3. Healthy and vibrant communities through physical activity and sport.
4. Everyone takes responsibility for keeping Doncaster clean.
5. Building on our cultural, artistic and sporting heritage.

How we want to make life better for residents

- More homes are built and fewer people are homeless or in unsuitable accommodation.
- More people are physically active.
- More people feel safe in their community.
- Healthy life expectancy in Doncaster improves.
- The Local Plan³ is developed to facilitate Doncaster's economic, housing and population growth in a sustainable way.
- Our natural environment is enhanced and protected.
- Fewer children in poverty.
- People take part and enjoy great cultural experiences.
- Care leavers have a good place to live with the support they need.
- The inequalities of health outcomes of BME populations reduce.
- More people are supported to take up opportunities to get involved in community life.

What the Council needs to do well

- Support more people to recycle.
- Encourage and educate people on road safety.
- Regularly clean the streets and roads, removing litter, detritus, fly posting, graffiti and fly tips.
- Make sure we cut grass when we say we will.
- Maintain the roads to appropriate standards across the borough.
- Deal with dangerous/nuisance trees when we know about them.
- Deal with housing hazards, resolving any issues quickly.
- Encourage more people to take up NHS health checks.

Key priorities that our resources will support in 19-20

We will:

- Support the reduction of crime, reoffending, domestic abuse and anti-social behaviour.
- Develop the borough's arts and culture offer, including development of the new library and museum and raising the profile of quality cultural opportunities and major events, for example the Mayflower 400 celebration.
- Increase social connections through increased physical activity, sport and asset based community development.
- Consider the impacts on health in our key planning, licensing and environmental decisions.
- Create the conditions to sustain housing growth.
- Ensure we are fit to respond to the housing needs of our residents by delivering homes and providing housing related support especially to those who need it most.
- Create vibrant town centre(s) including supporting a bid into the national Future High Streets Fund.
- Developing a longer term vision for the environment across the borough leading on change for a greener borough.
- Explore a single technology solution that will help us report and understand places across the borough better.
- Support the partnership anti-poverty strategy, including updates on Universal Credit.

³ <http://www.doncaster.gov.uk/services/planning/local-plan>

Caring

A borough that cares together for its most vulnerable residents

Areas for action

1. Children have the best start in life.
2. Vulnerable families and individuals have the appropriate support that meets their needs.
3. Older people can live well and independently in their own homes.

How we want to make life better for residents

- Fewer children and adults require health and social care services and vulnerable people are safe.
- More people remain healthy and independent for longer with fewer people that are socially isolated.
- The number of preventable deaths reduces.
- Fewer people are delayed from leaving hospital.
- People in end of life care die in a place of their choosing.

What the Council needs to do well

- Work with communities to improve people's well-being
- Complete assessments quickly and appropriately, responding to need and keeping people safe.
- Increase the number of people who receive a direct payment.
- Support more people with disabilities into work.
- Make information about services easier to access.
- Support people to live well at home for as long as possible.
- Reduce the amount of repeat referrals, specifically for children's care.
- Support families to access free childcare entitlements.
- Support more residential homes to be rated good or better.

Key priorities that our resources will support in 19-20

We will:

- Improve the information and advice available to promote independence and make communities more resilient.
- Make best use of people's and community strengths
- Develop our services for health and social care with providers and service users to make sure it meets the needs of local people.
- Improve residents' experience of services for health and social care promoting healthy and independent lives and effectively managing the requirement for care and support including carers.
- Protect vulnerable people and support people to keep safe.
- Transform services for people of all ages through the Your Life Doncaster Programme with a focus:
 - Early intervention and prevention / integrated area based working.
 - Multi-agency front door
 - Joint commissioning.
 - Practice development.
- Improve services through a joined up, evidence based, approach to commissioning services including Public Health, Children's and Adults' services and NHS commissioners
- Deliver the right technology solution to improve how we deliver health and care services all in one system.
- Improve the lives of people of all ages taking a whole family approach, joining up our services, promoting recovery and enabling families to focus on their strengths.
- Develop a range of opportunities for individuals to keep and develop their independence in communities for example through the use of Assistive Technology
- Continue to deliver joined up services for those most at risk of rough sleeping and with complex needs.
- Improve healthy life expectancy through effective public health programmes including smoking, alcohol, obesity and mental health.
- Deliver an improved offer for families in early years (first 1001 days) and for vulnerable adolescents.

Connected Council

A connected council – ready for the future.

Areas for action

1. Develop a modern, efficient and flexible workforce with the right behaviours and skills.
2. Use technology to support modern, accessible customer interactions and as a catalyst for cross-council service improvement.
3. Operate within our resources and deliver value for money.
4. Build community resilience and self-reliance by connecting community assets and strengths.
5. Work with our partners and residents to deliver our joint priorities through effective leadership, governance and democratic processes.

What the Council needs to do well

- Respond to our customers quickly, focusing on a quality customer experience.
- Process Housing and Council Tax queries quickly and appropriately.
- Ensure more people can access Council services digitally.
- Collect Council Tax and Business Rates effectively.
- Be an open and inclusive employer that champions diversity
- Wherever possible spend our money locally.
- Support employees to improve performance, engagement and attendance.
- Provide expert advice for all aspects of council business.

Key priorities that our resources will support in 19-20

We will:

- Secure the best possible Devolution Deal for Doncaster.
- Ensure we have a consistent approach to policy development and implementation across the organisation.
- Ensure priority decisions around demand, need and performance are based on a strong evidence base of effective and modern business intelligence and research.
- Prepare organisation for significant legislative changes arising from Brexit.
- Deliver our partnership priorities, particularly the actions in the Inclusive Growth⁴ and Community Engagement Strategies⁵
- Develop effective communications with partners to engage more creatively through a revised communications and engagement strategy
- Implement the Workforce Strategy that equips staff with the right skills and behaviours to work in partnership to deliver and commission good quality services.
- Further improve the Council's 'front door' improving the experience of Doncaster residents.
 - Progress a further phase of digital improvement to services, including a further increase of services available on-line for self-service 24/7.
- Deliver the council's key technology projects.
- Continue with disciplined financial monitoring, working towards a smaller base budget in 20/21 onwards.
- Refresh of our Medium Term Financial Strategy, budget planning and additional savings for 20/21.
- Promote and deliver Social Value through effective procurement and contract management practices.
- Manage our corporate assets effectively to support service delivery.
- Try different ways to test approaches to community working taking the bits that work best forward to our approach in the future.

⁴ <http://www.doncaster.gov.uk/services/business-investment/doncaster-inclusive-growth-strategy>

⁵ <http://www.doncaster.gov.uk/services/the-council-democracy/community-engagement-framework>

Glossary of Terms

BME

Black and Minority Ethnic

Social Mobility

Movement of individuals, families, households, or other categories of people within or between social classes in a society.

SEND

Special educational needs and disability.

Social Value

Term that describes how public bodies should consider how the services they commission and procure might improve the economic, social and environmental well-being of the area.

Smart Cities

A Smart City uses information and communication technologies and other means to improve quality of life, for example relating to public safety to health and transportation.

HS2

High Speed Rail Two (proposed route through Doncaster).

DN7 Unity

642ha regeneration and housing site adjacent to J5 of M18.

Supply chains

Networks of individuals, organisations, resources, activities and technology involved in the creation and sale of a product or service.

Devolution Deal

A deal between the Government and a region to transfer powers and funding to improve local quality of life.

Complex Lives

Integrated partnership team that works to support a cohort of people who have complex needs including addiction, mental health, domestic abuse and rough sleeping.

Mayflower 400

2020 marks the 400th anniversary of the Mayflower's voyage from Plymouth UK to Plymouth Massachusetts. The 'Pilgrim Fathers' story has its origins within the wider Doncaster area.

Assistive Technology

Aids that help people stay independent or manage their health. It includes things like walking frames, voice recognition programs and motion sensors.

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Doncaster Council

Report

Date: 12 February 2019

To the Chair and Members of the
CABINET

SCHOOL ADMISSIONS ARRANGEMENTS FOR 2020/2021 ACADEMIC YEAR

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Nuala Fennelly, Children, Young People and Schools	All	Yes

EXECUTIVE SUMMARY

1. This report outlines the requirements for the adoption of schemes for Co-ordinating the Admission Arrangements for Primary and Secondary Schools and the approval of the Admission Arrangements for Community Schools in the 2020/2021 School Year.

EXEMPT REPORT

2. This is not an exempt report.

RECOMMENDATIONS

3. The Mayor and Members of Cabinet are asked to approve the following admission arrangements for the 2020/2021 school year:
 - Community School Admission Arrangements
 - Community School Nursery Admission Arrangements (Sections 18 to 20 below).
 - Primary Co-ordinated Admission Arrangements
 - Secondary Co-ordinated Admission Arrangements (Sections 21 to 23 below).
 - Notification of parents of the arrangements for admission including those to the proposed University Technology College (section 16 below).

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. The Co-ordinated Arrangements noted above are intended to provide an equal opportunity for all parents to apply for school places at the same time through a process co-ordinated by the Local Authority (LA).

5. The School and Nursery Admission Arrangements set out the process by which applications by parents for community schools are considered and ensure that they are administered consistently and in a fair and equitable manner.

BACKGROUND

6. The Local Authority (LA) has a duty under Section 86 of the School Standards and Framework Act 1998 to make arrangements for enabling the parents of children in its area to express a preference for a maintained school and to give reasons for that preference.
7. By 1 January in the relevant determination year the LA is required to formulate schemes for co-ordinating the admission arrangements for all maintained schools and academies in the Borough and to seek the agreement of other admission authorities to the co-ordinated admission arrangements. These are intended to make school admissions easier, more transparent and less stressful for parents. They require parents to rank preferences on a single common application form which they must submit to their home LA. Parents will then receive a single offer of a school place for their child from the LA on a designated day.
8. By 28 February each year the LA is required to determine the admission arrangements that will apply to schools for which it is the admission authority i.e. community schools. This has been brought forward from previous years by the DfE to allow more time for any necessary objections to be lodged with the School Adjudicator.
9. In drawing up its arrangements the LA has to have regard to relevant legislation, the School Admissions Code (the Code) and guidance from the DfE. These contain a number of mandatory requirements which all admission authorities are required to follow and those requirements have been taken into account in the proposed arrangements.
10. The Private, Voluntary or Independent sector (PVI)s make their own arrangements for places within the Borough for 3 and 4 year old early years places. However the LA has a duty to ensure that there are sufficient accessible and affordable places for children across a range of provision types and provides support and guidance as necessary.

Admission Arrangements 2020/2021

11. The LA remains the admission authority for community schools which represents 40 of the 118 mainstream schools in Doncaster. The arrangements are determined in relation to the Code and relevant regulations published by the DfE. The only changes proposed relate to changes to admission numbers for schools as a result of building modifications.
12. Whilst the Local Authority is not responsible for setting the arrangements for academies, voluntary aided or free schools it undertakes an important role to ensure that they are as compliant with any changes required of them.

Co-ordinated Admission Arrangements 2020/2021

13. The Co-ordinated Admission Arrangements for the normal year of entry remain unchanged; parents will continue to apply to their home local authority from which they will receive their decisions.
14. Applications at each phase of education; nursery, primary and secondary are all available digitally through the Council's website. For the initial round of year of entry school applications the Local Authority continues to receive a high percentage of online

applications. This continues to increase annually. For September 2018 the online rates were 93% rising to 96% in 2019 for secondary and 88% in 2018 for primary. The benefit to parent/carers is the ability for them to receive their decisions by email on national offer day. Paper applications are available for parents on the Council's website and this will remain the case until the Council is satisfied that all parents will have equal access to the admission process.

15. Co-ordination remains an important arrangement between schools and local authorities in terms of safeguarding and good working relations. A key component of this is the identification of potential applicants from data held by Health and schools through appropriate data sharing agreements which contribute significantly to the success of the process.

Publication of Information for Parents

16. The Local Authority is required to publish information for parents detailing the arrangements for admission to schools by 12 September each year. Additionally new regulations require the inclusion of details for admission to University Technology Colleges within a reasonable travelling distance or where local residents are already in attendance. This includes the requirement to write to parents of prospective pupils to explain the appropriate admission arrangements.
17. The admissions and co-ordination arrangements are included as part of a wider Learning Provision Organisation Strategy, integrating education settings place planning, admissions arrangements/co-ordination and capital developments into one area.

OPTIONS CONSIDERED

Admission Arrangements

18. The LA is required to include in its admission arrangements, information on the order in which places will be offered when a year group is oversubscribed. These are usually referred to as the admission criteria.
19. In Doncaster, each school serves a local community, usually referred to as the 'catchment area'. This reflects the philosophy that 'efficient education' is particularly fostered by closely associating a secondary school and a group of linked primary schools, in a pyramid. In this way, each school becomes part of the provision for a community and the education of the community's children benefits greatly from the association of its schools.
20. The admission criteria for admission to community schools and community school nurseries reflect the requirement to give first priority to children in care. The next criterion gives priority to those who live within a particular catchment area. The remaining school admission criteria also recognise the importance of children attending the same school as siblings and a school which is linked to their present school in the pyramid structure. In circumstances where a place is only available in any of the criterion for one child from a multiple birth i.e. twins, the LA has undertaken to offer each child a place together.

Co-ordinated Admission Arrangements

21. The LA is required to determine arrangements which co-ordinate the admission process to all schools and academies for the year of entry. They must allow for parents to express up to three preferences and require them to apply to their own local authority. These must be

considered equally and the eligibility for places will be determined using each schools admission criteria.

22. A pupil will be offered a single place which is the highest ranked school for which they are eligible. Where no place is available the child will be offered an alternative place.
23. Although the mandatory requirement to co-ordinate in year was removed from September 2013 it is proposed that the Local Authority reaffirms its commitment to continue to co-ordinate the admission arrangements during the school year and to seek the agreement of other admission authorities to continue to do so.

REASONS FOR RECOMMENDED OPTION

Community School and Nursery Admission Arrangements

24. The LA must ensure that its arrangements take into account the relevant regulations and comply with the mandatory provisions of the Code. They include guidelines in setting oversubscription criteria which ensure that the arrangements are fair to all children and their families, and promote social equity. They must also be consistent with the co-ordinated arrangements for the area.
25. The proposed arrangements are based upon those currently in place and have been subjected to the required consultation. The admission criteria and the retention of Catchment areas, which gives the majority of children in the Borough priority though not a guarantee to an individual school, have been reaffirmed annually. To date, this principle has also been adopted by the majority of those schools which have become academies and so determine their own arrangements.
26. The admission arrangements contain details of the admission number for each school. These are reviewed annually and where necessary are revised to take into account changes in the net capacity assessment and variations in the number of pupils expected.

Co-ordinated Admission Arrangements - Primary and Secondary

27. Minor changes have been made to the relevant dates currently in place. These dates are within statutory timescales and have been agreed with the majority of our neighbouring authorities.
28. The mandatory requirement to co-ordinate in-year applications was removed for admission from September 2013. However the Local Authority, in agreement with schools, has previously determined that this should continue and this position is reaffirmed in the proposed arrangements. Continuing to co-ordinate in-year admissions strengthens the Local Authority's safeguarding role by continuing to monitor the movement of pupils and manage the Children Missing Education database. To do otherwise would rely on schools notifying the Authority of applications it receives and their outcomes. It would also mean parents would have to contend with differing arrangements at each school.
29. The Local Authority experiences a large number of in-year applications, the majority of which are due to changes of address, both into and around the Borough.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

30. The main impact of the proposals set out in this report on the Council's key priorities are set out below:

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	<p>The proposal supports the Council's key Outcomes in terms of:-</p> <p>Encouraging local schools to work together in a co-ordinated way;</p> <p>Supporting ease of access for all residents to school places;</p> <p>Prioritising places for local pupils and their siblings;</p>
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>Improve attendance and reduce risk for students out of school;</p> <p>Raising education standards and aspirations of young people;</p> <p>Improving services for Children, Young People and their families.</p> <p>Provide better value for money in simplifying the admission process;</p> <p>Raise the awareness of parents to future proposals for the Doncaster University Technology College.</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money 	

	<ul style="list-style-type: none"> • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	
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RISKS AND ASSUMPTIONS

31. If the arrangements fail to comply with the regulations and the Code they may be subject to challenge from parents through objections to Schools Adjudicator or the Local Government Ombudsman. This may have a detrimental impact on other pupils in a school or a financial impact on the Local Authority or schools.
32. If schools do not wish to take part in the in-year co-ordination process the Authority will put in place appropriate processes and safeguards to monitor the movement of pupils.

LEGAL IMPLICATIONS (HP Date 09/01/19)

33. Section 88C of the School Standards and Framework Act 1998, as amended, requires, before the beginning of each school year, the admission authority for a maintained school in England to determine the admission arrangements which are to apply for that year. Before determining the admission arrangements that are to apply for a year, the admission authority must carry out such consultation about the proposed arrangements as is prescribed in the Regulations below.
34. The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012, as amended, state that every admission authority must determine their admission arrangements on or before 28 February in the determination year.
35. The Regulations also require a local authority to formulate, in relation to each academic year, a qualifying scheme in relation to each primary and secondary school in their area. The local authority must formulate a qualifying scheme by 1 January in the relevant determination year and must inform the Secretary of State on or before 28 February in the relevant determination year whether they have secured the adoption of a qualifying scheme or not.
36. The School Information (England) Regulations 2008 require that local authorities publish a composite prospectus for parents by 12 September each year which contains the admissions arrangements. An amendment has been published to the regulations which came into force on 14 February 2017. This requires local authorities to include details of local University Technology Colleges (UTCs) in the prospectus and to write to parents of prospective pupils to confirm the appropriate admission arrangements to UTCs.

FINANCIAL IMPLICATIONS (DA Date 09.01.19)

37. This report refers to the schemes for admission arrangements to schools but has no effect on either the total number of pupils admitted or on the resources required to administer these admissions.

38. As such there are no financial implications arising directly from this report.

HUMAN RESOURCES IMPLICATIONS (DD Date 09/01/19)

39. There are no HR implications arising from this report.

TECHNOLOGY IMPLICATIONS

40. In line with Digital Council Parents are encouraged to make their applications on-line. However a paper form is available to download or can be provided on request if they do not have use of facilities on-line.

HEALTH IMPLICATIONS (RS Date 09/01/19)

41. Learning outcomes and health outcomes are intrinsically linked. Evidence shows that education, training and employment are key socio-economic factors in determining health status (Marmot, 2010). The admission arrangements described should be mindful of the impact on ease of access to education and in particular for those families who suffer disadvantage. Programmes that aim to improve attendance and reduce the gap in educational attainment are likely to impact positively on reducing long-term health inequalities in Doncaster.

EQUALITY IMPLICATIONS (NMCA Date 09/01/19)

42. In taking this decision, the decision maker must be aware of their obligations under section 149 Equality Act 2010. This section contains the Public Sector Equality Duty (PSED). It obliges public authorities, when exercising their functions, to have 'due regard' to the need to:

- a) Eliminate discrimination, harassment and victimisation and other conduct which the Act prohibits;
- b) Advance equality of opportunity; and
- c) Foster good relations between people who share relevant protected characteristics and those who do not.

A Due Regard Statement has been completed and is included at Appendix 1.

43. The relevant protected characteristics under the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.

44. In addition to the requirements of the Equalities Act, the School Admissions Code published by the Department for Education (DfE) make it clear that all admission authorities, including Doncaster Council must not discriminate on the grounds of disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; or sexual orientation, against a person in the arrangements and decisions it makes as to who is offered admission as a pupil.

45. In accordance with the Code, the arrangements and admission criteria, must be reasonable, clear, objective, procedurally fair, and comply with all relevant legislation, including equalities legislation. The Council must ensure that the arrangements do not

- The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012 – www.legislation.gov.uk/uksi/2012/8/made
- The Education (Relevant Areas For Consultation On Admission Arrangements) Regulations 1999 - www.legislation.gov.uk/uksi/1999/124/pdfs/uksi_19990124_en.pdf
- The School Admissions (Admissions Appeals Arrangements) Regulations 2012 - www.legislation.gov.uk/uksi/2012/9/pdfs/uksi_20120009_en.pdf
- The School Admissions (Infant Class Size) England Regulations 2012 - www.legislation.gov.uk/uksi/2012/10/pdfs/uksi_20120010_en.pdf
- The School Information (England) Regulations 2008 - www.legislation.gov.uk/uksi/2008/3093/pdfs/uksi_20083093_en.pdf
- Cabinet Report 10 December 2008 - Discretionary Transport Efficiency Savings

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Doncaster
Metropolitan Borough Council

Nursery Admission Policy For Community Schools In Doncaster

2020 - 2021

(V1)

www.doncaster.gov.uk

Doncaster Council
Nursery Admission Policy - Community Schools
2020/2021 School Year

- 1 The Local Authority (LA) is the Admission Authority for community schools and allocates places based on the oversubscription criteria given below in section 13.

General Statement

- 2 In Doncaster, each school serves a local community, usually referred to as the 'catchment area'. This policy reflects the philosophy that 'efficient education' is particularly fostered by closely associating a secondary school and a group of linked primary schools in a pyramid. In this way, each school becomes part of the provision for a community and the education of the community's children benefits greatly from the association of its schools.
- 3 Parents should initially apply for their child to be admitted in the September following their child's third birthday. Subject to the availability of places, successful applicants will be eligible for admission during the term following their third birthday. (See section 11.)
- 4 Pupils are entitled to 15 hours free universal entitlement per week for 38 weeks. Some schools can also offer the additional 15 hours extended entitlement for working parents who meet the eligibility criteria. Further details are available from the school.

Admission Limit

- 5 The Admission Limit determines the maximum number of pupils that can be properly accommodated in a nursery. It is not an arbitrary process, and;
- is assessed in accordance with the Department for Education (DfE) Premises Regulations which take account the nature and type of the school buildings providing for the acceptable amount of space for each pupil, and
 - takes into account the DfE staffing ratio of 1 adult to 13 pupils with at least one adult being a teacher.
- 6 Admission Limits are given in Appendix 1.

Closing and Announcement Dates

- 7 The closing date for receipt of applications for nursery in September 2020 is 2 October 2019. Decisions are posted to parents on 6 November 2019. Late applications are accepted and will be considered after those received by the closing date have been processed.
- 8 Applications are considered during the school year and should be submitted by Friday at 5pm during term time. Decisions are normally posted on the following Friday

Admission to Nursery

- 9 A child who has attained the age of three years on, or before, the 31 August 2020 will normally be admitted part-time to a nursery class from the start of the following school year.

- 10 Although the majority of children will only attend one nursery, the minimum period they should attend is one term and parents are required to sign a contract on a termly basis.

Early Admission

- 11 Once a pupil has secured a place for September admission, if places are available children may be admitted earlier. Those places will be offered by the school in criteria order as follows;
- a) Children born in the Autumn Term may be able to start in the Spring Term.
 - b) Children born in the Spring Term may be able to start in the Summer Term.

If a child attends a nursery 'early', they will normally continue into the nursery in the following September.

Allocation of Places and Admission Criteria

- 12 This section outlines the criteria to be used to decide upon eligibility for a place where the number of applications exceeds the admission limit.

Having regard to a pupil with an Education, Health and Care Plan naming the school, the criteria for allocating places is listed below in order of priority:

- a) Children who are Looked After Children and all previously Looked After Childrenⁱ
- b) Children who are ordinarily residentⁱⁱ in the catchment area of the preferred school.

For the purposes of applications received by the closing date, a catchment area school will be determined in relation to the address at which the pupil is ordinarily resident on the closing date. A child's place on a waiting list is reviewed once the parent has confirmed that the pupil is resident at a different address.

- c) Doncaster Children, living within the same family unit (e.g. stepchildren) who are attending the requested school at the point of application (excluding nursery). Where the preferred school is an infant school, attendance at a linked junior school will be included.
- d) Doncaster children who live in the catchment area of a school without a nursery.
- e) Doncaster children who live in the catchment area of a school with a nursery.
- f) Children not resident in Doncaster.

If, in any category, there are more children than places available, places will then be determined by reference to order of birth, eldest first

If there are any children with identical dates of birth, the child living nearest to the preferred school will be offered the place. The distance is measured in a straight line from the point of the front entrance of the pupil's home, to the entrance nearest to the reception point of the school building. In the case of split site schools, it shall be the entrance nearest to the reception point of the site the pupil attends for the purpose of registration.

Waiting Lists

- 13 In the event of a parent being refused admission, the child's name will be placed on a waiting list for the preferred nursery. Waiting lists are held all year in criteria order and by date of birth within criteria (eldest first). If a place becomes available it will be offered first to children of current nursery age and then to any children who may be eligible to be admitted 'early'. No priority will be given to the date of receipt of the application. A change of address can affect a pupils position on the waiting list.
- 14 Places will only be allocated from the waiting list when the number of pupils falls below the Admission Limit of the school. Whilst the waiting list is in operation, when a place does become available it will be allocated to the child at the top of the list on the day that the LA receive confirmation of the vacancy.

Notes

False Information

Any place offered on the basis of a fraudulent or intentionally misleading application will be withdrawn, e.g. giving a false address.

It is for parents to satisfy the LA of their circumstances as they apply to the admission criteria at the time of application.

Multiple Addresses

Where a child is resident with parents at more than one address, the address used for admission purposes shall be the place at which the child spends the majority of the school week (Monday to Friday) during term time. Where there is a clear 50/50 split, parents should decide.

Admission of Service Personnel and Crown Servants

To support the Armed Forces Community Covenant, applications for service personnel and crown servants moving to Doncaster will be considered one term in advance of a change of address in accordance with the guidance from the DfE providing that the application is accompanied by an official letter that declares a relocation date and a Unit postal address or quartering area address.

Provision is also made to allow for the admission of children of service personnel and crown servants into schools above the admission number where staffing ratios allow.

i Children who are Looked After Children and all previously Looked After Children

A 'looked after child' is a child who is (a) in the care of a local authority, or (b) being provided with accommodation by a local authority in the exercise of their social services functions (see the definition in Section 22(1) of the Children Act 1989) at the time of making an application to a school. This includes children who were adopted under the Adoption Act 1976 (see section 12 adoption orders) and children who were adopted under the Adoption and Children Act 2002 (see section 46 adoption orders). Child arrangements orders are defined in s.8 of the Children Act 1989, as amended by s.12 of the Children and Families Act 2014. Child arrangements orders replace residence orders and any residence order in force prior to 22 April 2014 is deemed to be a child arrangements order. See Section 14A of the Children Act 1989 which defines a 'special guardianship order' as an order appointing one or more individuals to be a child's special guardian (or special guardians).

ii Ordinarily Resident

Reference to where a pupil is ordinarily resident means that they are habitually and normally resident at their address, other than for occasional absences, for a settled purpose which is not solely to receive education. If parents are moving address they will

only be considered as being ordinarily resident and, therefore, considered under this criterion, when they are living at their new address.

Further Information

Further, more detailed information about the admission process can be found in the Starting in a Nursery Booklet, available from the school or the LA as follows:-

Address: Learning Provision Organisation Services (Admissions), Doncaster Council, Civic Office, Waterdale, Doncaster, DN1 3BU
Telephone: 01302 735986 or 01302 735987
email address: admissions@doncaster.gov.uk

APPENDIX 1

Nursery Admission Number			
Adwick Primary	78	Park Primary	52
Askern Moss Road Infant	52	Plover Primary	52
Barnburgh Primary	26	Rossington Toredale Infant	52
Bawtry Mayflower Primary	39	Scawthorpe Castle Hills Primary	52
Bentley New Village Primary	52	Scawthorpe Sunnyfields Primary	52
Carcroft Primary	52	Scawsby Saltersgate Infant	78
Hatfield Sheep Dip Lane Primary	52	Sprotbrough Orchard Infant	52
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Doncaster
Metropolitan Borough Council

Admission Arrangements For Community Schools

2020 - 2021
(V1)

Doncaster Council

Admission Arrangements for Community Schools

2020/2021 School Year

- 1 The Local Authority (LA) is the Admission Authority for community schools. Only the LA is able to decide who is eligible for a place in these schools. Neither the Headteacher nor their representatives are able to offer a school place.

General Statement

- 2 In Doncaster, each school serves a local community, usually referred to as the 'catchment area'. These arrangements reflect the philosophy that 'efficient education' is particularly fostered by closely associating a secondary school and a group of linked primary schools, in a pyramid. In this way, each school becomes part of the provision for a community and the education of the community's children benefits greatly from the association of its schools.

Published Admission Number

- 3 A school must have an admission number for each 'relevant age group', defined in law as 'an age group in which pupils are or will normally be admitted to the school in question'. The admission number for each year group is set with regard to the capacity assessment for the school taking into account the nature and type of the school buildings and provides for an acceptable amount of space for each pupil. Therefore, the admission number is set to benefit the children who are taught in the school and those who teach and support them. Each school year, the LA consults with the Governing Body of the school before the admission number is set. (See Appendix 1.)
- 4 Before making a final decision, the LA consults schools on the number, and size, of classes or registration groups planned. These are determined within resources available. Where this results in places in excess of the admission number being available, places are offered strictly in criteria order.
- 5 A child will normally be eligible to a place unless the number of applications for admission exceeds the admission number or they are offered a school which is ranked higher on an Application Formⁱ (AF) or Transfer Formⁱⁱ (TF) under a Co-ordinated Admission Schemeⁱⁱⁱ (CAS).

Expressing A Preference

- 6 Applications for admission should be made in accordance with the relevant CAS.

Closing Date For Receipt Of Parental Preferences

- 7 The closing date for receipt of preferences for the year of entry is 15 January 2020. Late applications for the year of entry are processed after those received by the closing date.

Announcement Date for Parental Preferences

- 8 For those applications received by the closing date noted in 7 above, emails and letters will be sent to parents on 16 April 2020.

Eligibility For A Place At A School - Oversubscription Criteria

A. Primary and Infant Schools

- 9 This section outlines the criteria to be used to decide upon eligibility for a place where the number of preferences exceeds the Published Admission Number.

After the admission of pupils with an Education, Health and Care Plan or Statement of Special Educational Need naming the school, preferences for each school will be sorted in the order of the criterion outlined below. Each of the remaining criteria is applied in order of priority as tie breakers, with criterion d) being the final tie breaker.

a) **Looked After Children and all previously Looked After Children^{iv}**

b) **Catchment Area**

Children who are ordinarily resident^v in the catchment area of the preferred school. (Details of Catchment Areas are available from the LA at www.doncaster.gov.uk/admissions)

For applications for the year of entry, a catchment area school will be determined in relation to the address at which the pupil is ordinarily resident on the closing date. Once a waiting list is formed, a child's place on that list will be updated in light of any new address. For other admissions the applicable date is the date of application.

c) **Siblings**

Children who are living within the same family unit (e.g. stepchildren) who will be attending the requested school, (excluding nursery), at the point of admission. Where the requested school is an infant school, attendance at a linked junior school will be included.

d) **Proximity**

Children who live nearest to the requested school measured in a straight line from the centre point of the child's ordinary place of residence^v, to the entrance nearest to the reception point of the school building. In the case of split site schools, 'entrance nearest to the reception point' will refer to the site the pupil attends for the purpose of morning registration.

If two or more pupils live equidistant from the school, the distance each pupil lives by road from the preferred school will be measured and the place offered to the pupil who lives nearest by this means. In the event of this being equal (e.g. in the case of flats), places will then be decided by Random Allocation.

Measurements will be made using ONE provided by Capita Education Services and/or ArcView GIS provided by Environmental Systems Research Institute Inc. or suitable substitute.

Where a place is only available in any of the above criterion for one child from a multiple birth i.e. twins, each child will be offered a place.

Eligibility For A Place At A School - Oversubscription Criteria

B. Junior Schools

- 10 This section outlines the criteria to be used to decide upon eligibility for a place where the number of preferences exceeds the Published Admission Number.

After the admission of pupils with an Education, Health and Care plan or Statement of Special Educational Need naming the school, preferences for each school will be sorted in the order of the criterion outlined below. Each of the remaining criterion are applied in order of priority as tie breakers, with criterion e) being the final tie breaker.

a) **Looked After Children and all previously Looked After Children^{iv}**

b) **Link Schools**

Children attending a school which is a linked infant school and who have, on the closing date, attended a linked infant school continuously for more than one calendar year. (See Appendix 1.)

c) **Catchment Area**

Children who are ordinarily resident^v in the catchment area of the preferred school. (Details of Catchment Areas are available from the LA at www.doncaster.gov.uk/admissions)

For applications for the year of entry, a catchment area school will be determined in relation to the address at which the pupil is ordinarily resident on the closing date. Once a waiting list is formed, a child's place on that list will be updated in light of any new address. For other admissions the applicable date is the date of application.

d) **Siblings**

Children who are living within the same family unit (e.g. stepchildren) who will be attending the requested school, at the point of admission. Attendance at a linked infant school will be included.

e) **Proximity**

Children who live nearest to the requested school measured in a straight line from the centre point of the child's ordinary place of residence^v, to the entrance nearest to the reception point of the school building. In the case of split site schools, 'entrance nearest to the reception point' will refer to the site the pupil attends for the purpose of morning registration.

If two or more pupils live equidistant from the school, the distance each pupil lives by road from the preferred school will be measured and the place offered to the pupil who lives nearest by this means. In the event of this being equal (e.g. in the case of flats), places will then be decided by Random Allocation.

Measurements will be made using ONE provided by Capita Education Services and/or ArcView GIS provided by Environmental Systems Research Institute Inc. or suitable substitute.

Where a place is only available in any of the above criterion for one child from a multiple birth i.e. twins, each child will be offered a place.

The Offer Of A Place At A School

- 11 Decisions will be sent to parents in accordance with the Authority's CAS. i.e. for those received by the closing date the national announcement date is 16 April 2020.

Waiting Lists

- 12 For the year of entry, pupils will be added to the waiting list(s) of community schools where they are refused a place and those schools were ranked higher on the AF than the place offered. Late applications will continue to be added to a list in criteria order. A change of address can affect a pupil's position on the waiting list. Places on the waiting list will be strictly prioritised in criteria order given above and will operate until the end of the autumn term i.e. 31 December 2020.
- 13 Places will only be allocated from the waiting list when the number of pupils falls below the Admission Limit of the school. Whilst the waiting list is in operation, when a place does become available it will be allocated to the child at the top of the list on the day that the LA receive written confirmation of the vacancy.

In Year Transfers

- 14 Applications for in year transfers are considered in accordance with the LA's CAS.
- 15 Applications should be made on the LA's TF and submitted to the LA for consideration.
- 16 A pupil will be deemed eligible for admission if there are sufficient places (see point 22, regarding repeat applications) unless specific circumstances apply^{vi}. However, a pupil will not be eligible for a place if the circumstances of the year group have changed since it was the year of entry and admission of an additional child would 'prejudice the provision of efficient education or the efficient use of resources'.
- 17 Where multiple applications are received for the same year group and there are insufficient places for all applicants, eligibility for admission will be considered in accordance with the admission criteria set out above.
- 18 Where a place is not available, the application will normally be refused and the applicant will be offered the right of appeal to an independent appeals panel.
- 19 If a place is offered, the headteacher will, within two weeks of receiving confirmation from the LA of an offer of a place, determine a start date.
- 20 Pupils are normally admitted to a school at the start of the next new term other than:-
 - a. where the Headteacher in consultation with the LA considers that the pupil should be admitted earlier in the circumstances of the case, or;
 - b. where the previous school is not accessible with reasonable facility e.g. due to a move into Doncaster or the pupil would otherwise be expected to travel longer than 45 minutes to school by public transport, or;
 - c. the pupil is not on the roll of a school.
- 21 Pupils are required to start at the school within two weeks of the start date offered by the headteacher and places are not normally held open beyond this period. Applicants must be in a position to take up a place within this stated period.

- 22 Repeat applications made for the same year group during the same academic year will not be considered unless there has been significant and material change to either the families or the schools circumstances, since a previous application and this is relevant to the application for admission. Where information was known at the time of the original application or appeal or parents chose not to disclose information, this will not be considered as additional information or a change in circumstances.
- 23 In accordance with DfE requirements pupils may be admitted under the Fair Access Protocol outside of the normal admission arrangements noted above.

Allocation Of Places

- 24 If an application from a Doncaster resident is refused and the pupil does not currently have a place in a Doncaster school, a place will be offered at an alternative school in accordance with the LA's CAS.

Independent Appeals

- 25 If a place is not offered at a preferred school parents have the right to appeal to an Independent Appeal Panel. Details of the appeals procedure will be sent to parents with their decision.
- 26 Parents who intend to make an appeal should normally submit a notice of appeal within 20 school days of receiving the refusal letter to: Litigation and Education Section, Directorate of Resources, Doncaster Council, Civic Office, Waterdale, Doncaster, DN1 3BU

Explanatory Notes

i Application Form (AF)

This is a form used in the admission process on which parents express preferences for a school or schools for the year of entry.

ii Transfer Form (TF)

This is a form used in the admission process on which parents express preferences to transfer a school or schools.

iii Co-ordination/Co-ordinated Schemes(CAS)

All local authorities are required to co-ordinate the admission arrangements for residents within their area whereby parents will submit an AF or TF to their home LA who will then ensure, as far as is possible, that a single offer of a place is sent to parents.

iv Children who are Looked After Children and all previously Looked After Children

A 'looked after child' is a child who is (a) in the care of a local authority, or (b) being provided with accommodation by a local authority in the exercise of their social services functions (see the definition in Section 22(1) of the Children Act 1989) at the time of making an application to a school. This includes children who were adopted under the Adoption Act 1976 (see section 12 adoption orders) and children who were adopted under the Adoption and Children Act 2002 (see section 46 adoption orders). Child arrangements orders are defined in s.8 of the Children Act 1989, as amended by s.12 of the Children and Families Act 2014. Child arrangements orders replace residence orders and any residence order in force prior to 22 April 2014 is deemed to be a child arrangements order. See Section 14A of the Children Act 1989 which defines a 'special guardianship order' as an order appointing one or more individuals to be a child's special guardian (or special guardians).

v **Ordinarily Resident/Residence**

Reference to where a child is ordinarily resident means that they are habitually and normally resident at their address, other than for occasional absences, for a settled purpose which is not solely to receive education. An address will only be considered when they are living there. This includes updating the position on a waiting list.

vi **Specific Circumstances For Refusal**

An application will normally be agreed if there are sufficient places unless specific circumstances apply, as outlined in the School Admissions Code or as part of the Local Authority's In Year Fair Access Policy.

General Information

Delaying Entry to a Reception Class and Part-time Attendance

Children reach compulsory school age on the prescribed day following their 5th birthday (or on their fifth birthday if it falls on a prescribed day). The prescribed days are 31 August, 31 December and 31 March.

Where parents apply for admission to a reception class for a child who is not of statutory school age, and parents wish to delay entry, a child should be admitted to the class no later than the beginning of the summer term in the reception year.

Parents can also request that their child attends part-time until the child reaches compulsory school age. The request will be considered by the headteacher in circumstances where it appears to be in the best interest of the child.

Deferring Entry of summer born children outside their normal age group

Parents of summer born children (born between 1 April and 31 August) are currently able to request that their child defer entry to a reception class for a full academic year. When such a request is made, the Local Authority will make a decision on the basis of the circumstances of the case and in the best interests of the child concerned, taking into account the views of the head teacher and any supporting evidence provided by the parent.

If the request is allowed, normal admission rules will apply and there is no guarantee that a place will be offered at the requested school(s).

Parents should set out their reasons for their request using the Deferred Entry Request Form and send it to the Local Authority during the autumn term after their third birthday. This will ensure that they do not miss out on a place at the normal point of entry which should be made by the national closing date - 15 January. Further guidance and the form can be found on the Council Website at www.doncaster.gov.uk/services/schools/primary-admissions

False Information

Any place offered on the basis of a fraudulent or intentionally misleading application will be withdrawn, e.g. giving a false address. It is for parents to satisfy the LA of their circumstances as they apply to the admission criteria at the time of application.

Multiple Addresses

Where a child is resident with parents at more than one address, the address used for admission purposes shall be the place at which the child spends the majority of the school week (Monday to Friday) during term time. Where there is a clear 50/50 split, parents should decide.

Admission of Service Personnel and Crown Servants

To support the Armed Forces Community Covenant, applications for service personnel and crown servants moving to Doncaster will be considered one term in advance of a change of address in accordance with the guidance from the DfE providing that the application is accompanied by an official letter that declares a relocation date and a Unit postal address or quartering area address.

Provision is also made within the Fair Access Protocol to allow for the admission of specified groups of children into schools above the admission number including children of service personnel and crown servants, travellers, Gypsy or Roma children. Full details are identified in the Protocol.

Further Information

Further, more detailed information about the admission process is available from the LA and can be found in the Admission To Primary School Booklet, available as follows:-

Telephone: 01302 736754

Address: Learning Provision Organisation Service (Admissions), Doncaster Council, Civic Office, Waterdale, Doncaster, DN1 3BU

Email: admissions@doncaster.gov.uk Web: www.doncaster.gov.uk/admissions

Published Admission Numbers

School Name	Admission Number	School Name	Admission Number
Adwick Primary	60	Park Primary	60
Arksey Primary	20	Plover Primary	50
Askern Moss Road Infant	40	Rossington Toredale Infant	60
Askern Spa Junior	90	Scawsby Saltersgate Infant	90
Barnburgh Primary	30	Scawsby Saltersgate Junior	90
Bawtry Mayflower Primary	40	Scawthorpe Castle Hills Primary	40
Bentley New Village Primary	50	Scawthorpe Sunnyfields Primary	60 40
Carcroft Primary	60	Sprotbrough Orchard Infant	56
Copley Junior	56	Stainforth Kirton Lane Primary	30
Hatfield Sheep Dip Lane Primary	40	Thorne Brooke Primary	60
Hawthorn Primary	40	Thorne King Edward Primary	50
Hayfield Lane Primary	60	Tickhill Estfeld Primary	30
Kirkby Avenue Primary	50	Toll Bar Primary	30
Lakeside Primary	60	Town Field Primary	60
Littlemoor Children's Centre and School	60	Wadworth Primary	30
Long Toft Primary	60	Warmsworth Primary	60
Mallard Primary	60	West Road Primary	50
Marshland Primary	30	Windhill Primary	40
New Pastures Primary	40	Woodlands Primary	60
Norton Infant	60		
Norton Junior	60		

Linked Community Schools (Infant/Junior)

Norton Infant	Norton Junior
Littlemoor Children's Centre and School Askern Moss Road Infant	Askern Spa Junior
Sprotbrough Orchard Infant	Copley Junior
Scawsby Saltersgate Infant	Scawsby Saltersgate Junior
Rossington Toredale Infant* Grange Lane Infant Academy	Pheasant Bank Academy

* Community School linked to an Academy.

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Doncaster
Metropolitan Borough Council

Qualifying Co-ordinated Admissions Scheme For Primary Schools In Doncaster

2020 - 2021
(V1)

www.doncaster.gov.uk

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Qualifying Co-ordinated Admissions Scheme for Primary Schools in Doncaster

Introduction

- 1 This scheme is made under Section 89B of the School Standards and Framework Act 1998 and in accordance with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012.

Interpretation

- 2 In this scheme –

“the LA” means Doncaster Metropolitan Borough Council acting in their capacity as local authority;

“the LA area” means the area in respect of which the LA are the local authority;

“primary education” has the same meaning as in section 2(1) of the Education Act 1996;

“primary school” has the same meaning as in section 5(1) of the Education Act 1996;

“admission authority” in relation to a community school means the LA, in relation to a VA school means the governing body of that school and in the case of an academy it will be the academy trust;

“school” means a community or voluntary aided school which is maintained by the LA or an academy (but not a special school);

“appropriate school” means a primary school providing primary education;

“the specified year” means the school year beginning at or about the beginning of **September 2020**;

“academy” are defined in Section 1A of the Academies Act 2010;

“VA schools” means such of the schools as are voluntary-aided schools;

“eligible for a place” means that a child has been placed on a school’s ranked list at such a point which falls within the school’s published admission number.

“admission arrangements” means the arrangements for a particular school or schools which govern the procedures and decision making for the purposes of admitting pupils to the school;

“in-year transfer” means an application for a place in a year group other than the first year of primary education or junior school, or any application for admission to the first year that is received on or after **31 August 2020**; and

“resident” for the purposes of the year of entry applications received by the closing date, resident means the area of the local authority where a person is ordinarily resident on **15 January 2020** i.e. they are habitually and normally resident at their address, other than for occasional absences, for a settled purpose which is not solely to receive education. At all other times this relates to the address at the time of application.

The Scheme

- 3** Pursuant to Section 89B of the School Standards and Framework Act 1998, and in accordance with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012, this scheme is made for the purpose of co-ordinating the arrangements for the admission of pupils (other than for those pupils with a statement, or proposed statement, of Special Educational Needs) to primary schools in the LA area and to the primary schools of those other LAs who have agreed to co-ordinate their admission arrangements with Doncaster LA (“the scheme”).
- 4** The scheme referred to below shall be determined in accordance with the provisions set out in Schedule 1, and processed in accordance with the timetable set out in Schedule 2.
- 5** The scheme shall apply to every primary school in the LA area (except special schools) and shall apply to the admission arrangements for the specified year. Schools to which the scheme applies are set out in Schedule 6.
- 6** For Year of Entry applications, the LA will co-ordinate with those LAs who have agreed to co-ordinate their admission arrangements in Schedule 5
- 7** For In-Year applications the LA will only co-ordinate applications made for Doncaster Schools.

SCHEDULE 1

PART I - THE SCHEME

- 1** Parents will be invited to make their applications online. A standard form known as the Common Application Form (CAF) will be available to parents on request.
- 2** The online application process or CAF must be used as a means of expressing up to three preferences for the purposes of section 86 of the School Standards and Framework Act 1998, by parents resident in the LA area wishing to express a preference for their child-
 - a) to be admitted to a school within the LA area (including VA schools and academies);
 - b) to be admitted to a school located in another LA’s area (including VA schools and academies).

- 3** The online application process or CAF will –
- a) invite the parent to express up to three preferences by completing the form, including, where relevant, any schools outside the LA's area, in rank order of preference.
 - b) invite parents to give their reasons for each preference.
 - c) specify the closing date and where it must be returned to.
- 4** The LA will make appropriate arrangements to ensure:
- a) parents to apply on line for a school place;
 - b) that the CAF is available on request from the LA, from all primary and secondary schools in the LA area, online; and
 - c) that details of the co-ordinated admissions scheme are available online.
- 5** The LA, with the co-operation of Doncaster schools, will take all reasonable steps to ensure that every parent resident in the LA area who has a child due to commence in a reception class of an infant school, or year 3 of a Junior school, in the specified year receives information regarding the application process and access to details of the co-ordinated admissions scheme.
- 6** All preferences expressed on the online application form or CAF are valid applications and will be considered in accordance with the published admission arrangements for the respective school.

Equal Preferences

- 8** This scheme shall be classed as an 'Equal Preference Scheme'. All applications will be considered against published admission criteria, but without any reference to how the school applied for has been ranked by parents. If an individual child can be offered a place at more than one school, a place will be offered at the highest ranked school at which a place was available.

Supplementary Information Forms (SIF)

- 9** An admission authority can require parents who wish to nominate, or have nominated, their school on the online application process or CAF, to provide additional information on a supplementary information form (SIF) only where the additional information is required for them to apply their oversubscription criteria to the application. Where a SIF is required it must be returned to the school.
- 10** A SIF it will not be regarded as a valid application unless the parent has also completed an online application process or CAF and the school is nominated on it. Under the requirements of the scheme, parents will not be under any obligation to complete an individual SIF.

Testing

- 11** No Doncaster primary schools operate admission arrangements that include criteria for selection by ability or aptitude. Where a parent applies for a school in another LA which does have a selection test (whether a test of ability or aptitude) as part of the school's admission arrangements, that admission authority should

ensure that parents are informed of the outcome of entry tests before they make their applications for other schools.

Processing of Common Application Forms

- 12** The closing date for applications is **15 January 2020**. The default position is for parents to apply online. Any completed CAFs received by schools must be immediately forwarded to the LA.

Determining offers in response to the Common Application Form

- 13** The LA will act as a clearing house for the allocation of places by the relevant admission authorities in response to an online application form or CAFs. The LA will only make any decision with respect to the offer or refusal of a place in response to any preference expressed on the online application process or CAF where-

- (a) it is acting in its separate capacity as an admission authority, or
- (b) where it has been asked to act on behalf of another admission authority, or
- (c) an applicant is eligible for a place at more than one school, or
- (d) an applicant is not eligible for a place at any school that the parent has nominated, in which case the LA will allocate a place in accordance with the provisions set out below.

- 14** **By 10 February 2020**, the LA will have provided other LAs with all relevant details of every preference expressed for a place in a primary school maintained by them by a parent resident in Doncaster, and will have received from other LAs all relevant details of every preference expressed for a place in a Doncaster primary school by a parent resident in their area.

- 15** **By 10 February 2020**, the LA will have provided the admission authority for each Doncaster primary school with all relevant details of every preference expressed by a parent for a place at their school.

“All relevant details” will include any SIF required in support of the application by the admission authority and received by the above date.

- 16** **By 13 March 2020** the admission authority of each Doncaster primary school will have considered all preferences expressed for a place at the school in accordance with the published admission arrangements for the school, and have provided the LA with a list of children ranked according to the school's oversubscription criteria (published as part of the admissions arrangements) and confirmed those children eligible to a place.

- 17** **By 27 March 2020** the LA will have exchanged potential offers with neighbouring authorities.

- 18** **By 27 March 2020** The LA will have matched each ranked list against the ranked lists of all other schools in Doncaster and:

- Where the child is eligible for a place at only one of the schools preferred on the online application form or CAF, that place will be allocated to the child.
- Where the child is eligible for a place at more than one school listed on the online application form or CAF, a place will be allocated at the school ranked highest by the parents on the online application form or CAF and,

- Where a child has not been allocated a place at all of the schools preferred on his/her online application from or CAF, a place will be allocated at a school determined in accordance with the provisions of Schedule 4.
- The LA will inform other LAs of the children of parents resident in their area who are eligible for a place in a Doncaster primary school and of those children not eligible together with the reasons for the unsuccessful preference.

19 **By 16 April 2020**, the LA will inform Doncaster primary schools of the pupils to be offered places at their schools.

20 **On 16 April 2020** parents will be sent a letter notifying them that they are being offered a place at the allocated school. This letter will give the following information:

- The name of the school at which a place is offered;
- If a place is not offered at any preferred school listed on the online application from or CAF – the reasons for the refusal;
- Information about the statutory right of appeal against any decisions made;
- Contact details to lodge appeals as necessary.

The letter will not inform parents of places still available at other schools.

21 **30 April 2020:** the deadline for parents to accept the place offered as required by the published admissions arrangements for the school.

PART II - LATE APPLICATIONS

22 The closing date for applications in the normal admissions round is **15 January 2020**. All applications received after **15 January 2020 and by 16 April 2020** will be sent offer/refusal letters no later than **30 April 2020**.

Applications received after **16 April 2020 and by 30 April 2020** inclusive will be sent offer/refusal letters no later than **31 May 2019**.

Applications received after **30 April 2020** and up to **31 August 2020** will be processed on an on going basis.

Applications received after **31 August 2020** will be dealt with as in-year transfers.

23 **By 6 July 2020** for the junior transfer group, the LA will offer a place to any Doncaster child it is aware of, for whom it has not received an application, in accordance with Schedule 4.

PART III – WAITING LISTS

24 Unless otherwise indicated in the individual admission arrangements, a waiting list will be held for any school for which a place has been refused until the end of the autumn term in the admission year.

PART IV – IN-YEAR TRANSFERS

- 25** Applications received from **1 September 2020** onwards for admission into any year group are classed as in-year transfers.
- 26** The LA will be co-ordinating all applications for in-year transfers within Doncaster.
- 27** Applications for admission to any secondary school in Doncaster must be made on the Doncaster In-Year Transfer Form.
- 28** Applications for Doncaster secondary schools from parents resident in other local authorities should be made on the Doncaster In-Year Transfer Form.
- 29** Where a place is not available at the requested school(s) Doncaster LA will allocate a place in accordance with the provisions of Schedule 4.
- 30** A single offer of a place will be made by the Doncaster LA in respect of applications for Doncaster Schools.

PART V – IN YEAR FAIR ACCESS PROTOCOL

- 31** All admission authorities within Doncaster are part of the In Year Fair Access Protocol. In accordance with DfE requirements pupils may be admitted under the Fair Access Protocol outside of the normal admission arrangements.

PART VI – DONCASTER ARMED FORCES COMMUNITY COVENANT

- 32** To support the Armed Forces Community Covenant, applications for service personnel and crown servants moving to Doncaster will be considered in advance of a change of address in accordance with the guidance from the DfE providing that the application is accompanied by an official letter that declares a relocation date and a Unit postal address or quartering area address.
- 33** Provision is also made within the Fair Access Protocol to allow for the admission of specified groups of children into schools above the admission number including children of service personnel and crown servants. Full details are identified in the Protocol.

PART VII – FALSE INFORMATION

- 33** Where an offer of a place made under the scheme is found to be based on a fraudulent or intentionally misleading application which effectively denied a place to a child with a stronger claim to the place at the school, the offer of the place may be withdrawn where this provision is included in the respective admission arrangements of the respective admission authority.
- 34** In determining whether to withdraw the offer of the place, account will be taken of whether the child has commenced at the school and, if so, the length of time the child has been attending.
- 35** Where a place, or an offer has been withdrawn the application will be reconsidered and an independent appeal offered where the child cannot be re-offered a place or re-admitted to the school.

SCHEDULE 2

CO-ORDINATED SCHEME TIMETABLE

- 15 January 2020** Closing date for the online application form or CAFs to be returned to the LA (or feeder schools for forwarding to the LA).
- 10 February 2020** By this date:
A transfer/receipt of applications from/to neighbouring LAs will be undertaken.
- 10 February 2020** Details of applications for places at Doncaster VA schools will be sent to the respective Governing Bodies.
- 13 March 2020** By this date:
Doncaster VA schools will have provided the LA with ranked lists of applicants according to the Governing Bodies admission arrangements.
- 16 March 2020** By this date:
The LA will match the ranked lists of all the schools to identify potential offer of places in accordance with paragraph 16 of Schedule 1.
- By this date:
The LA will have exchanged potential offers with neighbouring LAs.
- 27 March 2020** The LA will inform other LAs of the outcome of all parental preferences for places in Doncaster primary schools from their residents together with reasons for any unsuccessful preferences.
- 16 April 2020** By this date:
In accordance with paragraph 16 of Schedule 1, the LA will allocate a place to any pupil not eligible to a place at all preferred schools on the online application form or CAF.
- 16 April 2020** Notifications sent to parents.
- 30 April 2020** Last date for offers to be accepted by parents.

SCHEDULE 3

IN-YEAR TRANSFERS CO-ORDINATED SCHEME TIMETABLE

1. Application Requested

Within 2 Working Days of Request

Application Form sent



2. Application Received - Determination of Eligibility

Option A – Community/Other Schools for whom the LA is determining Eligibility

Within 7 School Days

School Contacted to determine availability of places

Option B – Other Doncaster Schools

Within 2 School Days*

Preference Information sent to Admission Authority (AA)

Within 10 School Days of Receipt of Form*

Determination made by AA and LA notified

*Subject to agreement schools may be contacted by telephone for a determination.



3. Following Receipt by LA of Determination

Within 7 School Days of Determination

Decision Letter sent to Parents by LA



4. Following Offer

Within 10 Days of Letter

Place Accepted by Parents (if required)

SCHEDULE 4

ALLOCATION OF ALTERNATIVE PLACES DETERMINATION OF NEAREST APPROPRIATE SCHOOL

- 1** For the purposes of Schedule 1, outside of the normal admissions round for reception, the Local Authority will allocate places as follows where a pupil has not secured a place at a requested school or schools.
- 2** If there are vacancies, a place will be given first at a pupil's catchment area school.
- 3** If after allocating places in accordance with paragraph 2 above, there remain pupils to which no school has been allocated then, consideration will be given to allocating a place at the nearest Doncaster school with a vacancy to the pupil's home address. This will be determined by measuring the distance, by road, from the point of the front entrance of the pupil's home address - to the entrance nearest to the reception point of the school. Measurements will be made using EMS for Windows provided by Capita Education Services and/or ArcView GIS provided by Environmental Systems Research Institute Inc or suitable substitute.
- 4** In the case of split site schools, 'entrance nearest to the reception point' will refer to the site the pupil attends for the purposes of morning registration.
- 5** At each stage above, if there are insufficient places, the schools admission policy will determine which child(ren) should be allocated places.
- 6** In all instances, a parent will be offered the right to an independent appeal and be able to apply for an alternative school. There will be no compulsion for the parent to accept the allocated place.

SCHEDULE 5

LOCAL AUTHORITIES WHO HAVE AGREED TO CO-ORDINATE THEIR YEAR OF ENTRY ADMISSION ARRANGEMENTS WITH DONCASTER LA

Barnsley	North East Lincolnshire	Rotherham
East Riding of Yorkshire	North Yorkshire	Sheffield
Lincolnshire	Nottinghamshire	Wakefield
North Lincolnshire		

SCHEDULE 6

Community Schools: Admissions Authority – Doncaster LA		
Adwick Primary	Norton Infant	West Road Primary
Arksey Primary	Norton Junior	Windhill Primary
Askern Moss Road Infant	Owston Park Primary	Woodlands Primary
Askern Spa Junior	Park Primary	
Barnburgh Primary	Plover Primary	
Bawtry Mayflower Primary	Rossington Toredale Infant	
Bentley New Village Primary	Sandringham Primary	
Carcroft Primary	Scawsby Saltersgate Infant	
Copley Junior	Scawsby Saltersgate Junior	
Hatfield Sheep Dip Lane Primary	Scawthorpe Castle Hills Primary	
Hawthorn Primary	Scawthorpe Sunnyfields Primary	
Hayfield Lane Primary	Sprotborough Orchard Infant	
Kirkby Avenue Primary	Stainforth Kirton Lane Primary	
Lakeside Primary	Thorne King Edward Primary	
Littlemoor Children’s Centre and School	Tickhill Estfeld Primary	
Long Toft Primary	Toll Bar Primary	
Mallard Primary	Town Field Primary	
Marshland Primary	Wadworth Primary	
New Pastures Primary	Warmsworth Primary	

Voluntary Aided & Academies: Admission Authority Governing Body/Trustees		
Armthorpe Shaw Wood Academy	Hexthorpe Primary	Rossington St Michael’s C of E Primary
Atlas Academy	Highfields Primary Academy	Rowena Academy
Auckley School	Highwoods Academy	Southfield Primary
Balby Central Primary	Hill Top Academy	St Alban’s Catholic Primary
Barnby Dun Primary Academy	Hillside Academy	St Francis Xavier Catholic Primary
Bentley High Street Primary	Holy Family Catholic Primary School	St Joseph and St Teresa’s Catholic Primary
Bessacarr Primary	Hooton Pagnell All Saints Church of England Primary	St Joseph’s School, A Catholic Voluntary Academy
Branton St Wilfrid’s Church of England Primary	Intake Primary Academy	St Mary’s Catholic Primary, Edlington
Canon Popham Church of England (VA) Primary and Nursery	Kingfisher Primary Academy	St Oswald’s C of E Academy
Carr Lodge Academy	Kirk Sandall Infant	St Peter’s Catholic Primary
Castle Academy	Kirk Sandall Junior	Tickhill St Mary’s C of E Primary and Nursery
Conisbrough Ivanhoe Primary Academy	Mexborough St John the Baptist C of E Primary	Tranmoor Primary
Crookesbroom Primary Academy	Montagu Academy	Travis St Lawrence C of E Primary

Denaby Main Primary Academy	Morley Place Academy	Waverley Academy
Dunsville Primary	Our Lady of Mount Carmel Catholic Primary	Willow Academy
Edenthorpe Hall Primary Academy	Our Lady of Perpetual Help Catholic Primary	Woodfield Primary
Edlington Victoria Academy		
Grange Lane Infant Academy	Our Lady of Sorrows Catholic Voluntary Academy	
Green Top	Pheasant Bank Academy	
Hatchell Wood Primary Academy	Richmond Hill Primary Academy	
Hatfield Woodhouse Primary	Rosedale Primary	

Further Information

Further, more detailed information about the admission process is available from the LA and can be found in the Admission To Primary School Booklet, available as follows:-

Telephone: 01302 735988

Address: Education Services: School Admissions, Attendance and Pupil Welfare,
Doncaster Council, Civic Office, Waterdale, Doncaster, DN1 3BU

Email: admissions@doncaster.gov.uk Web: www.doncaster.gov.uk/admissions

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Doncaster
Metropolitan Borough Council

Qualifying Co-ordinated Admissions Scheme For Secondary Schools In Doncaster

2020-2021
(V1)

www.doncaster.gov.uk

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Qualifying Co-ordinated Admissions Scheme For Secondary Schools In Doncaster

Introduction

- 1 This scheme is made under Section 89B of the School Standards and Framework Act 1998 and in accordance with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012.

Interpretation

- 2 In this scheme –

“the LA” means Doncaster Metropolitan Borough Council acting in their capacity as local authority;

“the LA area” means the area in respect of which the LA are the local authority;

“primary education” has the same meaning as in section 2(1) of the Education Act 1996;

“secondary education” has the same meaning as in section 2(2) of the Education Act 1996;

“primary school” has the same meaning as in section 5(1) of the Education Act 1996;

“secondary school” has the same meaning as in section 5(2) of the Education Act 1996;

“admission authority” in relation to an academy refers to the academy trust;

“school” refers to an academy (but not a special school);

“appropriate school” means a secondary school or academy providing secondary education;

“the specified year” means the school year beginning at or about the beginning of **September 2020**;

“academy” are defined in Section 1A of the Academies Act 2010;

“eligible for a place” means that a child has been placed on a school’s ranked list at such a point which falls within the school’s published admission number.

“admission arrangements” means the arrangements for a particular school or schools which govern the procedures and decision making for the purposes of admitting pupils to the school;

“in-year transfer” means an application for a place in a year group other than the first year of secondary education, or any application for admission to the first year that is received on or after **31 August 2020**; and

“resident” for the purposes of the year of entry applications received by the closing date, resident means the area of the local authority where a person is ordinarily resident on **30 November 2019** i.e. they are habitually and normally resident at their address, other than for occasional absences, for a settled purpose which is not solely to receive education. At all other times this relates to the address at the time of application.

The Scheme

- 3** Pursuant to Section 89B of the School Standards and Framework Act 1998, and in accordance The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012, this scheme is made for the purpose of co-ordinating the arrangements for the admission of pupils (other than for those pupils with a statement, or proposed statement, of Special Educational Needs) to secondary schools in the LA area and to the secondary schools of those other LAs who have agreed to co-ordinate their admission arrangements with Doncaster LA (“the scheme”).
- 4** The scheme referred to below shall be determined in accordance with the provisions set out in Schedule 1, and processed in accordance with the timetable set out in Schedule 3.
- 5** The scheme shall apply to every secondary school in the LA area (except special schools) and shall apply to the admission arrangements for the specified year. Schools to which the scheme applies are set out in Schedule 6.
- 6** For Year of Entry applications, the LA will co-ordinate with those LAs who have agreed to co-ordinate their admission arrangements in Schedule 5
- 7** For In-Year applications the LA will only co-ordinate applications made for Doncaster Schools.

SCHEDULE 1

PART I - THE SCHEME

- 1 Parents will be invited to make their applications online. A standard form known as the Common Application Form (CAF) will be available to parents on request.
- 2 The online application process or CAF must be used as a means of expressing up to three preferences for the purposes of section 86 of the School Standards and Framework Act 1998, by parents resident in the LA area wishing to express a preference for their child-
 - a) to be admitted to an academy within the LA area;
 - b) to be admitted to a school located in another LA's area (including community, VA, foundation schools and academies).
- 3 The online application process or CAF will –
 - a) invite the parent to express up to three preferences by completing the form, including, where relevant, any schools outside the LA's area, in rank order of preference.
 - b) invite parents to give their reasons for each preference.
 - c) specify the closing date.
- 4 The LA will make appropriate arrangements to ensure:
 - a) parents to apply on line for a school place;
 - b) that the CAF is available on request from the LA, from all primary and secondary schools in the LA area, online; and
 - c) that details of the co-ordinated admissions scheme are available online.
- 5 The LA, with the co-operation of Doncaster schools, will take all reasonable steps to ensure that every parent resident in the LA area who will have a child in their last year of primary education in the school year prior to the specified year, receives information regarding the application process and access to details of the co-ordinated admissions scheme.
- 6 All preferences expressed through the online application form or CAF are valid applications and will be considered in accordance with the published admission arrangements for the respective school.

Equal Preferences

- 8 This scheme shall be classed as an 'Equal Preference Scheme'. All applications will be considered against published admission criteria, but without any reference to how the school applied for has been ranked by parents. If an individual child can be offered a place at more than one school, a place will be offered at the highest ranked school at which a place was available.

Supplementary Information Forms (SIF)

- 9 An admission authority can require parents who wish to nominate, or have nominated, their school through the online application process or CAF, to provide additional information on a supplementary information form (SIF) only where the additional information is required for them to apply their oversubscription criteria to the application. Where a SIF is required it must be returned to the school.
- 10 A SIF it will not be regarded as a valid application unless the parent has also completed the online application process or CAF and the school is nominated on it. Under the requirements of the scheme, parents will not be under any obligation to complete an individual SIF.

Testing

- 11 No Doncaster secondary schools operate admission arrangements that include criteria for selection by ability or aptitude. Where a parent applies for a school in another LA which does have a selection test (whether a test of ability or aptitude) as part of the school's admission arrangements, that admission authority should ensure that parents are informed of the outcome of entry tests before they make their applications for other schools.

Processing of Common Application Forms

- 12 The closing date for applications is **31 October 2019**. The default position is for parents to apply online. Any CAFs received by schools must be immediately forwarded to the LA.

Determining offers in response to the Common Application Form

- 13 The LA will act as a clearing house for the allocation of places by the relevant admission authorities in response to an online application or CAFs. The LA will only make any decision with respect to the offer or refusal of a place in response to any preference expressed through the online application process or CAF where-
 - (a) it is acting in its separate capacity as an admission authority, or
 - (b) where it has been asked to act on behalf of another admission authority, or
 - (c) an applicant is eligible for a place at more than one school, or
 - (d) an applicant is not eligible for a place at any school that the parent has nominated, in which case the LA will allocate a place in accordance with the provisions set out below.
- 14 **By 4 December 2019**, the LA will have provided other LAs with all relevant details of every preference expressed for a place in a secondary school maintained by them by a parent resident in Doncaster, and will have received from other LAs all relevant details of every preference expressed for a place in a Doncaster secondary school by a parent resident in their area.

The LA will also have provided the relevant admission authority for each Doncaster secondary school with all relevant details of every preference expressed by a parent for a place at their school.

“All relevant details” will include any SIF required in support of the application by the admission authority and received by the above date.

15 **By 13 December 2019** the admission authority of each Doncaster secondary school will have considered all preferences expressed for a place at the school in accordance with the published admission arrangements for the school, and have provided the LA with a list of children ranked according to the school's oversubscription criteria (published as part of the admissions arrangements) and confirmed those children eligible to a place.

16 **By 15 January 2020** The LA will have matched each ranked list against the ranked lists of all other schools in Doncaster and:

- Where the child is eligible for a place at only one of the schools preferred on the online application form or CAF, that place will be allocated to the child.
- Where the child is eligible for a place at more than one school listed on the online application form or CAF, a place will be allocated at the school ranked highest by the parents on the online application form or CAF and,

The LA will inform other LAs of the children of parents resident in their area who are eligible for a place in a Doncaster secondary school and of those children not eligible together with the reasons for the unsuccessful preference.

17 **By 24 January 2020** the LA will, as a consequence of information received from other LAs regarding children of parents resident in Doncaster eligible to a place in a secondary school maintained by those LAs, have again carried out the actions identified above and, **by 7 February 2020**, have informed other LAs of the consequences of doing so.

18 **By 14 February 2020**, following any consequential amendments arising from the actions carried out in accordance with the above, the LA will make no further changes to the ranked list of each Doncaster secondary school and will offer to the parent the place at the school allocated to their child at that date.

Where a child has not been allocated a place at all of the schools preferred on his/her online application form or CAF, a place will be allocated at a school determined in accordance with the provisions of Schedule 2.

The LA will also have informed Doncaster secondary schools of the pupils to be offered places at their schools.

19 **On 2 March 2020** parents will be sent a letter notifying that they are being offered a place at the allocated school. This letter will give the following information:

- The name of the school at which a place is offered;
- If a place is not offered at any preferred school listed on the online application form or CAF – the reasons for the refusal;
- Information about the statutory right of appeal against any decisions made;
- Contact details to lodge appeals as necessary.

The letter will not inform parents of places still available at other schools.

20 **16 March 2020:** the deadline for parents to accept the place offered as required by the published admissions arrangements for the school.

PART II - LATE APPLICATIONS

- 21** The closing date for applications in the normal admissions round is **31 October 2019**. Where paper CAFs are received after this and by no later than **30 November 2019**, these will be included in the offers of secondary school places made on national offer day.

All other applications received between **1 December 2019 and 29 February 2020** inclusive will be sent offer/refusal letters by the LA no later than **27 March 2020**.

Applications received between **1 March 2020 and 31 March 2020** inclusive will be sent offer/refusal letters no later than **27 April 2020**.

Applications received after **31 March 2020** and up to **31 August 2020** will be processed by the LA on an ongoing basis.

Applications received after **31 August 2020** will be dealt with as in-year transfers.

- 22** **By 6 July 2020** the LA will offer a place to any Doncaster child it is aware of, for whom it has not received an application, in accordance with Schedule 2.

PART III – WAITING LISTS

- 23** Unless otherwise indicated in the individual admission arrangements, a waiting list will be held for any school for which a place has been refused until the end of the autumn term in the admission year.

PART IV – IN-YEAR TRANSFERS

- 24** Applications received from **1 September 2020** onwards for admission into any year group are classed as in-year transfers.
- 25** The LA will be co-ordinating all applications for in-year transfers within Doncaster.
- 26** Applications for admission to any secondary school in Doncaster must be made on the Doncaster In-Year Transfer Form.
- 27** Applications for Doncaster secondary schools from parents resident in other local authorities should be made on the Doncaster In-Year Transfer Form.
- 28** Where a place is not available at the requested school(s) Doncaster LA will allocate a place in accordance with the provisions of Schedule 2.
- 29** A single offer of a place will be made by the Doncaster LA in respect of applications for Doncaster Schools.

PART V – IN YEAR FAIR ACCESS PROTOCOL

- 30** All admission authorities within Doncaster are part of the In Year Fair Access Protocol. In accordance with DfE requirements pupils may be admitted under the Fair Access Protocol outside of the normal admission arrangements.

PART VI – DONCASTER ARMED FORCES COMMUNITY COVENANT

- 31** To support the Armed Forces Community Covenant, applications for service personnel and crown servants moving to Doncaster will be considered in advance of a change of address in accordance with the guidance from the DfE providing that the application is accompanied by an official letter that declares a relocation date and a Unit postal address or quartering area address.
- 32** Provision is also made within the Fair Access Protocol to allow for the admission of specified groups of children into schools above the admission number including children of service personnel and crown servants, travellers, Gypsy or Roma children. Full details are identified in the Protocol.

PART VII – FALSE INFORMATION

- 33** Where an offer of a place made under the scheme is found to be based on a fraudulent or intentionally misleading application which effectively denied a place to a child with a stronger claim to the place at the school, the offer of the place may be withdrawn where this provision is included in the respective admission arrangements of the respective admission authority.
- 34** In determining whether to withdraw the offer of the place, account will be taken of whether the child has commenced at the school and, if so, the length of time the child has been attending.
- 35** Where a place or an offer has been withdrawn the application will be reconsidered and an independent appeal offered where the child cannot be re-offered a place or re-admitted to the school.

SCHEDULE 2

ALLOCATION OF ALTERNATIVE PLACES DETERMINATION OF NEAREST APPROPRIATE SCHOOL

- 1** For the purposes of Schedule 1 the Local Authority will allocate places as follows where a pupil has not secured a place at a requested school or schools.
- 2** If there are vacancies, a place will be given first at a pupil's catchment area school.
- 3** If after allocating places in accordance with paragraph 2 above, there remain pupils to which no school has been allocated then, consideration will be given to allocating a place at the nearest Doncaster school with a vacancy to the pupil's home address. This will be determined by measuring the distance, by road, from the point of the front entrance of the pupil's home address - to the entrance nearest to the reception point of the school. Measurements will be made using EMS for Windows provided by Capita Education Services and/or ArcView GIS provided by Environmental Systems Research Institute Inc or suitable substitute.
- 4** In the case of split site schools, 'entrance nearest to the reception point' will refer to the site the pupil attends for the purposes of morning registration.
- 5** At each stage above, if there are insufficient places, the schools admission policy will determine which child(ren) should be allocated places.
- 6** In all instances, a parent will be offered the right to an independent appeal and be able to apply for an alternative school. There will be no compulsion for the parent to accept the allocated place.

SCHEDULE 3

CO-ORDINATED SCHEME TIMETABLE

- 31 October 2019:** Closing date for online applications or CAFs to be returned to the LA or via the child's current Doncaster school.
- 4 December 2019:** By this date:
A final transfer/receipt of applications from/to neighbouring LAs will be undertaken.

Copies of applications for places at Doncaster VA schools and Academies will be sent to the respective schools.
- 13 December 2019:** By this date:
Doncaster VA schools and Academies will have provided the LA with ranked lists of applicants according to their admission arrangements.
- 15 January 2020:** By this date:
The LA will match the ranked lists of all the schools to identify potential offer of places in accordance with Schedule 1.
The LA will inform other LAs of the outcome of all parental preferences for places in Doncaster secondary schools from their residents together with reasons for any unsuccessful preferences.
- 24 January 2020:** By this date:
Having received from neighbouring LAs potential offers of places at schools in their area (together with reasons for any unsuccessful preferences) the LA will again match the ranked lists of all the schools to identify potential offer of places in accordance with Schedule 1.
- 7 February 2020:** By this date:
The LA will notify neighbouring LAs of those potential offers they intend to notify to parents and of those they will not be notifying (with reasons).
- 7-14 February 2020:** The LA will notify neighbouring LAs of any consequential potential offers that can now be offered to applicants resident in their areas.
- 14 February 2020:** By this date:
The LA will, for the final time, match the ranked lists of all the schools to identify the final offer of places in accordance with Schedule 1.

In accordance with paragraph 16 of Schedule 1, the LA will allocate a place to any pupil not eligible to a place at all preferred schools through the online application process or on the CAF.
- 2 March 2020:** Notifications sent to parents.
- 16 March 2020:** Last date for offers to be accepted by parents as required by the published admission arrangements for the school.

SCHEDULE 4

IN-YEAR TRANSFERS CO-ORDINATED SCHEME TIMETABLE

1. Application Requested

Within 2 Working Days of Request
Application Form sent



2. Application Received - Determination of Eligibility

Option A – Schools for whom the LA is determining Eligibility

Within 7 School Days
School Contacted to determine availability of places

Option B – Other Doncaster Schools

Within 2 School Days*
Preference Information sent to Admission Authority (AA)

Within 10 School Days of Receipt of Form*
Determination made by AA and LA notified

*Subject to agreement schools may be contacted by telephone for a determination.



3. Following Receipt by LA of Determination

Within 7 School Days of Determination
Decision Letter sent to Parents by LA



4. Following Offer

Within 10 Days of Letter
Place Accepted by Parents (if required)

SCHEDULE 5

ADMISSION AUTHORITIES OF DONCASTER SECONDARY SCHOOLS COVERED BY THE SCHEME

Academies and Free Schools

Admissions Authority: The Governing Body/Trustees

Armthorpe Academy	Outwood Academy Danum
Ash Hill Academy	Ridgewood School
Astrea Academy, Woodfields	Rossington All Saints Academy
Campsmount (A Co-operative Academy)	Sir Thomas Wharton Academy
De Warenne Academy	The Hayfield School
Don Valley Academy	The McAuley Catholic High School
Hall Cross Academy	Trinity Academy
Hungerhill School	XP East School
Laurel Academy	XP School
Outwood Academy Adwick	

SCHEDULE 6

LOCAL AUTHORITIES WHO HAVE AGREED TO CO-ORDINATE THEIR ADMISSION ARRANGEMENTS WITH DONCASTER LA

Barnsley	North East Lincolnshire	Rotherham
East Riding of Yorkshire	North Yorkshire	Sheffield
Lincolnshire	Nottinghamshire	Wakefield
North Lincolnshire		

Further Information

Further, more detailed information about the admission process is available from the LA and can be found in the Admission To Secondary School Booklet, available as follows:-

Telephone: 01302 736754

Address: Learning Provision Organisation Service (School Admissions), Doncaster Council, Civic Office, Waterdale, Doncaster, DN1 3BU

Email: admissions@doncaster.gov.uk Web: www.doncaster.gov.uk/admissions



**Doncaster
Council**

EQUALITY, DIVERSITY AND INCLUSION

DONCASTER METROPLITAN BOROUGH COUNCIL

Due Regard Statement

School Admission Arrangements

2020/21 Academic Year

Due Regard Statement

A **Due Regard Statement** (DRS) is the tool for capturing the evidence to demonstrate that due regard has been shown when the council plans and delivers its functions. A Due Regard Statement must be completed for all programmes, projects and changes to service delivery.

- A DRS should be initiated at the beginning of the programme, project or change to inform project planning
- The DRS runs adjacent to the programme, project or change and is reviewed and completed at the relevant points
- Any reports produced needs to reference “Due Regard” in the main body of the report and the DRS should be attached as an appendix
- The DRS cannot be fully completed until the programme, project or change is delivered.

1	<p>Name of the 'policy' and briefly describe the activity being considered including aims and expected outcomes. This will help to determine how relevant the 'policy' is to equality.</p>	<p>The document relates to the annual determination of the following statutory school admission arrangements for the 2020/2021 school year:-</p> <ul style="list-style-type: none"> • Primary School Co-ordinated Admission Arrangements; • Secondary School Co-ordinated Admission Arrangements; • Community School Admission Arrangements; • Community School Nursery Admission Arrangements. <p>The above arrangements cover two areas; the Council's duty to co-ordinate the application processes for all pupils resident within the area i.e. the mechanism by which parents may apply for a school place and the Community School Admission arrangements for both school and school nurseries i.e. the mechanism by which priority for places is determined for admission to community schools.</p>
2	<p>Service area responsible for completing this statement.</p>	<p>Education Services: Admissions</p>
3	<p>Summary of the information considered across the protected groups.</p> <p>Service users/residents</p> <p>Doncaster Workforce</p>	<p>In addition to the requirements of the Equalities Act, the School Admissions Code published by the Department for Education make it clear that all admission authorities, including Doncaster Council must not discriminate on the grounds of disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; or sexual orientation, against a person in the arrangements and decisions it makes as to who is offered admission as a pupil.</p> <p>The Co-ordinated Admission Arrangements</p> <p>The co-ordinated admission arrangements allow a parent or carer to make an application for a school place. The status of the applicant is not a factor in the application process.</p> <p>The application process is available predominantly through the internet in line with the Council's Digital Strategy and the movement of online access to services. Parents make applications through the Capita ONE Online software which is used by a large number of councils. The</p>

software has an accessible version for parents to use.

Due regard is given to those residents who do not wish to access services online and continue to require more traditional access methods. These access channels will remain for customers wishing to contact the Council in this way. Direct assistance is available in person or over the telephone through the Customer Contact Centre or School Admission Officers.

Where necessary, paper applications are available through other channels i.e. by requesting one in person, by telephone or email through the Customer Contact Centre. Assistance is also available in person or over the telephone through the Customer Contact Centre or School Admission Officers. In addition, the majority of applicants will already have their child in a school or nursery. In these cases further assistance is available directly from the school which will be familiar with their individual communities and the support which they require.

Community School Admission Arrangements

The Community School Admission Arrangements contain the oversubscription criteria. The status of the applicant is not a factor in determining eligibility for a school place. The Code requires that the oversubscription criteria must be reasonable, clear, objective, procedurally fair, and comply with all relevant legislation, including equalities legislation.

The School Admission Code sets out permissible criteria as well as those which must not be used. The criteria set by the Local Authority i.e. Catchment areas, Siblings, Feeder School Link and distance are all permissible criteria within the Code and so are compliant with the Equalities Act.

In cases where an application is unsuccessful, parents are offered the right to an independent appeal and language support is provided as necessary for the family.

Age– These arrangements will have no negative impact on this protected group.

Disability – These arrangements will have no negative impact on this protected group. (Where a child has a Statement of Special Educational Need or an Education, Health and Care Plan, applications are considered under separate provisions.)

		<p>Race – These arrangements will have no negative impact on this protected group. Gender – These arrangements will have no negative impact on this protected group. Sexual Orientation – These arrangements will have no negative impact on this protected group. Religion and Belief – These arrangements will have no negative impact on this protected group. Whilst parents may apply for a school on the basis of their faith or religion, the relevant schools adhere to strict arrangements in compliance with the School Admissions Code. The Council does not determine admission to these schools. Maternity and Pregnancy - These arrangements will have no negative impact on this protected group. Gender Reassignment – These arrangements will have no negative impact on this protected group. Marriage & Civil partnership - These arrangements will have no negative impact on this protected group.</p> <p>Service Personnel and Crown Servants - Special provision has also been made within the In Year Fair Access protocol to prioritise applications in the line with the requirements of the Code and the Service Forces Covenant. The admission policies include provision for applications to be considered one term in advance of a change of address in accordance with the guidance from the DfE.</p>
4	<p>Summary of the consultation/engagement activities</p>	<p>The consultation undertaken is determined by regulation. This includes consultation with all schools and neighbouring local authorities. Governing Bodies, which include parent representatives, are consulted during the autumn term and the arrangements are placed on the Council's website. A feedback form is also provided within the various admission to school booklets which are also available on the website.</p>
5	<p>Real Consideration: Summary of what the evidence shows and how has it been used</p>	<p>Co-ordinated Admission Arrangements - Admission Process In accordance with the Council's Digital Strategy and the movement of online access for service provision, significant changes were to the mechanism for parents to apply for school places from 2015 and the application process is now available predominantly online. Applications through this method have risen significantly since being introduced fully in 2015 demonstrated by the following table:-</p>

		% of Parents Making On-line Applications							
		Year	2012	2013	2014	2015	2016	2017	2018
		Secondary	13.7	20.9	33.7	84.7	86.0	89.0	93.1
		Primary	13.4	24.3	15.2	80.8	89.0	89.0	88.0
		<p>Additional support is made available where schools are identified as having significant numbers of paper applications.</p> <p>Admission Arrangements – Community School Admission Criteria A consistently high proportion of applicants have been offered a place at a preferred school. 98% of applicants for community primary schools in September 2018 were offered a place at one of their requested schools, higher than the national average. Those pupils not offered a school place at one of their preferred schools were allocated an local alternative school.</p>							
6	Decision Making	<p>This Due Regard Statement will be specifically referred to and deliberated within the agenda item at Cabinet meeting on 6 February 2019.</p> <p>The Mayor and Portfolio holder will be provided with the statement in advance of the Cabinet meeting.</p>							
7	Monitoring and Review	<p>The arrangements are determined on an annual basis in line with statutory requirements and guidance from the Department for Education. Progress at a more operational level is covered under the council's standard performance management framework; and is monitored on an on-going basis.</p>							
8	Sign off and approval for publication	<p>– Learning Provision Organisation Manager Learning and Opportunities: Children and Young People</p>							



Doncaster Council

Date: 12th February, 2019

To the Chair and Members of
CABINET

REVENUE BUDGET 2019/20 – 2020/21

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Mayor Ros Jones	All	Yes

EXECUTIVE SUMMARY

1. This report details the Mayor's revenue budget proposals for 2019/20 to 2020/21. Our budget plan is driven by our Corporate Plan. The Corporate Plan details the Council's contribution over the next year to the Doncaster Growing Together (DGT) partnership plan (Borough Strategy) and how the Council will ensure it has the capacity to deliver DGT transformational priorities and quality services day in, day out.
2. The Council continues to face the significant challenge of setting a balanced budget with reducing funding and increasing costs, whilst continuing to invest in the borough and protecting the most vulnerable in our communities. The overall funding gap is £21m for 2019/20 and following the use of £3m one-off reserves, the gap for 2020/21 is £13m; a summary is provided below with full details in Appendices A and B.

EXPLANATION OF THE BUDGET GAP

	2018/19 £m	2019/20 £m	2020/21 £m	Total 2019/20 – 2020/21 £m	Total Incl. 2018/19 £m
Baseline Income & Government Grants	-9.9	6.5	15.4	21.9	12.0
Council Tax Income	-6.3	-8.0	-5.9	-13.9	-20.2
Grant Exit Strategies	0.0	-7.6	-6.2	-13.8	-13.8
Pay & Price Inflation	9.0	9.7	3.5	13.2	22.2
Levying Bodies & Other	11.0	-0.8	-0.4	-1.2	9.8
Service Pressures	5.6	21.6	3.5	25.1	30.7
Funding Gap	9.4	21.4	9.9	31.3	40.7
Use of One-off Reserves	2.0	-3.2	3.2	0.0	2.0
Funding Gap (adjusted for One-off Reserves)	11.4	18.2	13.1	31.3	42.7

3. Government funding will have more than halved since 2010/11, this continues with £6.5m funding reduction in 2019/20 and a further estimated £15.4m in 2020/21. Inflationary cost increases are forecast to rise by £9.7m in 2019/20; this provides £3m additional funding for Adult Social Care contracts including the impact of the government national minimum wage. The service specific budget pressures of £21.6m in 2019/20 are detailed in Appendix B; this includes providing £12.8m for Adults, Health & Wellbeing pressures and £6.7m for children's services delivered by the Doncaster Children's Services Trust (DCST) in 2019/20.
4. The budget includes an increase in Council Tax of £8.0m in 2019/20 which is required in order to meet the budget gap and deliver a budget in line with the financial strategy. This includes £2.7m additional income through an increase in the Council Tax base due to more properties, lower Local Council Tax Support (LCTS) and assuming a higher collection rate and £5.3m from a 4.99% increase (2.99% Council Tax increase and a further 2% increase through the Government's Social Care "precept"). This will increase the council tax to £1,351.43 per annum Band D (£900.95 Band A) which means an additional £64.23 for Band D council tax per annum or £1.23 per week (£42.81 for Band A per annum or 82p per week). The council tax rate will continue to be one of the lowest in comparison to other Metropolitan Districts and Unitary Authorities (the 7th lowest in 2018/19) as shown in Appendix E. The 2% Social care "precept" will contribute towards the pressures for Adults, Health & Wellbeing including inflationary cost increases, investment in the care ladder and growth in the number of clients from projected changes in the population.
5. Whilst the financial circumstances that we face are not of our making, it is our responsibility to ensure we propose a robust, clear and balanced budget and that we face up to and deliver changes to our services to the best of our abilities in these very challenging circumstances. The report details the draft saving proposals of £18.2m for 2019/20 to contribute towards the funding gap; further details are provided from paragraph 21 and Appendix C.
6. Difficult decisions are required to deliver the reductions to service budgets to contribute towards the overall funding gap in 2019/20, with a clear focus on early intervention and prevention, together with service demand management and targeting our resources to tackle inequalities. This includes the core areas of focus for transformational change within the 'all-age' Your Life Doncaster Programme, which are: early intervention and prevention / integrated area based working, front door, practice development and joint commissioning.
7. In 2019/20 the remainder of the savings will be met from the budget released through re-profiling the borrowing payments (Minimum Revenue Provision (MRP) budget), and other one-off funding identified. Therefore we have a clear plan to manage our resources in 2019/20, however 2020/21 is not balanced due to funding uncertainties. Balancing 2020/21 will require delivering on-going savings to bridge the gap between funding available and rising costs; use of one-off reserves is not a sustainable solution. Further work will commence early in 2019/20 to identify additional savings and understand the impact of the local government funding settlement for 2020/21; including the Spending Review (SR) and Fair Funding Review (FFR). The aim is to have in place a clear sustainable balanced budget plan ready to begin 2020/21.

8. A summary of the savings along with the pressures by Directorate is provided below: -

	2019/20			2020/21		
	Pressures £m	Savings £m	Net £m	Pressures £m	Savings £m	Net £m
Adults, Health & Wellbeing	12.8	-7.0	5.8	3.4	-5.2	-1.8
LOCYP	0.2	-0.6	-0.4	-0.1	-0.1	-0.2
Children's Trust	6.7	0.0	6.7	0.0	0.0	0.0
Corporate Resources	0.3	-1.0	-0.7	0.0	-0.2	-0.2
Council-Wide	0.1	-7.1	-7.0	0.3	5.3	5.6
Regeneration & Environment	1.5	-2.5	-1.0	-0.1	-1.0	-1.1
Total	21.6	-18.2	3.4	3.5	-1.2	2.3

9. The analysis, at Appendix H, shows the current position regarding earmarked reserves. The balance on the uncommitted General Fund reserve for 2019/20 is estimated at £11.5m; and is expected to remain at this level in 2020/21.

EXEMPT REPORT

10. Not applicable.

RECOMMENDATIONS

11. Cabinet is asked to recommend to Council to approve the 2019/20 to 2020/21 Revenue Budget as set out in this report. This includes: -
- a. the revenue budget proposals for 2019/20 detailed at Appendix B (pressures £21.6m) and Appendix C (savings £18.2m);
 - b. Council Tax increasing by 4.99% to £1,351.43 for a Band D property (£900.95 for a Band A) for 2019/20. This includes: -
 - i. 2.99% Council tax increase equates to an increase of £38.49 for Band D per annum, 74p per week (£25.66 for Band A per annum, 49p per week);
 - ii. 2.00% Government's Social Care "precept" equates to an increase of £25.74 for Band D per annum, 49p per week (£17.16 for Band A per annum, 33p per week).
 - c. the 2019/20 Grants to 3rd Sector Organisations outlined in paragraph 26 and Appendix F;
 - d. the fees and charges proposed for 2019/20 at Appendix G;
 - e. the Medium Term Financial Forecast including all proposals in this report as set out in Appendix D;
 - f. a gross revenue expenditure budget of £488.0m and a net revenue expenditure budget of £213.6m, as detailed in Appendix D; and
 - g. note the Council's statutory Section 151 officer's positive assurance statements (detailed in paragraphs 34 and 40).

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

12. The Council will continue to care for and protect the most vulnerable in society but it is inevitable that as the Council becomes a leaner organisation that citizens will see services delivered in new and different ways.

BACKGROUND

Financial Strategy

13. The financial strategy and 2019/20 budget is informed by the Corporate Plan, which focuses on: -
 - a. **Doncaster Learning** – Learning that prepares all young people and adults for a life that is fulfilling. The key budget proposals in relation to this area are LO-CYP functional review and utilising one-off funding in 2019/20 to continue to deliver the priorities.
 - b. **Doncaster Working** – More people are able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future. A key budget proposal in relation to this area is the additional income from business rate growth; this is based on more developments in the borough and increased inward investment.
 - c. **Doncaster Living** – Doncaster’s people live in a borough that is vibrant and full of opportunity, where people enjoy spending time. A key budget proposal for this area is the Highways and Streetscene proposal for 2019/20.
 - d. **Doncaster Caring** – A borough that cares together for its most vulnerable residents. The key budget proposals in relation to this area are the Adults Transformation programme budget proposals.
 - e. **Connected Council** – Ready for the future, areas for action include our workforce, delivering value for money, use of technology, building community resilience, working with our partners etc. These are reflected in the budget proposals, e.g. Corporate Resources saving, Adults transformation programme.
 - f. The Corporate Plan includes five imperatives that must now guide our transformation work and our medium-term financial plan:
 - i. Harnessing community strengths, collaboration and assets, particularly to enable more improvements in well-being to be delivered by communities.
 - ii. A stronger focus on early intervention and prevention.
 - iii. Demand management, including ensuring we deliver services right first time for the citizen.
 - iv. Ensuring services are targeted and make a difference to those people who need them most.
 - v. Growing our economy and improving people’s ability to access opportunities.
14. The financial strategy should also be read in conjunction with other Council strategy documents including Capital Programme, HRA budget, Treasury Management Strategy, Capital Strategy and ICT Strategy.

Medium-term Financial Forecast (MTFF)

15. The first step in the business planning process for 2019/20 is to estimate the gap between the Council's resources and expenditure, this is forecast at £21.4m and following the use of £3m one-off reserves, the gap for 2020/21 is £13m. This takes account of changes to the Council's main sources of income (i.e. central government grant and local taxation), corporate expenditure (e.g. capital financing costs) and pressures on services (arising from inflation, demand or legislative changes such as the increase to the government national minimum wage).
16. The pressures include rising pay costs and increasing pension contributions estimated at £4.1m in 2019/20. This is expected to reduce in 2020/21 to a saving of £2.1m due to an estimated reduction in the pension deficit budget, when the next tri-annual valuation in 2020 will take effect. Last year the Pensions Actuary reported a considerable improvement in the financial position of the pension fund deficit which changed the position from a deficit to a slight surplus. This mainly arose due to a rise in UK equities and foreign equities and a fall in the pound. This saving will be reviewed in the summer of 2019 in preparation for the 2020/21 budget. The additional costs of contract inflation are estimated at £5.6m in 2019/20 and a further £5.6m in 2020/21; this includes £3m each year for the Adult Social Care contracts including the impact of the government national minimum wage.
17. The MTFF also provides the funding necessary to meet growth in the services and other service pressures, including £12.8m in 2019/20 for Adult Social Care to meet the increasing costs of supported living placements and the impact of an ageing population across all services and providing £6.7m in 2019/20 for children's services delivered by Doncaster Children's Services Trust.
18. The Council is currently forecasting a break even position for the 2018/19 financial year; which needs to be managed and maintained to begin the 2019/20 financial year on a sustainable basis. 2020/21 pressures will be reviewed during 2019/20 as part of the detailed budget setting process. A summary of the pressures for 2019/20 to 2020/21, is provided below with further detail in Appendix B: -

Pressures	2019/20	2020/21	Total 2019/20 to 2020/21
	£m	£m	£m
Adults, Health & Wellbeing	12.842	3.484	16.326
Additional Costs on Contract Prices	0.615	0.000	0.615
Care Ladder 2019/20	0.902	1.283	2.185
Community Equipment	0.150	0.000	0.150
Deprivation of Liberty Service (DoLS) - new requirements	0.436	0.000	0.436
Increased Demand for Adult Social Care	5.777	0.981	6.758
Money Management	0.176	0.000	0.176
Removal or Revision of 2018/19 Undelivered Saving Proposals	2.934	0.000	2.934
Supported Living	1.587	0.955	2.542
Transitions	0.265	0.265	0.530
Children's Trust	6.735	0.000	6.735
Children's Trust	6.735	0.000	6.735
Council-Wide	0.123	0.278	0.401
Borrowing	0.000	0.278	0.278

Pressures	2019/20	2020/21	Total 2019/20 to 2020/21
	£m	£m	£m
YPO Dividend	0.123	0.000	0.123
Corporate Resources	0.326	0.000	0.326
Microsoft Agreement - DMBC	0.326	0.000	0.326
Learning & Opportunities: Children & Young People	0.194	-0.144	0.050
Additional Short Breaks	0.059	0.000	0.059
Children with Disability Out of Authority placements demand pressure	0.292	-0.234	0.058
Passenger Transport	-0.159	0.000	-0.159
SEN Transport demand pressure	0.002	0.090	0.092
Regeneration & Environment	1.385	-0.100	1.285
Bereavement	0.245	0.000	0.245
Design	0.112	0.000	0.112
Facilities Management	0.049	0.000	0.049
Highways (general fund)	0.150	0.000	0.150
Markets	0.330	0.000	0.330
Metroclean	0.214	0.000	0.214
North Bridge depot	0.040	0.000	0.040
Planning	0.000	-0.100	-0.100
Strategic Housing	0.245	0.000	0.245
Total	21.605	3.518	25.123

19. The MTFF details the funding reductions and pressures for 2019/20; this clearly demonstrates the importance of increasing income by raising the Council Tax, Social Care “precept” and other income from fees and charges. As government grants significantly reduce and the Council becomes more reliant on the income it generates, it must take every opportunity over the next 2 years to raise its income base through the individual rates and overall volume, i.e. the number of council tax and business rates properties.
20. There are 2 major reviews upcoming during 2019 that could have a significant effect on the funding available for the council. There will be a Spending Review in 2019 which will set out the funding available for Government Departments for 2020/21 onwards. There will be a Fair Funding Review (FFR) which will set out how the funding determined by the Spending Review 2019 will be allocated for 2020/21 onwards. It is not yet possible to determine the full impact of these wide ranging reviews; the assumption included for 2020/21 is that Revenue Support Grant (RSG) reduces by £8.1m in line with the current estimated trajectory. The Government aims to publish indicative allocations through a formal consultation before the 2020/21 provisional local government finance settlement but that could be as late as October 2019.

Savings Proposals

21. The process of identifying and delivering savings is robust but flexible so that options can be identified and plans can be amended as and when required. The following saving proposals have been discussed over several months with both members and managers, further details are provided in Appendix C: -

Savings	2019/20	2020/21	Total 2019/20 to 2020/21
	£m	£m	£m
Adults, Health & Wellbeing	-7.043	-5.198	-12.241
Community Safety	-0.172		-0.172
Contract Review	-0.400	-0.250	-0.650
Day Opportunities	-0.266	-0.409	-0.675
Fees & Charges	-0.630		-0.630
Front Door and Community Offer	-0.262	-1.103	-1.365
Home Care & Direct Payments	-1.461	-0.936	-2.397
Housing related support services	-0.133		-0.133
Leisure Trust	-0.250		-0.250
Public Health	-0.629		-0.629
Residential Care - Working Age	-1.700	-1.160	-2.860
Staffing Restructuring & Functional Review	-0.570	-0.570	-1.140
Stronger Communities		-0.200	-0.200
Supported Living	-0.570	-0.570	-1.140
Council-Wide	-7.112	5.315	-1.797
Fees & Charges	-0.290	-0.290	-0.580
Metropolitan Debt Levy	0.051	0.039	0.090
Minimum Revenue Provision (MRP) – reprofiling	-4.300	4.300	0.000
Parish Councils	-0.094	-0.094	-0.188
Pension - former employees	-0.100	-0.100	-0.200
Pension - prepayment	-1.700	1.700	0.000
South Yorkshire Passenger Transport Executive (SYPTTE)	-0.279	-0.240	-0.519
Treasury Management	-0.400		-0.400
Corporate Resources	-1.018	-0.200	-1.218
Corporate Resources	-1.018	-0.200	-1.218
Learning & Opportunities: CYP	-0.644	-0.148	-0.792
Independent Travel Training Scheme		-0.025	-0.025
LOCYP: Functional Review	-0.350	-0.267	-0.617
LOCYP: Savings one-off in-year	-0.225	0.225	0.000
LOCYP: Savings on-going	-0.069	-0.081	-0.150
Regeneration & Environment	-2.378	-1.000	-3.378
Assets	-0.620	-0.200	-0.820
Facilities Management	-0.052		-0.052
Fleet	-0.640		-0.640
Highways (general fund)	-0.150	-0.500	-0.650
Highways and Streetscene	-0.639		-0.639
Metroclean	-0.107		-0.107
Strategic Housing	-0.170		-0.170
Waste Contract		-0.300	-0.300
Total	-18.195	-1.231	-19.426

22. The 'all-age' Your Life Doncaster Programme, focuses on: early intervention and prevention/ integrated area based working, front door, practice development and joint commissioning. The Programme will contribute significantly to the delivery of £7.0m savings in 2019/20 and a further £5.2m by 2020/21. The Council welcomes the additional one-off Social Care Support grant and Winter Pressures grant in 2019/20 of £2.6m and £1.5m respectively,

which provides essential funding towards the pressures facing the service including Residential Care and Homecare.

23. The savings required in this area are significant and as such, their delivery is key to the achievement of the Council's MTF. There are a number of initiatives covering all areas of the care ladder; Residential Care Working Age, Home Care & Direct Payments and the impact of the Front Door and Community Offer. In addition savings are targeted for staffing restructuring & functional review to manage our workforce to deliver effective and efficient services. Full details of the savings are provided at Appendix C.
24. Fees and charges increases are expected to generate £0.29m in 2019/20 (and £0.29m in future years); this is based on the principle that charges are raised by 3% (based on the price indices). A summary of the changes to fees and charges is provided at Appendix G, along with the proposed detailed fees and charges which are above the 3% target increase.

Post Reductions

25. A review of the 2019/20 to 2020/21 budget proposals has been undertaken, which has identified 76 full time equivalent (f.t.e.) potential post reductions within the council (detailed on Appendix C). This is an estimate calculated on the budget proposals and includes 53.8 f.t.e. for 2019/20 and 22.2 f.t.e. for 2020/21. To achieve the savings, the Council will initially look to delete vacant posts, then seek volunteers, then redeployment with compulsory redundancy being the last resort.

Grants to Third Sector Organisations

26. The 2019/20 grants proposed to third sector organisations (£0.5m) are detailed in Appendix F. The Council's strategy is to more clearly commission and contract service activity, which provides greater certainty and continuity of provision of service for both the service provider (voluntary sector) and service users. The change in the overall value of grants provided to third sector organisations does not deliver any savings.

Detailed Budgets

27. The 2019/20 detailed budgets are provided at Appendix J by Directorate, this provides the breakdown of the budget plan by Head of Service.

Monitoring & Challenge

28. The Council's budget in any one financial year is allocated to budget holders and each budget holder is notified of their budget at the start of the financial year. Within the performance and development review process for people managers there is a core target to effectively manage and monitor budgets, highlighting any pressures or potential underspends in a timely way.
29. Budget holders are able to review the latest financial monitoring information, including projections, directly from the on-line financial system in an easy to use format.
30. The financial management teams are structured to support budget holders, deal with queries and proactively monitor key budget areas. The quarterly Finance & Performance report presents the Council's revenue projection, prepared by managers working in conjunction with finance teams. During 2018/19, additional monthly reporting was introduced allowing Directors to monitor the Council revenue projection at a monthly meeting, where any

further actions that need to take place to ensure effective management of the budget targets are agreed.

Robustness of the Budget

31. Under the Local Government Act 2003, the Chief Financial Officer is required to give assurance on the robustness of estimates in the forthcoming budget.
32. The Chief Financial Officer recognises that local government finance settlements arising from Comprehensive Spending Reviews of 2010, 2013 and 2015 were extremely challenging and there are significant issues for the Council in delivering the budget proposals for 2019/20. The key objective of the MTFF is to provide the Council with a robust financial plan to ensure financial sustainability. The unprecedented set of cuts and pressures required managers to deliver savings of £132.6m over the 4 years 2014/15 to 2017/18 and a further £47.0m over the period 2018/19 to 2020/21.
33. In this context, the budget proposals that are set out in this document are recommended to the Council and are supported by the most up-to-date robust estimates of income and expenditure. The evaluation of the Chief Financial Officer is based on the following key factors: -
 - a. the budget proposals have been developed by those responsible for service delivery, taking account of the implications of implementing the changes. Targets are clear and there is commitment and ownership from managers to deliver. Each budget manager is required to deliver within the budget target. This will provide additional assurance, rigor and comfort for the Council in carrying out its responsibilities. These proposals will provide a balanced budget for 2019/20 as long as the risks (Appendix I) can be managed;
 - b. we have reviewed those service areas that are overspending in 2018/19 and aim to provide adequate funding to ensure that areas of overspend are managed within the budget target for 2019/20;
 - c. a review of the quarter 3 projected outturn figures has been undertaken to further challenge the budget proposals and ensure they are based on the most up to date information available. Any further pressures identified will need to be managed during 2019/20 as part of the revenue monitoring process; and
 - d. the development of financial skills amongst Council managers is critical to the success of delivering the spending targets set in this budget.
34. Taking this into account, the Chief Financial Officer believes the 2019/20 estimates used for the Mayor's budget proposals can be delivered.

Reserves

35. Appendix H shows the summary of earmarked reserves. The uncommitted general fund reserves are expected to reduce to £11.5m by 2020/21; this takes into account of utilising £0.8m in 2019/20 to fund the estimated additional cost of the recent Pay Offer. This one-off saving in 2019/20 will be replaced with on-going reductions in the pension deficit budget from 2020/21 onwards.
36. The £6.7m additional funding for Children's Services delivered by Doncaster Children's Services Trust is based on current demand. A contingency is held in case the demand for children's social care services continues to increase at the levels experienced in 2018/19. In 2018/19 the number and complexity of looked after children cases rose to an all-time high of 593 in September 2018.

Significant measures have been taken to arrest this increase and Children in Care numbers currently stand at 559 at December 2018.

37. The capital programme for 2019/20 to 2022/23 includes an allocation for the flexible use of capital receipts. This allows the Council to fund expenditure with capital receipts that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in such a way that reduces costs or demand for services in future years. This will be utilised to fund:
 - a. VER/VR earmarked reserve – It is estimated that this fund will be fully utilised in 2018/19 and any 2019/20 costs will be funded through the capital programme (flexible use of capital receipts strategy).
 - b. The remainder will be monitored during the year in relation to the year-end projection and earmarked reserves will be updated accordingly.
38. A risk assessment of the Council's level of reserves is carried out each financial year, when setting the budget and updating the financial plan. It is updated regularly during the financial year as part of the formal financial management reporting process. The risk assessment is based on the following key factors: -
 - a. a review of known provisions and contingent liabilities;
 - b. the likelihood of overspend for either revenue or capital;
 - c. the likelihood of any additional income that would be credited to reserves;
 - d. the robustness of the Council's revenue budget proposals;
 - e. the adequacy of funding for the Capital Programme; and
 - f. any potential significant expenditure items for which explicit funding has not yet been identified.
39. Appendix I provides the risk assessment of the Council's level of reserves, which estimates the value of the risks at £10.7m leaving £0.8m headroom over the level of un-committed ongoing general fund reserves available of £11.5m (adjusted for the 2019/20 planned use of reserves). The un-committed reserves are not excessive for a Council of our size, which spends £486m a year; £11.5m would only run the Council for 9 days. Further work will be undertaken with an aim to increase the level of uncommitted General Fund reserves from 2019/20 and ensure the reserves remain at a reasonable level to effectively manage all future risks and liabilities. Careful consideration should continue to be given before funding any unexpected costs from reserves and where possible unused funds should be transferred to the uncommitted reserves thereby increasing the balance available. The Council needs to hold sizeable reserves whilst delivering large budget savings in year, e.g. Adults transformation savings of over £12m from 2019/20 to 2020/21.
40. The Local Government Act 2003 requires the Chief Financial Officer to give assurance on the purpose and adequacy of the reserves of the Authority. The Chief Financial Officer has concluded that the level of the uncommitted General Fund reserve balance is adequate to meet known commitments and contingencies based on the information currently available and included in this report.

Council Tax Capping & Referenda

41. Authorities are required to seek approval of their electorate in a referendum if any proposed Council Tax increase exceeds the principles set by Parliament.

The Government confirmed the Council Tax Referendum Cap for 2019/20 as part of the final Local Government Financial Settlement on 29th January, 2019. Any increase of 5.0% or greater for those authorities that have decided to implement up to the maximum 2.0% adult social care “precept” will be deemed excessive.

42. Full details of the calculation will be presented as part of the Council Tax setting report to Council on 4th March 2019.

OPTIONS CONSIDERED

43. A range of options have been considered over the preceding months to arrive at these budget proposals.

REASONS FOR RECOMMENDED OPTION

44. The budget proposals seek the appropriate balance in meeting the savings whilst still delivering on the key priorities; protecting front-line services where possible, in particular children’s social care services.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

45. These are detailed in the table below: -

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster’s people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>Council budget therefore impacts on all outcomes</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	

	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	

RISKS AND ASSUMPTIONS

46. The savings proposals outlined in this report are underpinned by the Council's risk management strategy that helps to minimise risk. The Council's Strategic Risk Register is reviewed and updated on a quarterly basis and each service has formally documented its key risks and the actions taken to mitigate those risks in service plans. Paragraph 38 details the risk assessment of the level of reserves. Key risks in relation to the 2019/20 budget include: -
- a. Potential shortfall on the delivery of the savings, which are increasingly more challenging to deliver. In particular, the Adults, Health & Wellbeing savings will need careful management to ensure they are delivered and reduce the base budget requirement. The cost proposals have been co-produced with managers, with challenging but realistic figures for savings included.
 - b. Risks around the Medium-term Financial Forecast budget assumptions, including: -
 - i. An estimate has been included for price inflation; there is a risk that the actual costs could be greater if inflation rises (CPI for December 2018 was 2.1%). Price inflation is applied as determined in the individual contracts; details on the price inflation applied to specific areas of contract expenditure are provided in the MTFF Appendix D paragraphs 32 to 34. All other non-pay budgets assume a cash freeze.
 - ii. There are a number of one-off grants decreasing or ending over the next 2 years, which require expenditure to reduce or cease completely retrospectively, i.e. iBCF one-off funding. This is minimised by building the impact of reduced one-off funding into the cost pressures as part of this budget.
 - iii. Potential future budget pressures, this will be reviewed during 2019/20 for the 2020/21 budget.
 - iv. The 2020/21 budget is outside the current spending review period; the 2019 Government Spending Review will determine the funding available. There will also be a Fair Funding Review which will set out

how the funding determined by the Spending Review 2019 will be allocated for 2020/21 onwards. The actual funding may vary considerably to the assumptions included for 2020/21.

- v. Risk that retained business rates collection will be below budget and appeals will be greater than expected causing the collection fund to run into a deficit, impacting on the funding available to the Council. This risk will increase assuming the Government's plans to increase Business Rate Retention to 75% by 2020/21 are implemented.
- vi. There is a risk that council tax collection will be less than budget and the collection fund will run into a deficit – impact on the funding available to the Council.

The estimates have been produced on the latest information available and the risks will be monitored during 2019/20 as part of the budget monitoring cycle. The Medium-term Financial Forecast budget assumptions are continuously reviewed and updated for any changes; including a thorough review during 2019/20 in preparation for 2020/21 budget setting.

- c. There is a risk that earmarked and general reserves are insufficient to support the Council during this period. This is minimised by undertaking a risk assessment of reserves annually, regular close monitoring of all balances as part of the monitoring cycle and the identification of contingency funding for demand pressures identified in 2019/20.

LEGAL IMPLICATIONS [Officer Initials...NC... Date...24.01.19]

- 47. The Council must set a balanced budget ensuring that resources are sufficient to meet its proposed spending plans. The Chief Financial Officer is required to advise the Council of the adequacy of its reserves and the robustness of estimates used in preparing its spending plans.
- 48. The Local Government Finance Act 1992 places a duty on Local Authorities to set an amount of Council Tax on or before 10th March, in the financial year preceding that for which it is set.
- 49. The Localism Act 2011 introduced a new Chapter into the Local Government Finance Act 1992, which makes provision for Council tax referendums to be held if an authority increases its Council tax by an amount exceeding principles determined by the Secretary of State.
- 50. By Regulation, the Government allow Councils to raise Council Tax by a maximum amount. Any further increases would require a local referendum to be held on the increase. In December 2018, the Government confirmed that this year's limit is 5% (3% on adult social care and 2% on all other expenditure). The Council Tax levels proposed by Doncaster do not exceed that level and if approved by Council may be implemented without the need for a referendum.
- 51. The Council will need to be satisfied that the budget set will ensure the Authority is able to discharge its statutory duties.
- 52. Under the general principles of public law, the Council must also act fairly when making budgetary changes or changes to services which potentially involve the reduction or removal of a previously enjoyed benefit. Acting fairly includes consulting fairly with those affected, conscientiously taking into account the results of the consultation and, where appropriate, having due regard to equality impact.
- 53. Some of the proposals outlined within the budget will affect service users and

other individuals, particularly those with protected characteristics within the meaning of the Equality Act 2010. In appropriate cases, the specific budget may only be implemented by further decision making by either Cabinet or other duly authorised decision taker. That decision will need to be taken in full consideration of the Council's duties under the Equalities Act 2010 after full consideration of an appropriate due regard statement.

FINANCIAL IMPLICATIONS [Officer Initials...RI... Date...07.01.19]

54. These are contained within the body of the report.

HUMAN RESOURCES IMPLICATIONS [Officer Initials...KM... Date...22.01.19]

55. There are no immediate HR imps identified within this report, however once post reduction numbers are known (see point 29) further advice should be sought.

TECHNOLOGY IMPLICATIONS [Officer Initials...PW... Date...30.01.19]

56. Technology is as ever an evolving key essential enabler to support the delivery of all services and the key strategic budget themes outlined in this report. Robust and effective ICT governance arrangements will continue to be needed to ensure the delivery of the key priorities. This will be monitored and continuously reviewed via the Council's Technology Governance Board.
57. There will also of course remain the on-going maintenance and support of all current technology as well as upgrades, responses to changes in legislation and continuous service changes and transformation. This includes the further dimension of on-line services, which allow customers to self-serve 24/7 and require constant monitoring, support, continuous development and improvement.
58. The Council's technical infrastructure providing desktop, internet and system connectivity, landline and mobile phone services to all buildings will also need to be maintained and changed or developed as required. This includes St Leger Homes, Doncaster Children's Services Trust and many schools. Increased partnership working including integration with health will also mean significant technical developments.
59. Finally, just as significant is ensuring all staff have the required digital skills to successfully embrace all the new and more efficient ways of working required. Therefore, close working between all services and the ICT and Digital Teams will be essential.

HEALTH IMPLICATIONS [Officer Initials...RS... Date ...15.01.19]

60. The choices the council makes in both raising and allocating revenue budgets will impact on the health of the population. In general 20% of what contributes to health is due to clinical care, 30% due to behavioural factors, 40% due to socio-economic factors and 10% due to the built environment. The State of the Borough assessment and Doncaster Growing Together plan are both informed by health outcomes and use health outcomes to monitor impact. The impact on a set of health outcomes are also incorporated in the council's corporate plan. Within the financial resources available, this paper sets out clearly the broad areas of revenue investment in both universal and targeted services and how within a reduced financial envelope there are plans to maintain and even improve the quality of local services. The investments in Doncaster Learning will support children to be ready for school, whilst the investments in Doncaster Caring and Living should support reducing social

isolation, increasing physical activity and improving mental health. However, investment alone in commissioned or provided services may be insufficient to change wider societal habits and conditions that contribute to these challenges. Wherever possible commissioners and providers of services should seek to maximise social value consider long term social, environmental and economic sustainability and resilience. With sustained long-term cuts in funding, there is likely to be implication on potentially increasing health inequalities. This needs to be considered during the implementation phase so that inequalities and health inequalities are addressed, and monitored. The lack of national guidance on the future of the public health grant from April 2020 places a risk on future public health activity. Where further cabinet reports are required report authors should consider the need for formal health impact assessments or early involvement of the public health team to minimise unintended impacts on health. Health impacts should also be addressed in the due regard statements that are developed alongside these further reports.

EQUALITY IMPLICATIONS [Officer Initials...NC... Date...24.01.19]

61. In taking this decision, elected members are reminded of their obligations under section 149 Equality Act 2010. This section contains the Public Sector Equality Duty (PSED) which obliges public authorities, when exercising their functions, to have 'due regard' to the need to:-
- a) Eliminate discrimination, harassment and victimisation and other conduct which the Act prohibits;
 - b) advance equality of opportunity between people who share relevant protected characteristics and those who do not; and
 - c) foster good relations between people who share relevant protected characteristics and those who do not.

Protected characteristics are age, gender, disability, race, sex, sexual orientation, gender reassignment, religion or belief and pregnancy and maternity. Only the first aim of the PSED set out in paragraph (a) above applies to a further protected characteristic of marriage and civil partnership.

Having due regard to advancing equality involves: -

- Removing or minimising disadvantages suffered by people due to their protected characteristic;
 - taking steps to meet the needs of people from protected groups where they are different to the needs of other people; and
 - encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
62. Elected members must consciously consider and have due regard to the three aims of the general equality duty when developing and implementing the council's Medium Term Financial Forecast. The Council will ensure it makes fair and informed financial decisions, demonstrating its commitment to improving outcomes for the most vulnerable groups of people living in Doncaster. The Council uses a simple due regard process to ensure due regard is considered and to support a transparent, effective process that is accountable to users and residents. Amongst others, the "due regard" will be informed by: -
- a. **Establishing the key equality issues across Doncaster (Equality Analysis)** – Our Equality, Diversity and Inclusion Framework 2018-2021 has been developed alongside our financial planning process and includes

a significant analysis of equality information to identify the key equality issues across Doncaster. We have used the equality information to inform our planning and saving prioritisation process. Our budget proposals seek to limit the impact of budget cuts on the most vulnerable;

- b. **Consultation** – The Mayor launched the draft budget proposals on 24th January 2019. Paragraph 64 provides further details on the consultation;
- c. **Prioritisation and Planning** – Our key strategic budget themes specifically prioritise the needs of the most disadvantaged in our communities.

63. Each saving proposal has been reviewed with regard to our PSED obligations. Appendix K shows the budget proposals that may have an equality impact and therefore require a due regard assessment prior to implementation. Some of these proposals may require further specific consultation exercises and review in light of the PSED and be subject to further decisions taken by Cabinet or other authorised decision maker prior to implementation.

CONSULTATION

64. Directors and Cabinet have considered the budget proposals at several meetings between May 2018 and February 2019. Key dates in the budget timetable leading up to Council approving the budget on the 4th March 2019 are detailed below: -

- Government's Autumn Budget – 29th October, 2018
- Provisional LG Finance Settlement 2019/20 – 6th December, 2018
- Labour Budget Group – 16th October, 2018
- Draft budget proposals announced (Council meeting) – 24th January, 2019
- Final LG Finance Settlement Announcement 2019/20 – 29th January, 2019
- Union consultation – 30th January, 2019
- Overview & Scrutiny Management Committee (OSMC) – 7th February, 2019
- Cabinet – Council reports – 12th February, 2019.
- Council – 4th March, 2019

65. This report has significant implications in terms of the following: -

Procurement	X	Crime & Disorder	X
Human Resources	X	Human Rights & Equalities	X
Buildings, Land & Occupiers	X	Environment & Sustainability	X
I.C.T.	X	Capital Programme	X

BACKGROUND PAPERS

- Council Report – Revenue Budget 2018/19 – 2020/21, 5th March 2018.
<https://doncaster.moderngov.co.uk/documents/s15288/Revenue%20Budget.pdf>

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Explanation of Budget Gap 2018/19 to 2020/21

	18/19 £m	19/20 £m	20/21 £m	19/20 to 20/21 £m
Baseline Income:	6.7	9.2	-18.2	-9.0
<ul style="list-style-type: none"> Retained Business Rates 2% increase in the multiplier, assumptions on future growth and increase in 2020/21 to replace RSG £11.9m and Public Health Grant £23.2m Top Up increase per CPI and move to 75% retention in 2020/21 Revenue Support Grant (RSG) reductions per 4-year offer and 2020/21 which is outside the offer period 	-0.9	1.9	-26.0	-24.1
	-0.4	-0.8	-12.2	-13.0
	8.0	8.1	20.0	28.1
Specific Grant Changes:	-16.6	-2.7	33.6	30.9
<ul style="list-style-type: none"> Essential Life Skills Improved Better Care Fund (iBCF) (March 2015 announcement) iBCF (March 2017 announcement) Levy Account Surplus (c/f of 18/19 allocation) Opportunity Area Social Mobility Grant Public Health Grant Section 31 grants – Business Rates Retention Social Care Support Grant Troubled Families Grant Winter Pressures Grant Various smaller grants 	-1.8	1.8	0.0	1.8
	-5.8	-5.0	-2.0	-7.0
	0.0	2.2	2.1	4.3
	0.0	-1.2	1.2	0.0
	-3.4	1.4	2.0	3.4
	0.0	0.6	23.2	23.8
	0.9	2.4	0.0	2.4
	0.0	-2.6	2.6	0.0
	-0.1	0.8	0.8	1.6
	-1.5	0.0	1.5	1.5
	-4.0	-3.1	2.2	-0.9
Council Tax Income	-6.3	-8.0	-5.9	-13.9
Grant Exit Strategies	0.0	-7.6	-6.2	-13.8
Staffing Budget Pressure:	3.5	4.1	-2.1	2.0
<ul style="list-style-type: none"> Pay Inflation – based on National Pay Award 2.0% per annum for 2019/20 & 2020/21 Increments Future Service Rate Contribution Rate (to 15.5% in 2019/20) Employers Pension Auto Enrolment (from 01.10.17) 	2.1	2.2	2.0	4.2
	0.2	1.5	0.3	1.8
	0.8	0.2	0.0	0.2
	0.2	0.2	-4.4	-4.2
	0.2	0.0	0.0	0.0
Prices Changes:	5.5	5.6	5.6	11.2
<ul style="list-style-type: none"> Adult Social Care Contracts Other inflation 	3.0	3.0	3.0	6.0
	2.5	2.6	2.6	5.2
Levying Bodies Other Expenditure	10.9	-0.8	-0.4	-1.2
Service Budget Pressures:	5.6	21.6	3.5	25.1
<ul style="list-style-type: none"> Full details are shown in Appendix B 				
Funding Gap	9.4	21.4	9.9	31.3
Use of One-off Reserves	2.0	-3.2	3.2	0.0
Gap	11.4	18.2	13.1	31.3

Draft Budget Proposals 2019/20 - Detail

				Total		£21.605m	£3.518m	£25.123m
Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m
2019/20 Pressure	AH&Wb	Expenditure	Additional Costs on Contract Prices	Additional funding for contract payment increases (above that provided for general inflationary rises) for residential fees and homecare. The increases are aimed at increasing the sustainability of service provision including retaining care workers (estimated increases for residential care £0.43m and homecare £0.185m).	0.000	0.615	0.000	0.615
2017/18 Pressure	AH&Wb	Expenditure	Care Ladder 2019/20	Anticipated increases in demand for services, including demographics, admissions, leavers and changes to the average costs of direct payments. Linked to an estimated 65+ population increase of 7% between 2017 and 2021 from 57,900 to 61,700 (2018 58,630). This will contribute to funding direct payment agreements, older people residential places, working age adults residential places, homecare packages and extra care places. The funding will make sure that services can keep pace with future demand, whilst also focussing on independence, strengths and community support. (Gross budget excluding one-off funding for 2018/19 circa. £50m)	0.714	0.902	1.283	2.185
2019/20 Pressure	AH&Wb	Expenditure	Community Equipment	Increased demand for equipment, part of the strategy to help support people to live independently at home. Gross expenditure budget £0.9m	0.000	0.150	0.000	0.150
2019/20 Pressure	AH&Wb	Expenditure	Deprivation of Liberty Service (DoLS) - new requirements	To meet the current workload pressure of completing the required DoLS assessments for relevant people and prepare for new legislation expected in 2020 which could increase Council responsibility. Gross expenditure budget is currently only £0.117m, which only funds some 9 referrals per week, but actual activity is around 35 referrals now.	0.000	0.436	0.000	0.436
2019/20 Pressure	AH&Wb	Expenditure	Increased Demand for Adult Social Care	Increase in the budget to take account of the full-year impact of increased activity in 2018/19 in all areas of care and support. The total net expenditure budget for 18/19 is £50.555m and is based on approximately 3,100 service users. Since the beginning of 18/19 there have been significant increases in activity, particularly in Home Care and Direct Payments, and the opening number of service users at 01/04/19 is estimated to be around 3,500 (provides for 400 additional service users).	0.000	5.777	0.981	6.758
2019/20 Pressure	AH&Wb	Expenditure	Money Management	Resource needed to support people to manage their direct payment. This will be a new commissioned service that will encourage the take up of direct payments where appropriate.	0.000	0.176	0.000	0.176

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m
2019/20 Pressure	AH&Wb	Expenditure	Removal or Revision of 2018/19 Undelivered Saving Proposals	Rebasing the budget to remove/revise 2018/19 undelivered savings, including: Business Administration staffing reduction £0.342m Customer Journey staffing reduction £0.2m Day Opportunities re-modelling £0.165m Homecare reductions £0.588m Housing Related Support £0.437k Residential Care - Older People & Adults £1.262m	0.000	2.934	0.000	2.934
2017/18 Pressure	AH&Wb	Expenditure	Supported Living	The Council is working with the market to invest in new Supported Living options (e.g. Extra Care, Shared Lives, Short Stay). This will support the shift away from residential care and help deliver the Working Age Residential Care saving. The growth will provide for over 40 complex supported living placements, the Residential Care Working Age Adults savings target includes £2.56m over 2019/20 and 2020/21 for the transfer.	1.183	1.587	0.955	2.542
2017/18 Pressure	AH&Wb	Expenditure	Transitions	The investment of £265k per year is planned to support young people transitioning from children's services into adults services. In 2018/19 a further 4 children are expected to transition. We will work with the individuals and their families to develop appropriate support packages which provide the necessary support and maximises their independence. The £265k growth will be monitored closely to ensure resource is adequate.	0.265	0.265	0.265	0.530

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m
2019/20 Pressure	Children's Trust	Expenditure	Children's Services	<p>The adjusted 2018/19 gross budget is £46.6m (excluding the in-year £6.0m contract variation) includes funds to support 1,059 children in the care of others. The budget for 2019/20 is to be rebased to £53.3m, this includes the effect of increased demand/complexity of cases that will continue into 2019/20, and is projected to support an average of 1,216 children in the care of others. The increased budget also includes £250k for additional resources to manage Special Guardianship Orders (SGOs).</p> <p>The increased budget reflects the national position where Children's Services across the country are experiencing similar cost pressures. The rate of Looked After Children in Doncaster has been below those of its statistical neighbours for the last three years. The funding continues to support services to children and young people that were judged as Ofsted 'Good' in January 2018 and subsequently the 'Outstanding' Ofsted ratings for two Children's Homes and Fostering Service and Adoption Service. Joint work is progressing on strengthening collective commissioning arrangements to support improved care outcomes and better value for money. A Future Placement Needs Strategy group with members from the Council, the Trust and Doncaster CCG has commenced to consider what joint commissioning work and decisions are needed in regards to the service provision that is required in Doncaster moving forward to meet the needs and complexities of the current and future children in the system.</p>	0.000	6.735	0.000	6.735
2019/20 Pressure	Council-Wide	Expenditure	Borrowing	Additional revenue budget required to fund borrowing costs in relation to the Capital Programme.	0.000	0.000	0.278	0.278
2019/20 Pressure	Council-Wide	Expenditure	YPO Dividend	The level of dividend received has been falling in recent years and is expected to do so again for 19/20. Activity levels, i.e. usage of Yorkshire Purchasing Organisation (YPO) by Doncaster Council, are reducing and as the dividend is partly based on these levels, the level of dividend available to Doncaster Council will reduce. Existing income budget is £483k, which reduces to £360k.	0.000	0.123	0.000	0.123
2019/20 Pressure	Corporate Resources	Expenditure	Microsoft Agreement - DMBC	In May 2019 the Council's Microsoft Agreement for Desktop Platform products will end and so will need to make arrangement for Desktop Operating Systems (Microsoft Windows) and Productivity products (Microsoft Office 365 and other applications) by entering into a new Enterprise Agreement for key application such as Office, Exchange Server and majority of internal systems.	0.000	0.326	0.000	0.326

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m
2017/18 Pressure	LOCYP	Expenditure	Additional Short Breaks	Short Break placements/activity - continuing pressures on this budget. Short Breaks Task Group is continuing to review this area and financial modelling across next 5 years indicates return to a balanced budget by 2020/21. The financial modelling identified that £118k was required in 2018/19 and a further £59k in 2019/20, which equates to approx. 13 children. The gross expenditure budget for Short Breaks is £1.4m.	0.118	0.059	0.000	0.059
2019/20 Pressure	LOCYP	Expenditure	Children with Disability Out of Authority placements demand pressure	There is a budget pressure of £480k in 2018/19 on a gross expenditure budget of £2m in this area. A review is underway, including planned utilisation of a foster care model approach from October 2019, which is anticipated to reduce the cost pressure to £292k in 2019/20 and £58k in 2020/21.	0.000	0.292	-0.234	0.058
2018/19 Pressure	LOCYP	Expenditure	Passenger Transport	Estimated cost pressure due to the anticipated national requirement on whether local authorities & schools will still be able to operate under section 19 as Transport is not their main business. Detailed analysis shows annual costs will increase by £10k with a further £159k needed in 18/19 and £117k every five years. Consultation was expected in Autumn 18 from Department for Transport (DfT) but this not yet happened; funding was provided in 2018/19 and held in reserve if implemented.	0.169	-0.159	0.000	-0.159
2019/20 Pressure	LOCYP	Expenditure	SEN Transport demand pressure	Special Education Needs (SEN) transport is currently projecting an overspend of £250k for 2018/19, on a gross expenditure budget of £5.4m. A strategic transport review is underway to address this overspend & £350k functional review saving in 2019/20, offset by £391k one off saving in 2019/20. Figures are estimates and subject to modelling work required as the review progresses, with proposals to be completed by the end of March 2019.	0.000	0.002	0.090	0.092
2018/19 Pressure	R&E	Income	Bereavement	Reduced income as a result of less commercial opportunities for selling cleaner air credits (total income budget £3.1m).	0.045	0.011	0.000	0.011
2019/20 Pressure	R&E	Expenditure	Bereavement	Additional funding required to ensure sufficient budget for the preparation of graves.	0.000	0.072	0.000	0.072
2019/20 Pressure	R&E	Expenditure	Bereavement	Providing ongoing funding for 8 additional posts created in 2018/19 for Cemeteries and Town Centre.	0.000	0.162	0.000	0.162
2019/20 Pressure	R&E	Income	Design	Pressure caused by a reduction in work to schools due to transfer to Academies. Education work has decreased generally which affects the design income. This includes the Capital Condition fund for retained schools had a budget of £2.75m in 18/19, it is expected this will be reduced to £1.375m in 19/20 which will reduce fee income by £80k and contributes towards the £112k pressure.	0.000	0.112	0.000	0.112

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m
2019/20 Pressure	R&E	Income	Facilities Management	Income shortfalls at Mary Woollett Centre and Holmescarr Centre. In particular a new community lease at Holmescarr means the income target is no longer achievable.	0.000	0.049	0.000	0.049
2019/20 Pressure	R&E	Expenditure	Highways (general fund)	Additional budget is needed due to gulley frame thefts £50k, unbudgeted winter standby £30k, carriageway reactive maintenance £70k. In order to meet these costs, savings have been identified in Highways of the same value. Highways has a gross budget of £7.5m and 67 FTEs.	0.000	0.150	0.000	0.150
2019/20 Pressure	R&E	Mix	Markets	Income has reduced across the markets over the last few years and though additional budget was provided in 18/19 this was on a temporary basis.	0.000	0.330	0.000	0.330
2019/20 Pressure	R&E	Income	Metroclean	Reduction in surpluses achievable for services supplied to schools due to academisation. This has resulted in a reduction in income specifically to Secondary School Academies that employ their own Facilities Management teams and manage the cleaning service internally. The loss of such schools means the surpluses (margins of around 20%) aren't achievable. (Total income budget for 2018/19 £4.3m).	0.000	0.214	0.000	0.214
2019/20 Pressure	R&E	Expenditure	North Bridge depot	Running costs of depot, including repairs and security. Security has been increased due to thefts. Repairs costs have gone up due to the age and condition of the depot.	0.000	0.040	0.000	0.040
2018/19 Pressure	R&E	Expenditure	Planning	Additional funding provided to meet the costs of the Local Plan examination e.g. costs associated with the independent inspection. This funding is removed from 2020/21 onwards	0.100	0.000	-0.100	-0.100
2019/20 Pressure	R&E	Expenditure	Strategic Housing	Pressure due to increased temporary homelessness costs and Severe Weather Emergency Plan; this is the ongoing pressure for 2019/20 onwards. The gross budget for homelessness is £0.5m.	0.000	0.245	0.000	0.245

Draft Budget Proposals 2019/20 - Detail

				Total		-£18.195m	-£1.231m	-£19.426m		53.8	22.2	76.0
Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	AH&Wb	Mix	Community Safety	The Community Safety Service will focus on all areas of the budget to make these savings while minimising impact on service delivery. Savings through vacant posts and non-pay reductions have already been delivered in 2018/19, leaving a balance of £34k to be identified during 2019/20 (Gross budget £1.6m).	-0.020	-0.172	0.000	-0.172	0.0	2.0	0.0	2.0
2019/20 Saving	AH&Wb	Expenditure	Contract Review	The Council currently spends approximately £77m on Adult Social Care contracts annually. All contracts due for renewal will be reviewed to identify efficiency opportunities or areas where contracts can be reduced. The target saving represents 0.8% of overall annual spend.	0.000	-0.400	-0.250	-0.650	0.0	0.0	0.0	0.0
2017/18 Saving	AH&Wb	Expenditure	Day Opportunities	The service is being modernised to promote better choice and control through self-directed support and creating integrated community opportunities that will generate efficiencies, improve outcomes and experiences for people assessed as having support needs. The savings have been generated by remodelling traditional service provision, providing service users with alternative person centred and cost effective options. Independent and in-house providers aim to provide a wider range of tailored activities which support people to take part in activities in their local communities. Travel options are being reviewed to support individuals independence, create alternative options and make best use of what is available. Current gross expenditure budget £2.93m.	-0.328	-0.266	-0.409	-0.675	5.0	10.0	5.0	15.0
2019/20 Saving	AH&Wb	Customer & Client Receipts	Fees & Charges	Planning target for the review of fees and charges for Adults, Health & Wellbeing services. This decision will not be taken in the budget and will be subject to separate decision making.	0.000	-0.630	0.000	-0.630	0.0	0.0	0.0	0.0
2019/20 Saving	AH&Wb	Expenditure	Front Door and Community Offer	This target will be delivered by improving the 'front door' and community offer through increased community support, rehabilitation and reablement, use of assistive technology and sign-posting. Also by focussing on people's strengths and giving them more independence this will reduce numbers entering long term care. Outcomes for people will improve and quality of life will be better as a result. Currently there are some 2,956 people receiving a care package (residential, homecare or direct payment) costing £41m (net) per year and there are roughly 1500 new admissions each year. The £0.262m target in 19/20 equates to a prudent reduction of 35 admissions into care. In 20/21, when we expect the community offer to be greater and more effective, the reduction in admissions equates to 180.	0.000	-0.262	-1.103	-1.365	0.0	0.0	0.0	0.0

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	AH&Wb	Mix	Home Care & Direct Payments	There are a number of initiatives which will reduce the overall gross spend of £25m on homecare and direct payments; - improved practice standards and workforce development which will provide a focus on value for money and promote strength-based reviews reducing admission costs by 5% (£0.36m) in 20/21. - homecare reviews will make sure that people are protected, have the right level of support in the right way from the right number of carers and promote independence, making best use of assistive technology options by focussing on very high cost packages saving £0.1m and very low cost packages saving £0.685m in 19/20 only, redirecting approximately 1/3 of current packages of less than 7 hours per week to alternative provision at no cost to the Council. - reviewing packages where 2 carers are used and it is estimated a reduction on 1/4 of current 2 carer packages will deliver £0.257m savings in both 19/20 and 20/21. - extra care will be maximised to transfer existing clients where appropriate saving £0.361m in 19/20.	-0.588	-1.461	-0.936	-2.397	0.0	0.0	0.0	0.0
2018/19 Saving	AH&Wb	Expenditure	Housing related support services	This proposal removes the budget in 2019/20 for (discretionary) housing related support services that came to an end in 2018/19. Services have been updated, with a view to the transition of current service users to more appropriate forms of support.	-0.719	-0.133	0.000	-0.133	0.0	0.0	0.0	0.0
2017/18 Saving	AH&Wb	Expenditure	Leisure Trust	This proposal is linked to Get Doncaster Moving, aiming for more people to be physically active not only through organised sport but making healthy choices in everyday activities such as active travel. There will be more capital investment for leisure, which will assist Doncaster Culture & Leisure Trust to deliver the general revenue efficiencies from 2019/20 and therefore reduce revenue subsidy for taxpayer.	0.000	-0.250	0.000	-0.250	0.0	0.0	0.0	0.0
2017/18 Saving	AH&Wb	Expenditure	Public Health Grant	Grant reduction of £0.63m for 2019/20 confirmed. This will exhaust the public health reserve and require developing options for how substance misuse services and children's public health services are commissioned.	-0.628	-0.629	0.000	-0.629	0.0	0.0	0.0	0.0
2017/18 Saving	AH&Wb	Expenditure	Residential Care - Working Age	Vulnerable people will have more independence and be able to live in their own homes, with appropriate support from the community and where necessary from public services. This includes the transition of people from residential settings into more appropriate, more independent support options including 40 to supported living saving (£2.56m over 2019/20 & 2020/21) and provision of care by DMBC (£0.15m). Note that this is linked to the Supported Living growth of £2.54m (over 2019/20 & 2020/21).	-0.400	-1.700	-1.160	-2.860	0.0	0.0	0.0	0.0
2017/18 Saving	AH&Wb	Expenditure	Staffing Restructuring & Functional Review	Managing the workforce to deliver effective and efficient services. This will include the control of vacant posts and a senior management restructure in 19/20, leading to a functional review in 20-21 that works across the Adult Health and Well Being and Children's Directorates and strengthens area based service delivery.	-0.200	-0.570	-0.570	-1.140	6.0	21.0	4.0	25.0
2018/19 Saving	AH&Wb	Expenditure	Stronger Communities	The saving is planned for 2020/21. It relates to staff efficiencies through alignment of teams to the community led support model and enablement agenda, which will also improve productivity. The saving of £200k is 9% of the net budget and equates to a reduction of approximately 7 full time equivalents. Present gross expenditure £2.99m, gross income £0.75m, net £2.24m	0.000	0.000	-0.200	-0.200	0.0	0.0	7.0	7.0

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	AH&Wb	Expenditure	Supported Living	Supported living to promote independence and help people to live in their own homes, with appropriate support from the community and where necessary from public services. A strengths based approach will facilitate implementation of the opportunities presented by new supported living contracts (September 2018), using more assistive technology to support night care and improving daytime provision (£0.2m). Client reviews will make sure that appropriate support is in place in each setting and improve value for money as a result (£0.365m). Present gross expenditure £16.04m, saving 3.5%	-0.900	-0.570	-0.570	-1.140	0.0	0.0	0.0	0.0
2017/18 Saving	Council-Wide	Customer & Client Receipts	Fees & Charges	General fees and charges increases - the overall policy for 2019/20 is to increase the charges by 3% with some higher changes to ensure the Council is not subsidising the charges.	-0.302	-0.290	-0.290	-0.580	0.0	0.0	0.0	0.0
2018/19 Saving	Council-Wide	Expenditure	Metropolitan Debt Levy	South Yorkshire County Council was abolished in 1986 and its four metropolitan boroughs (Doncaster, Barnsley, Rotherham and Sheffield) became unitary authorities. The SYCC debt was allocated out to the four Councils and, as at 01/04/19, Doncaster's share of the debt will be £4.5m. The principal repayment increases every year in line with the repayment schedule - 19/20 £2.1m and a final repayment in 20/21 £2.4m.	-0.078	0.051	0.039	0.090	0.0	0.0	0.0	0.0
2019/20 Saving	Council-Wide	Expenditure	Minimum Revenue Provision (MRP) -	Use of underspends created by the reprofiling of borrowing repayments (MRP) £4.3m in 19/20 only - this isn't an ongoing source of funding.	0.000	-4.300	4.300	0.000	0.0	0.0	0.0	0.0
2018/19 Saving	Council-Wide	Expenditure	Parish Councils	Local Council Tax Support (LCTS) Parish Council Grant reductions - current grant is £188k. 10% reductions were implemented in 2015/16 and 2016/17, the grant remained the same in 2017/18. Remainder of grant profiled to reduce annually from 2018/19 by 20%, 30% in 2019/20 and 30% in 2020/21 (reducing to zero).	-0.064	-0.094	-0.094	-0.188	0.0	0.0	0.0	0.0
2017/18 Saving	Council-Wide	Expenditure	Pension - former employees	A reduction in pensions paid to former employees. The number of former employees falls every year. The budget in 2018/19 is £5.2m.	-0.180	-0.100	-0.100	-0.200	0.0	0.0	0.0	0.0
2019/20 Saving	Council-Wide	Expenditure	Pension - prepayment	One-off saving due to the decision taken in 2017/18 to prepay the pension deficit and to prepay 80% of the Future Service Rate contributions for the period 2017/18 - 2019/20.	0.000	-1.700	1.700	0.000	0.0	0.0	0.0	0.0
2017/18 Saving	Council-Wide	Expenditure	South Yorkshire Passenger Transport Executive (SYPTTE)	SYPTTE savings represent reduction in the levy payment of 2.5% in 19/20 and 2.0% in 20/21. This will mainly be delivered through a restructure of capital financing liabilities to find more efficient ways of providing for debt obligations. There will not be any policy changes in 2019/20.	-0.356	-0.279	-0.240	-0.519	0.0	0.0	0.0	0.0
2019/20 Saving	Council-Wide	Expenditure	Treasury Management	The majority of the revenue saving is generated through proactive management of the Capital Financing Requirement (CFR) in accordance with the Treasury Management Strategy for 2019/20 to 2022/23. In addition only half of the maturities will be replaced in 2019/20 saving £70k. These savings are offset by increased borrowing costs of £370k to fund the capital programme.	0.000	-0.400	0.000	-0.400	0.0	0.0	0.0	0.0
2017/18 Saving	Corporate Resources	Expenditure	Corporate Resources	Savings identified from within Corporate Resources includes: Revenues and Benefits £712k (mixture of salary and non-salary budgets), Finance £131k (mainly salary budgets), Strategy and Performance £100k (mixture of salary and non-salary budgets), Legal £50k (mainly salary budgets) and HR, Comms and Exec Office £25k (potential Christmas 2019 closedown - options being explored).	0.000	-1.018	-0.200	-1.218	0.0	13.6	6.2	19.8

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	LOCYP	Expenditure	LOCYP: Functional Review	A functional review of the LO-CYP structure contributed towards phase 2 restructure target of £0.8m over 2018/19 to 2020/21. The functional review, including staff consultation and savings was completed in May 2018. The functional review delivers £500k savings by 2020/21, this includes transitional staffing arrangements through 2018/19 and 2019/20, releasing £50k in 19/20 and £267 in 2020/21. £300k savings in 2019/20 are expected to be found through the Strategic Transport Review referenced under "SEN Transport demand" budget pressure.	-0.183	-0.350	-0.267	-0.617	23.5	0.0	0.0	0.0
2019/20 Saving	LOCYP	Expenditure	LOCYP: Savings one-off in-year	One off budget savings identified for 2019/20 by reprioritising existing Earmarked reserves and Service Transformation Funding allocations following changes to staffing budget requirements following LOCYP's functional review.	0.000	-0.225	0.225	0.000	0.0	0.0	0.0	0.0
2019/20 Saving	LOCYP	Expenditure	LOCYP: Savings on-going	Review of in year savings in 2019/20 (£69k savings target) and ending of 7 fixed term posts from 2020/21, with saving offset by permanent funding required for 1 Head of Service post (£81k net saving), to offset the overall LOCYP budget pressures and expected to amount to £150k in total.	0.000	-0.069	-0.081	-0.150	0.0	0.0	0.0	0.0
2016/17 Saving	R&E	Mix	Assets	The savings in 19/20 and 20/21 related to the running costs of 6 buildings to be disposed of and rental income to be received from investments.	-0.423	-0.620	-0.200	-0.820	0.0	0.0	0.0	0.0
2019/20 Saving	R&E	Expenditure	Fleet	Additional savings identified within R&E to meet cost pressures. In 19/20 this will come from Fleet savings due to delays in purchasing replacement fleet (taking into account the replacement programme approved by Cabinet in December 2018). Work is ongoing to identify savings from 2020/21 onwards.	0.000	-0.640	0.000	-0.640	0.0	0.0	0.0	0.0
2019/20 Saving	R&E	Income	Facilities Management	All external users to be charged for room hire at Mary Woollett Centre.	0.000	-0.052	0.000	-0.052	0.0	0.0	0.0	0.0
2017/18 Saving	R&E	Mix	Highways (general fund)	The 2020/21 saving will be met through Asset Maint £75k, Safer Roads £10k, Network Management £30k, Highways Operations £20k and a further transfer from the Local Transport Plan £365k, which is not sustainable beyond 2021/22. Further options to be considered as part of 2020/21 budget setting.	-0.500	0.000	-0.500	-0.500	0.0	0.0	0.0	0.0
2019/20 Saving	R&E	Expenditure	Highways (general fund)	Use of capital grants to reduce the use of revenue budgets for capital works. This means less capital funding is available for improvements to roads - £150k will typically pay for 1 to 1.5 resurfacing schemes (depending on road length). This saving mitigates a cost pressure in Highways of the same value. Highways has a gross budget of £7.5m and 67 FTEs.	0.000	-0.150	0.000	-0.150	0.0	0.0	0.0	0.0

Proposal	Directorate	MTFF 19/20 only	Service/ Saving Proposal	Proposal Narrative -	2018/19 £'m	2019/20 £'m	2020/21 £'m	2019/20 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	R&E	Mix	Highways and Streetscene	The Highways Operations and Streetscene saving of £639k for 2019/20 will be achieved by:- (a) Highways Operations - £150k - Street Lighting (through reduction in spend on materials, equipment, testing and energy) (b) Street Scene - £489k through:- (i) Repairs and Maintenance of Vehicles - £20k (ii) Markets Waste Disposal costs to SUEZ - £18k (iii) Reduction in Supplies/services - £32k (iv) Woodland Improvement Project - £5k (Branching out to other woodlands) (v) Further Income Generation- Trees/Schools etc - £33k (vi) Service Transformation - Further post reductions to be identified (7 day working) - £51k (vii) Reduction to overtime - £10k (viii) Fleet - Reduction in number of sweepers - £75k (ix) Income - work done for St Leger Homes - £240k (x) Parks and Green space - R&M budget review - £5k Streetscene and Highways Operations has a gross budget of £24m and 354 FTEs.	0.000	-0.639	0.000	-0.639	0.0	2.0	0.0	2.0
2018/19 Saving	LOCYP	Expenditure	Independent Travel Training Scheme	Independent Travel Training Scheme - savings will be delivered through training young people and vulnerable adults to travel independently and thereby reducing expensive forms of transport e.g. taxis.	0.000	0.000	-0.025	-0.025	0.0	0.0	0.0	0.0
2019/20 Saving	R&E	Expenditure	Metroclean	Investment in equipment will create savings through reduced maintenance and labour costs. Additionally, cleaning standards in Council buildings (not schools or other external partners) will be reduced. The impact of a reduction in standards will be a reduced staffing requirement, which will need careful management and consultation with staff and trade unions with advice from Human Resources. The impact on individuals will be minimised by not filling vacant posts and seeking voluntary redundancies. Measures will be taken to ensure staff and building users understand the new standards. Metroclean has a gross budget of £4.8m and 205 FTEs	0.000	-0.107	0.000	-0.107	0.0	5.2	0.0	5.2
2019/20 Saving	R&E	Expenditure	Strategic Housing	Savings identified by St Leger Homes through reduced use of Bed & Breakfast accommodation, the introduction of service charges on temporary accommodation and improved Housing Benefit take-up. The gross budget for homelessness is £0.5m.	0.000	-0.170	0.000	-0.170	0.0	0.0	0.0	0.0
2017/18 Saving	R&E	Expenditure	Waste Contract	The £300k saving in 20/21 will be met through a) the new Household Waste Recycling Centres contract £295k and b) the recent decision to remove some bring sites and their associated costs £5k.	-0.200	0.000	-0.300	-0.300	0.0	0.0	0.0	0.0

Detailed Medium-Term Financial Forecast (MTFF)

The Medium-term Financial Forecast for 2018/19 – 2020/21 is provided below: -

	Parag raph	2018/19 £m	2019/20 £m	2020/21 £m
Major Funding Sources				
Retained Business Rates*	6,20	46.436	44.523	70.723
Top Up*	7,20	33.527	34.296	46.482
Revenue Support Grant (RSG)*	1	28.131	20.041	0.000
Total Baseline Income		108.094	98.860	117.205
Specific Grants	3,11	75.477	78.772	68.310
Public Health Grant*	14	23.809	23.180	0.000
Council Tax Income	17	106.696	114.721	120.586
Customer & Client Receipts		51.147	51.147	51.147
Other Income	24	57.826	57.826	57.826
Housing Benefit	27	70.015	60.250	60.250
Total Income		493.064	484.756	475.324
Total Council Expenditure Including Public Health (Funded)		505.351	493.064	487.986
Expenditure Changes				
Change in Housing Benefit (nil impact on reductions required)	27	-16.531	-9.765	0.000
Grant decreases exit strategies in place (one-off)	12	-4.049	-6.399	-4.857
Grant decreases exit strategies in place (on-going)	12	-1.878	-1.239	-1.303
Staffing	28	3.546	4.107	-2.072
Prices Changes	32	5.470	5.642	5.642
Levying Bodies	35	0.100	0.100	0.100
Expenditure funded from additional income included above		3.773	-0.934	-0.520
Budget Pressures	35	5.107	21.605	3.518
Savings to be identified			-21.425	-13.170
Impact of Budget Proposals		-7.825		
Gross Budget		493.064	484.756	475.324
Use of one-off Committed Reserves			-3.230	
Gap Between Reductions Identified & Required		0.000	0.000	11.939
Gross Budget (Total Income plus one-off uncommitted reserves)		493.064	487.986	475.324
Net Budget Requirement (including Baseline Income)		214.790	213.581	237.791

* Retained Business Rates increased in 2020/21 by £12m to compensate for nil RSG in this year, by £23m to compensate for nil Public Health Grant in this year and reduced by £10.5m to compensate for increased Top Up Grant in this year due to the migration to 75% Business Rates Retention.

REDUCTION IN GOVERNMENT GRANTS

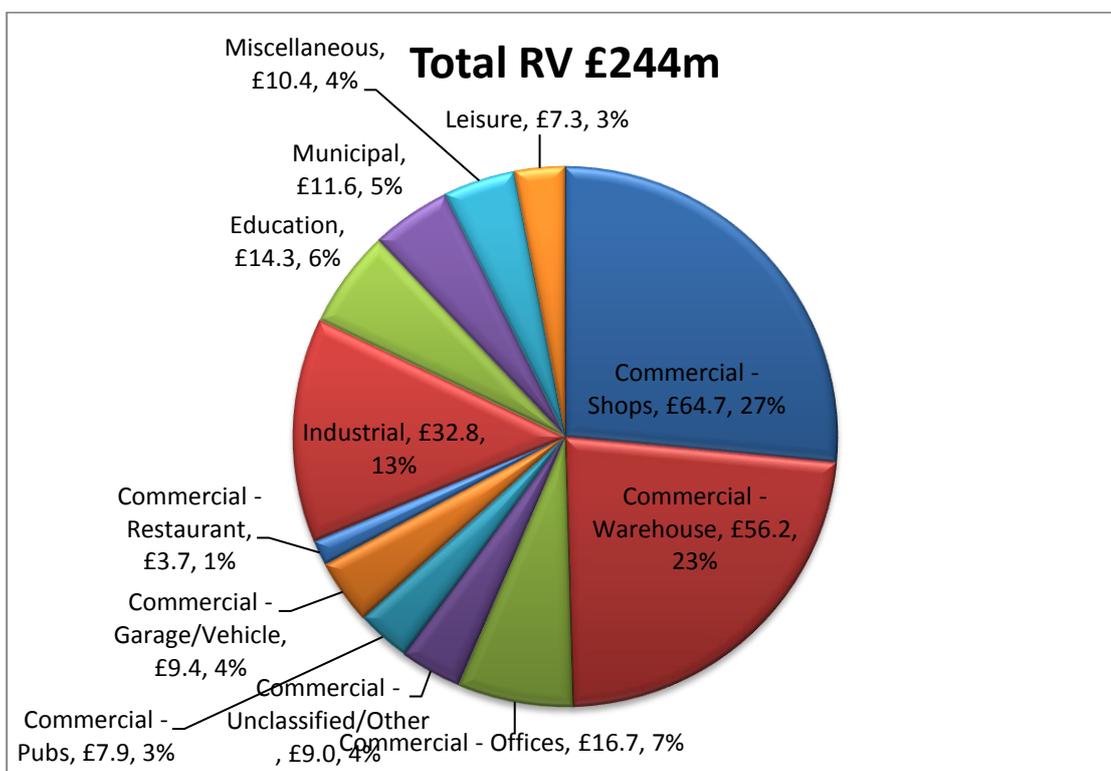
1. Over the last eight years, subsequent Governments have sought to reduce public finances in response to national and global economic events. It is expected that the austerity programme will continue for the foreseeable future for local government, e.g. the RSG cuts for 2019/20 contained in the 4-year settlement offer have not been reversed. There have been three Spending Review announcements in 2010, 2013 and 2015 covering in total the years 2011/12 – 2019/20 aimed at removing the Government's budget deficit and bringing the Government's finances back into surplus. To summarise the position: -
 - a. As part of the austerity programme designed to return the public finances to balance, subsequent Governments have reduced funding to Councils. In the Autumn Statement November 2016, the government remained committed to returning the public finances to balance, however due to the weaker growth outlook and the period of uncertainty, while the UK negotiates a new relationship with the EU the government will no longer seek to reach a fiscal surplus in this Parliament.
 - b. In the 2016/17 Finance Settlement, Government announced the opportunity for Councils to accept a multi-year settlement offer to 2019/20. As part of the move to a more self-sufficient local government, these multi-year settlements can provide the funding certainty and stability to enable more proactive planning of service delivery and support strategic collaboration with local partners. The Government have said that Councils should also use their multi-year settlements to strengthen financial management and efficiency, including by maximising value in arrangements with suppliers and making strategic use of reserves in the interests of residents. The Council accepted this offer in October 2016.
2. Prior to the General Election in June 2017, the Government consulted on changes to the local government finance system (including a review of the formula used) to pave the way for the implementation of 100% business rate retention from either 2019/20 or 2020/21. As part of this process, RSG will be phased out. In order to do this, the Government proposed new legislation in the Local Government Finance Bill. The Local Government Finance Bill was dropped from the parliamentary timetable ahead of the General Election and it was not reintroduced in the Queen's Speech and so it will not form part of the Parliamentary timetable for this session. However, the Government remain committed to local government taking greater control of their income, as outlined in the Conservative Party Manifesto. In the 2018/19 provisional Finance Settlement, Government confirmed their aim to increase business rates retention for all local authorities in 2020/21 to help meet the commitment to give local authorities more control over the money they raise locally. The government wants local authorities to retain 75% of business rates from 2020/21. This will be through incorporating existing grants into business rate retention including RSG and the Public Health Grant.
3. In response to the growing concerns of local government about the escalating costs of providing both Adult and Children's social care, the government has announced a number of one-off grants for 2018/19 and 2019/20. These grants are detailed further in paragraph 11.

4. There are 2 major reviews upcoming during 2019 that could have a significant effect on the funding available for the council: -
 - a. There will be a Spending Review in 2019 which will set out the funding available for Government Departments for 2020/21 onwards.
 - b. There will be a Fair Funding Review which will set out how the funding determined by the Spending Review 2019 will be allocated for 2020/21 onwards.

It is not yet possible to determine the impact of these wide ranging reviews. The Government aims to publish indicative allocations through a formal consultation before the 2020/21 provisional local government finance settlement but that could be as late as October 2019.
5. At this stage, the MTFF does not take account of any devolution proposals, either for the Sheffield City Region or One Yorkshire.

RETENTION OF BUSINESS RATES

6. The Business Rates Retention scheme, whereby 50% of local business rates income is retained locally (the Council retains 49% and passes on 1% to the South Yorkshire Fire & Rescue Authority) and 50% is passed to Government, has been in operation since 2013/14.
7. The local retention of business rates model calculates the difference between each Council's individual business rate baseline and their calculated baseline funding level and either a top-up or a tariff is paid to Councils from Government. The Council will receive top-up grant of £34.296m for 2019/20. The emphasis of these reforms is to move local government funding away from a needs based system to one based on business rates and incentivising growth in the Council Tax Base (through the operation of the New Homes Bonus).
8. Full revaluations are carried out every three years and the last revaluation took place on 1st April 2017. The next revaluation therefore, is scheduled for 2020/21.
9. The final local government finance settlement for 2013/14 set the baseline funding levels for the local retention of business rates model. The difference between each council's individual business rate baseline and their calculated baseline funding level results in either a top up or a tariff that is paid from/to councils from central government. The baseline funding level has not been reset since the scheme came into operation. Central Government has announced that there will be a full reset of business rates in 2020/21. This means that any "growth" within the current business rates system up to 2019/20 will be transferred into baseline need and effectively lost to the Spending Review 2019 / Fair Funding Review. This could have a significant impact on the level of top-up grant the Council receives. Although it is not possible to estimate what the impact will be at this stage, the Council had a favourably low baseline in 2013 and could potentially see a large drop in top-up grant when the reset takes effect in 2020/21.
10. For information, the breakdown of total rateable value of Business Rates by category, based on the 2018/19 list, is shown in the chart below: -



SPECIFIC GRANTS

11. The Council receives a number of specific grants which are non-ring fenced and can be redirected to other areas of service provision as required. It also receives some specific grants that are ring fenced and can only be used for the specific purpose set out in the grant conditions. There are far fewer specific grants than in previous Spending Review periods as Government has rolled in excess of £5 billion of these grants into the baseline income for Business Rates Retention. The largest specific grant is Public Health and this is shown separately in the MTF. In addition to Public Health, further details of the main specific grants (ring fenced and non-ring fenced) are provided below. The following table details the amounts announced for 2018/19 and the assumptions for 2019/20 - 2020/21: -

Grant	Issued By	2018/19 £m	2019/20 £m	2020/21 £m
Non Ring-fenced				
Extended Rights to Free Transport	DfE	0.143	0.143	0.143
Local Reform & Community Voices	DH	0.206	0.206	0.206
War Pension Disregard	DH	0.140	0.140	0.140
Local Authority Data Sharing	DWP	0.002	0.000	0.000
New Burdens Grant	DWP	0.133	0.137	0.137
Right Benefit Initiation (RBI)	DWP	0.000	0.000	0.000
Universal Credit	DWP	0.237	0.080	0.080
Verify Earnings and Pensions	DWP	0.062	0.062	0.062
Brexit Preparation Grant	MHCLG	0.105	0.105	0.000
Flexible Homelessness Support Grant	MHCLG	0.228	0.308	0.000
Homelessness Reduction Grant	MHCLG	0.072	0.089	0.000
Levy Account Surplus (c/f of 2018/19 allocation)	MHCLG	0.000	1.153	0.000
New Homes Bonus	MHCLG	4.459	4.469	3.546

Grant	Issued By	2018/19 £m	2019/20 £m	2020/21 £m
Section 31 grants relating to Retained Business Rates	MHCLG	5.031	7.465	7.465
Troubled Families Grant	MHCLG	1.598	0.834	0.000
<u>Ring-fenced</u>				
NPO Grant	Arts C	0.100	0.100	0.100
Additional recurrent Children's Services Trust Costs	DfE	0.207	0.191	0.191
Dedicated Schools Grant (DSG) - Central Element (Includes Early Years)	DfE	28.911	28.739	28.739
Essential Life Skills	DfE	1.750	0.000	0.000
Music Services Grant	DfE	0.438	0.438	0.438
Opp Area Social Mob Grant	DfE	3.400	2.000	0.000
Personal Adviser duty Implementation Grant	DfE	0.019	0.019	0.019
Pupil Premium Grant (Children in Care Element)	DfE	0.961	0.961	0.961
School Improvement & Brokerage Grant	DfE	0.179	0.179	0.179
SEND Implementation Grant	DfE	0.217	0.000	0.000
Staying Put Implementation Grant	DfE	0.146	0.146	0.146
Transitional Education Services Grant	DfE	0.000	0.000	0.000
Access Fund (Local Sustainable Transport)	DfT	0.422	0.358	0.000
Bikeability	DfT	0.021	0.021	0.021
Bus Service Operator's Grant - Local Authority Bus Subsidy Ring-Fenced (Revenue) Grant	DfT	0.020	0.020	0.020
Care Act Grant (Social Care in Prisons)	DH	0.343	0.343	0.343
Discretionary Housing Payments (DHPs)	DWP	0.784	0.784	0.784
Housing Benefit Subsidy Admin Grant	DWP	1.074	0.948	0.836
Independent Living Fund	DWP	0.703	0.682	0.660
Adult Social Care Grant	MHCLG	0.944	0.000	0.000
Council Tax Support Admin Subsidy	MHCLG	0.411	0.382	0.357
Improved Better Care Fund (iBCF) (March 2015 announcement)	MHCLG	7.176	12.185	14.185
Improved Better Care Fund (iBCF) (March 2017 announcement)	MHCLG	4.316	2.136	0.000
Migration Fund	MHCLG	0.332	0.308	0.000
Neighbourhood Planning Grant	MHCLG	0.000	0.000	0.000
The Private Finance Initiative (PFI) (Schools - fixed for the 25 years duration of PFI scheme)	MHCLG	3.478	3.478	3.478
Social Care Support Grant	MHCLG	0.000	2.579	0.000
Winter Pressures Grant	MHCLG	1.510	1.510	0.000
Waste Infrastructure Grant	DEFRA	2.385	2.385	2.385

Grant	Issued By	2018/19 £m	2019/20 £m	2020/21 £m
Asylum Seekers (Unaccompanied Asylum Seeking Children)	HO	0.100	0.100	0.100
Independent Domestic Violence Advisors (IDVA) Grant	HO	0.010	0.010	0.010
Syrian Resettlement Programme Grant	HO	0.125	0.125	0.125
Adult and Community Learning from Skills Funding Agency	BIS	0.747	0.747	0.747
Ambition SCR	BIS	0.000	0.000	0.000
Apprenticeship Levy	BIS	0.164	0.164	0.164
Higher Education Funding Council for England (HEFCE) Payments	BIS	0.179	0.179	0.179
Individual Electoral Registration	CO	0.000	0.000	0.000
ERDF & ESIF - Launchpad	EC	0.181	0.102	0.102
ERDF & ESIF - SCR Growth Hub	EC	0.060	0.014	0.014
ERDF & ESIF - Technical Assistance	EC	0.040	0.040	0.040
Heritage Lottery Fund	HLF	0.157	0.157	0.157
Initial Teacher Training (ITT)	NCTL	0.447	0.447	0.447
Youth Justice Board	YJB	0.604	0.604	0.604
Specific Grants (Excl PH & HB Grants)		75.477	78.772	68.310

12. Subsequent grant announcements may result in additional cuts to specific grants over and above those previously identified; where this is the case it is assumed that the activities will cease and the Council will no longer incur expenditure in these areas, i.e. there will be exit strategies for all grant reductions. Exit strategies are required for the following grant reductions and therefore these are not included in the budget gap, further details are provided in the table below: -

Grant	Issued By	Exit strategy 2018/19	Exit strategy 2019/20	Exit strategy 2020/21
One-off				
Adult Social Care Grant	MHCLG	-0.576	-0.944	
Ambition SCR	BIS	-0.129		
Brexit Preparation Grant	MHCLG			-0.105
Essential Life Skills	DfE		-1.750	
Flexible Homelessness Support Grant	MHCLG			-0.308
Improved Better Care Fund (iBCF) (March 2017 announcement)	MHCLG	-2.730	-2.180	-2.136
Launchpad & Growth Hub	EC	-0.081	-0.125	
Migration Fund	MHCLG			-0.308
Neighbourhood Planning Grant	MHCLG	-0.040		
Opp Area Social Mob Grant	DfE		-1.400	-2.000
S31 grant - Business Rate Inflation Compensation - Top Up	MHCLG	-0.493		
On-going				
Access Fund (Local Sustainable Transport)	DfT		-0.064	-0.358

Grant	Issued By	Exit strategy 2018/19	Exit strategy 2019/20	Exit strategy 2020/21
Additional recurrent Children's Services Trust Costs	DfE	-0.019	-0.016	
Adult and Community Learning from Skills Funding Agency	BIS	-0.050		
Asylum Seekers (Unaccompanied Asylum Seeking Children)	HO	-0.090		
Dedicated Schools Grant (DSG) - Central Element (Includes Early Years)	DfE		-0.172	
Discretionary Housing Payments (DHPs)	DWP	-0.102		
Homelessness Reduction Grant	MHCLG	-0.007	0.017	-0.089
Independent Living Fund	DWP	-0.023	-0.021	-0.022
Individual Electoral Registration	CO	-0.002		
Local Authority Data Sharing	DWP	-0.010	-0.002	
Music Services Grant	DfE	-0.003		
New Burdens Grant	DWP	-0.020		
Right Benefit Initiation (RBI)	DWP	-0.047		
SEND Implementation Grant	DfE	-0.231	-0.217	
Transitional Education Services Grant	DfE	-0.511		
Troubled Families Grant	MHCLG		-0.764	-0.834
Universal Credit	DWP	-0.085		
Youth Justice Board	YJB	-0.050		
Public Health Grant	DH	-0.628		
Total Exit Strategies		-5.927	-7.638	-6.160
3-year Total		-19.725		

13. Further information on other significant specific grants is provided below: -

- a. Improved Better Care Fund (iBCF) 2015 settlement – the Government provided £1.5 billion additional funding for local authorities to spend on adult social care by 2019/20. The Government has said that it recognises that authorities have varying capacity to raise council tax. The funding has been allocated to meet the pressures for Adults, Health & Wellbeing including investment in the care ladder and growth in the number of clients from projected changes in the population.
- b. Improved Better Care Fund (iBCF) 2017 settlement – The additional iBCF funding was allocated through a separate grant to local government, using a methodology which provides greater funding to those authorities which benefit less from the additional council tax flexibility for social care. This additional funding commenced in 2017/18, and must only be used for the following: -
 - Meeting adult social care need;
 - Reducing pressure on NHS, including supporting more people to be discharged from hospital when ready; and
 - Ensuring the local social care provider market is supported.

A specific Section 75 pooled budget will be completed once final funding allocations have been confirmed. The iBCF (2015 settlement and 2017 settlement) estimated spend plan for 2019/20 is detailed below: -

Meeting Adult Social Care Need:	£'000
Increased Demands	6.945
Money Management	0.079
Reducing pressure on NHS:	
BCF Projects - Transformation Programme	3.175
Ensuring local supplier market is supported:	
Contract Increases	4.122
Grand Total	14.321

- c. New Homes Bonus (NHB) is a grant that was paid for 6 years by Government based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes. NHB is funded by reducing the baseline funding available for Councils and as a consequence the Council is worse off because the amount deducted is significantly more than the grant received.
- i. In December 2015 the Government issued a Consultation Paper 'New Homes Bonus: Sharpening the Incentive' with the purpose of cutting the amount of grant it has to pay out as NHB. The Government response to the consultation was contained in the Provisional Settlement announcement on 15th December 2016. It reduced the number of years for which NHB is paid from the current 6 years to 5 for 2017/18 and 4 for 2018/19 onwards and introduced a national baseline for housing growth of 0.4% which has to be exceeded before any NHB becomes available.
- ii. The NHB for the Council is estimated at £4.469m for 2019/20, which is £0.010m more compared to 2018/19.
- iii. The net grant loss is significant at £26.743m. The position is reasonably comparable with other Metropolitan Districts who also fare badly from the redistribution of grant funding, due to the relatively high levels of grant funding received and high levels of deprivation. The DCLG led evaluation of the NHB published in December 2014 concluded that the most negative impacts of the NHB were seen in authorities in the north of England and Yorkshire and the Humber. The NHB is therefore being utilised to assist with the loss in grant. Housing growth is being progressed utilising alternative funding streams. The updated estimated grant figures are set out in the table below: -

Year	Estimate (Housing Growth) £k	Estimate (Reimbursement Grant) £k	Total Grant Receipt £k	Grant Reduction £k	Net Grant Loss £k
2011/12	403	0	403	1,412	1,009
2012/13	928	0	928	3,054	2,126
2013/14	1,314	565	1,879	5,312	3,433
2014/15	2,430	228	2,658	6,729	4,071
2015/16	3,479	224	3,703	8,500	4,798
2016/17	5,051	160	5,211	10,518	5,307
2017/18	4,946	173	5,119	8,868	3,749
2018/19	4,458	0	4,458	6,708	2,250
2019/20	4,468	0	4,468	6,375	1,906
Total	27,477	1,350	28,827	57,476	28,649

- d. Dedicated Schools Grant (DSG) funds the schools budget (funding for schools and services that are provided centrally to pupils, early years and high needs budgets). The initial 2019/20 Block allocations including Academies are as follows: -
- Schools Block Allocation £194.5m - this is almost entirely delegated to schools, excluding the growth fund, with budget allocations for 2019/20 due to be sent out to schools in February 2019.
 - Central School Services Block £1.6m – now provided as a separate allocation to the schools block to cover services provided centrally to pupils/schools.
 - High Needs Block Allocation £31.9m
 - Early Years Block Allocation £19.1m
- e. PFI Schools - the Council entered into a PFI agreement with Government to rebuild Mexborough and Thomas Wharton Secondary Schools. The rebuilds were completed during 2008/09 and the Government will pay an annual grant of £3.478m for 25 years towards costs incurred, the final payment will be made in 2033/34.

PUBLIC HEALTH

14. The Health and Social Care Act 2012 provided the statutory basis for Local Authorities to assume their new Public Health responsibilities from 2013/14. From this date the majority of Public Health functions transferred to the Council although some specialist elements of Public Health such as children's services 0-5, cancer screening etc. were retained by the NHS. Children's Public Health commissioning responsibilities for 0-5 year olds transferred from NHS England to Local Authorities on 1st October 2015 and this joins up that already done by Local Authorities for children & young people 5-19.
15. The ring fence on public health spending will be maintained in 2019/20 and Government will consult on options to fully fund local authorities' public health spending from their retained business rates receipts, as part of the move towards 75 per cent business rate retention in 2020/21. For 2019/20 the Council will have a reduction in the Public Health Grant of £0.629m.

THE COLLECTION FUND

16. All Council Tax receipts and Business Rates receipts are paid into and separately accounted for in the Collection Fund. Any surplus or deficit must be shared amongst the preceptors and utilised in budget setting in the following financial year. For Council Tax the preceptors are the Council, South Yorkshire Police Authority and South Yorkshire Fire & Rescue Authority. For Business Rates the preceptors are the Council, Central Government and South Yorkshire Fire & Rescue Authority.

Council Tax

17. A breakdown of the 2019/20 Council Tax income and assumptions are provided below: -

Council Tax (Band D)	£1,351.43
Band D Equivalent Properties	82,776
Council Tax Income	£111.866m
Collection Fund (Council Tax) Surplus	£2.855m
Total Council Tax Income	£114.721m

18. The assumed collection rate for Council Tax in 2019/20 is 98.6% (increased from 98% in 2018/19). Although the short term collection rate, e.g. the amount of 2017/18 debt collected in 2017/18, is around 95%, the long term collection rate, e.g. the amount of 2017/18 debt collected in 2018/19 and subsequent years, is around 99%.
19. All changes to Council Tax, including setting the collection rate, are policy decisions but are detailed in the MTFF rather than in the budget savings at Appendix C.

Business Rates

20. The MTFF assumes an increase of 2% per annum in the multiplier which is built into the Retained Business Rates and Top Up lines. The multiplier is based on the Consumer Price Index (CPI) for September.
21. The net Retained Business Rates income is reduced for losses on collection and losses due to appeals of approximately 1.5% and 2% respectively.
22. Any changes announced by the Chancellor that affect Retained Business Rates are accompanied by a section 31 grant to compensate Councils for any loss of income – these are shown in the Specific Grants section.
23. All other changes to Retained Business Rates, including setting the loss on collection, loss on appeals and growth, are policy decisions but are detailed in the MTFF rather than in the budget savings at Appendix C.

OTHER INCOME

24. Other income includes Continuing Health Care Contributions and Section 256 and Section 75 Agreements with the NHS (CCG), income from Other Local Authorities as well as income from charges made to Schools (including Academies), Housing Revenue Account, St Leger Homes and Children's Services Trust.

25. A significant Section 75 agreement is the Better Care Fund (BCF); this is where the Council has entered into a pooled budget arrangement with Doncaster Clinical Commissioning Group (CCG) for the provision of integrated health and social care services for people in the Doncaster area. The Council and the CCG have an annual agreement in place for funding these services, with partners contributing funds to the agreed budget in line with funding allocations, taking responsibility for its own deficit or surplus. The 2019/20 estimated spending plan for the BCF is detailed below: -

	£'000
Falls Development Programme	0.050
Community capacity and well- being support / social prescribing	0.260
Well North Project	0.178
Community mobile day service / borough wide	0.125
Dementia mobile day services	0.045
Winter Warm	0.085
Enhancement of Dementia support services (Alzheimer's dementia cafés)	0.077
The Admiral service (making space)	0.088
Hospital based Social Workers	0.220
Home from Hospital	0.072
Telecare Strategy	0.150
HEART	0.571
Dementia Advisor	0.032
STEPS / OT service	1.567
RAPT	0.122
(Positive Steps) Social care Assessment Unit	1.797
Hospital Discharge Worker	0.028
SPOC/One Point 1	0.094
Intermediate Care & Service Support	0.336
Mental Health Support	0.245
PMO (Programme Management Office and Development)	0.192
Adults Health and Wellbeing – Creative Options for Learning Disability service users	0.686
CLS Community lead support	0.520
Grand Total	7.541

26. The following table sets out the Other Income for 2018/19. This is the 2019/20 baseline starting position: -

Other Income	2019/20 £m
External Recharge Income – includes charges to Schools including Academies (including for the Schools PFI), to the Capital Programme, to the Housing Revenue Account, to St Leger Homes and to the Children's Services Trust	31.472
NHS Contributions – includes income from Continuing Health Care Contributions and Section 256 and Section 75 Agreements with NHS (Better Care Fund & Pooled Budgets)	12.714
Trading Services Income- Includes fleet transport and public buildings maintenance, Street Scene and Highways operations and Commercial services.	6.112

Other Income	2019/20 £m
Contributions from Other Public Bodies - includes contributions from Rotherham MBC in respect of Waste PFI credits and the Coroners Service, contributions from the Home Office for Prison Libraries, from the Police & Crime Commissioner for Community Safety and recoupment from Other Local Authorities where their children are placed in Doncaster Council maintained schools	2.042
Contributions Towards Expenditure – includes service charges and various cost recovery charges including recovery of Court costs by Local Taxation Services	2.522
Investment Interest	1.889
Developer Contributions - S106 & S38 agreements	0.263
Other Contributions - includes external income from alarm monitoring for housing associations and from energy companies in relation to feed in tariffs for solar panels	0.812
Other Income	57.826

HOUSING BENEFIT

27. The 2018/19 estimated cost of £70.015m for Housing Benefit is based on an assumed 10,250 caseload for tenants in public sector accommodation and on an assumed 7,500 caseload for tenants in the private sector. The 2019/20 estimated cost of £60.250m is based on an assumed 9,000 caseload for tenants in public sector accommodation and on an assumed 5,750 in the private sector. The reduction in numbers is due to the working age customers migrating to Universal Credit, which was rolled out in Doncaster from October 2017.

STAFFING

Pay

28. Funding has been set aside in accordance with the recent local government circular on a national pay award. The assumptions also include increments being paid every other year; the next increments are due in April 2019 for all staff except DCST staff who will continue to receive increments annually.

Pension

29. The assumptions on the pension contributions detailed below include the future service rate increasing to 14.9% for the period 2017/18 to 2019/20. The council has planned to phase in this increase over 3 years: 14.0% in 2017/18, 15.2% in 2018/19 and 15.5% in 2019/20 (an average of 14.9% per annum).
30. The actuarial valuation used for the period 2017/18 – 2019/20 showed the Council's Pension Fund deficit as £160m. The Pension deficit payment is based on the key membership analysis and recovering the £160m deficit over the next 18 years from 2018/19. The deficit figures include allowance for short term pay growth of 1.25% per annum for 4 years up to 2019/20.
31. The latest information from the actuary now shows that the Council's Pension Fund is no longer in deficit and has moved into surplus. Work was undertaken to safeguard the surplus until the next valuation period; therefore the MTFF assumes that the pension deficit budget can be reduced from 2020/21.

A summary of the pay inflation provided in the MTFF is detailed below: -

Staffing	2018/19 £m	2019/20 £m	2020/21 £m
Pay Inflation – based on the current national Pay Offer for 2019/20 and estimated for 2020/21	2.116	2.215	1.963
Increments	0.220	1.480	0.255
Employers pension Contribution			
Future Service Rate Contribution Rate (to 15.5% in 2019/20)	0.780	0.172	0.000
Employers Pension deficit saving phased	0.230	0.240	0.300
Reduce Pension deficit budget for estimated position with protection			-5.220
Future Service Rate Contribution Rate (1% increase from 2020/21)			0.630
Auto Enrolment (from 01.10.17)	0.200		
Total	3.546	4.107	-2.072

Price Inflation

32. A proportion of Council expenditure is tied up in contracts, which have inflation increase assumptions built into the terms and conditions, e.g. Adult Social Care, Doncaster Children's Services Trust, Highways and Waste Contracts. The financial strategy assumes that these cost increases will need to be built into future projections in full. There are also a small number of areas of general expenditure on services and goods, where a general inflation factor has been estimated, based upon what is known of the market pressures and various indicators of inflation such as RPI projections, for example repairs and maintenance of buildings.
33. Dependent on the contract, inflationary increases are generally based on either the Consumer Price Index (CPI), Retail Price Index (RPI) or Retail Price Index excluding mortgage interest payments (RPIX). The table below shows an annual comparison of the different indices and various months that are commonly used in contracts: -

Month	CPI	RPI	RPIX
July 2018			3.3%
July 2017			3.9%
September 2018	2.4%	3.3%	3.3%
September 2017	3.0%	3.9%	4.1%
December 2018		2.7%	
December 2017		4.1%	
March 2019 estimate			3.3%
March 2018			3.4%

34. The cost of price inflation for 2018/19 was £5.5m, including £3.0m for Adult Social Care contracts. The various inflation indicators shown in the table above have nearly doubled since last year. It is assumed that £3.0m will be needed in 2019/20 for Adult Social Care contracts and a further £2.6m needed for other inflation. A summary of the inflation to be provided in 2019/20 is provided below. No inflation is applied for expenditure areas not mentioned below: -

Category	£m
Adults Contracts (Various %)	3.000
Other Inflation	
Apprenticeship Levy (2%)	0.009
Building Repairs & Maintenance (Various %)	0.042
Business Rates (2.4%)	0.050
Coroners (2%)	0.005
CYPS Placements (Various %)	0.043
Elections (19.02%)	0.018
Electricity (11%)	0.113
Electricity (Street Lighting) (15%)	0.206
FM Catering Provisions (5%)	0.008
Gas (4.5%)	0.015
Grounds Maintenance (2%)	0.015
Highways Contracts (2.62%)	0.130
ICT Contracts (0.41%)	0.007
Insurance (Various %)	0.071
Landfill Tax (3.2%)	0.001
Lift Contracts (3.3%)	0.029
Members Allowances (2%)	0.020
Other Energy Costs (Various %)	0.002
Pension / Retirement Costs (2.4%)	0.126
Racecourse Joint Venture (3.3%)	-0.005
Rents (3.3%)	0.002
Rotherham Payroll Contract (3.3%)	0.048
Schools Catering Provisions (5%)	0.159
SLHD Management Fee (4.1%)	0.041
Transport (Various %)	0.198
Waste Collection Contracts (3.3%)	0.179
Waste Disposal Contracts (3.3%)	0.310
Waste Management Contracts (3.3%)	0.084
Water (2.7%)	0.006
DCST Inflation	0.526
Insurance Premium Tax	0.010
MRP Inflation	0.114
Transport	0.060
Subtotal Other Inflation	2.642
Total Price Inflation	5.642

BUDGET PRESSURES

35. The service pressures are estimated at £21.6m for 2019/20 and £3.5m for 2020/21; these are detailed at Appendix B. All service pressures are robustly challenged to ensure that they are absolutely necessary for on-going delivery of Council services. The MTFP also provides £0.1m for levy increases.

Council Tax Comparators
(Metropolitan Districts & Unitary Authorities Band D Council Tax)

		2018/19 Band D Council Tax £			2018/19 Band D Council Tax £			2018/19 Band D Council Tax £
1	Windsor & Maidenhead	1,008.16	32	Warrington	1,394.59	63	Bury	1,506.64
2	Trafford	1,242.64	33	Poole	1,399.68	64	Leicester	1,506.98
3	Telford & Wrekin	1,261.20	34	St Helens	1,404.07	65	South Tyneside	1,507.58
4	Bracknell Forest	1,265.94	35	Cheshire East	1,404.28	66	Blackpool	1,511.14
5	Stoke-on-Trent	1,267.72	36	East Riding of Yorkshire	1,406.45	67	Sheffield	1,513.92
6	Dudley	1,271.53	37	Tameside	1,412.94	68	Durham	1,515.05
7	Doncaster	1,287.20	38	Wiltshire	1,414.57	69	Salford	1,516.80
8	Thurrock	1,287.81	39	Barnsley	1,419.73	70	Redcar & Cleveland	1,516.86
9	York	1,288.38	40	Nth Lincolnshire	1,429.46	71	Rochdale	1,521.43
10	Wigan	1,290.03	41	Wokingham	1,433.89	72	North Tyneside	1,522.53
11	Peterborough	1,305.34	42	Luton	1,435.30	73	Sefton	1,524.71
12	Swindon	1,313.73	43	Bournemouth	1,438.92	74	Wolverhampton	1,540.21
13	Birmingham	1,315.22	44	South Gloucestershire	1,441.07	75	Stockton-on-Tees	1,543.88
14	Solihull	1,319.77	45	Knowsley	1,441.95	76	Brighton & Hove	1,549.37
15	Southend-on-Sea	1,322.82	46	Herefordshire	1,443.95	77	Isle of Wight Council	1,552.67
16	Manchester	1,324.54	47	Calderdale	1,445.74	78	Oldham	1,562.04
17	Wakefield	1,331.31	48	Cheshire West and Chester	1,447.83	79	Middlesbrough	1,566.40
18	Kingston-upon-Hull	1,331.45	49	Bolton	1,453.75	80	Coventry	1,574.23
19	Slough	1,331.89	50	Torbay	1,459.40	81	Reading	1,579.99
20	Bradford	1,333.21	51	West Berkshire	1,461.51	82	Newcastle-upon-Tyne	1,580.94
21	Shropshire	1,334.96	52	Darlington	1,461.93	83	Stockport	1,597.71
22	Portsmouth	1,336.61	53	Kirklees	1,465.74	84	Liverpool	1,602.16
23	Leeds	1,339.89	54	Blackburn with Darwen	1,466.00	85	Hartlepool	1,622.02
24	Milton Keynes	1,341.55	55	Cornwall	1,468.50	86	Rutland	1,624.14
25	North Somerset	1,341.61	56	Plymouth	1,470.38	87	Bristol	1,625.94
26	Sandwell	1,347.71	57	Bedford	1,470.88	88	Northumberland	1,633.66
27	Bath & North East Somerset	1,347.89	58	Rotherham	1,478.01	89	Walsall	1,648.71
28	Sunderland	1,359.43	59	Wirral	1,479.19	90	Gateshead	1,686.63
29	Medway	1,374.28	60	NE Lincolnshire	1,485.73	91	Nottingham	1,688.45
30	Derby	1,375.93	61	Cen Bedfordshire	1,485.78			
31	Halton	1,377.88	62	Southampton	1,490.94			

Grants to 3rd Sector Organisations

Directorate	Grant Recipient	Service Provided/Update	2017/18 Budget	2018/19 Budget	2019/20 Budget	Note
A,H&WB	Citizens Advice Bureau (Mexborough/ North East)	The two CAB's provide advice services facing a range of issues such as debt, homelessness prevention, immigration, employment, benefit and consumer issues. They also act as a referral and sign-posting organisation to more specialist advice across a range of public sector services and other voluntary organisations. They also raise other funding streams to benefit the residents of Doncaster. (Savings of £130k have been made in 2010/11 and a further £32k in 2015/16. There is a £40,380 recharge to the HRA for Corporate & Democratic Core services)	152,150	152,150	152,150	No change proposed for 2019/20. However, in year, a briefing paper will be developed in consultation with the incumbent provider setting out proposals for future service delivery including how the service will be commissioned and tendered going forward. This is in line with the policy to more clearly commission and contract service activity, which provides greater certainty and continuity of provision of service for both the service provider (voluntary sector) and service users.
LO-CYP	Doncaster Community Arts (DARTS) Teacher in Role Project (funded from the DSG)	Through targeted support for Y3/4 pupils by using creative drama based approaches to improve writing skills. Working in role will provide exciting and purposeful contexts for children to develop key skills in reading & writing. This project aligns very closely with Doncaster LA's Raising Achievement and Aspirations Strategy which has the development of wider literacy skills as a key priority.	45,176	22,588	0	This grant has now ended.
LO-CYP	Partners in Learning (funded from the DSG)	The transfer of services to Partners in Learning for the academic year 2016/17, set out in the 19th July 2016 Cabinet report "Deployment of School Improvement Functions to Partners in Learning Teaching School Alliance 2016/17", enabled the continued delivery of a cohesive and robust delivery of school improvement in line with DfE's requirement for cessation of the LA's duty by September 2017.	301,581	236,244	96,162	The Standards and Effectiveness Partner (StEP) function was transferred, along with funding for the 2016/17, 2017-18 and 2018-19 academic years. Grant funding of £283,568 (£187k in 2018/19, £96k in 2019/20) relates to the 2018/19 academic year and is a 1 year continuation, needed to ensure the effective transfer of the function, with the grant amount based on the number of maintained schools as at 1st September 2018. Funding has been provided through School Forum (Dedicated Schools Grant) agreement on 11th April 2018. Payments are made in termly installments with 2 payments for the 18-19 academic year in 2018-19 and 1 payment in 2019-20 financial year. No further requests are expected to go to School Forum
LO-CYP	Partners in Learning (funded from the DSG)	Partners in Learning is an inclusive teaching school alliance working with schools from all phases. Their vision is to create a sustainable, inclusive and productive partnership utilising the expertise from across the alliance which will lead to the improvement of teaching and learning and improved outcomes for pupils across all schools within the Teaching School Alliance.	124,000	124,000	0	This grant is expected to be fully traded with schools for the 2019-20 academic year.
LO-CYP	Expect Youth (previously known as Strategic Youth Alliance)	Expect Youth is a new, non-profit venture, consisting of a range of partners actively engaged in the youth agenda to act as a capacity building and innovation body for people and organisations who create positive activities and personal development opportunities for young people in Doncaster. The funding will be used to support local youth provision through capacity building, the provision of seed funding and the development of a diverse program for young people ranging from social engagement to social enterprise.	150,000	75,000	0	Grant funding of £475k to be paid over 3 years was agreed in the 18th October 2016 Cabinet report "Strategic Youth Alliance". The final Grant payment of £75k was paid in 2018/19. From 2019/20 onwards EXPECT Youth are self sustainable following successful bids for external Grant funding.
A,H&WB	Doncaster Community Arts (DARTS)	Through active participation in a huge range of different art forms, Darts enables people of all ages and abilities from different backgrounds to build their confidence and skills to play a crucial role in the cultural, economic and social regeneration of their communities.	43,500	43,500	43,500	No change proposed for 2019/20. It is important to be maintained for now as it can be used to demonstrate match against new funding opportunities through the culture 2020 development work.

Grants to 3rd Sector Organisations

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Directorate	Grant Recipient	Service Provided/Update	2017/18 Budget	2018/19 Budget	2019/20 Budget	Note
A,H&WB	Doncaster Victim Support	Doncaster Victim Support will provide victims or witnesses of crime with support and information to deal with the harmful effects of their experiences within 48 hours of receiving a referral. The grant pays for a contribution to rent of the premises, utilities, postage, stationery, cleaning, volunteer expenses and recruitment, staff recruitment and locum cover. Trained volunteers work as restorative justice workers under the supervision of the Restorative Justice co-ordinator to deal with low level crime and neighbour disputes.	18,000	18,000	0	This grant will cease in 2019/20. Alternative accomodation has been offered to assist Victim Support to continue without this grant. Saving will contribute towards the 19/20 Community Safety Savings target.
A,H&WB	Doncaster Rape and Sexual abuse Counselling Centre (DRASAC)	DRASAC receive this grant as a contribution towards their provision of specialist counselling service for victims of sexual abuse. This includes children from the age of 5 yrs. This is a historic voluntary sector grant which has been reduced over recent years– services for sexual abuse have never been commissioned by Doncaster Council.	27,520	27,520	27,520	This grant will continue in 2019/20.
A,H&WB	Doncaster Rape and Sexual abuse Counselling Centre (DRASAC)	DRASAC receive this grant as a contribution towards their two Independent Sexual Violence Advocates. (ISVA).	65,000	45,000	45,000	This grant will continue in 2019/20.
A,H&WB	Borough Wide Day Centres Age UK	Commissioning of a mobile day care service that delivers a wide range of day care opportunities to the people of Doncaster. Funded from Better Care Fund (BCF).	125,000	125,000	125,000	No change proposed for 2019/20.
LO-CYP	Doncaster Skills Academy (Doncaster Chamber)	The grant will provide the match funding for the Edge Foundation Grant, which will support continued growth of 'bridging the gap' activities for years 10-13 in every Secondary school (targeting 18,000 learners). The investment will facilitate engagement with businesses, support the development of resources and toolkits and promote the new opportunities that are being created for young people in Doncaster. The grant will only be provided if the Edge Foundation Grant is successful and a funding agreement would be put in place with clear monitoring on outcomes; if the application is unsuccessful DMBC will explore – with partners – other opportunities for enhancing 'bridging the gaps' activities.	75,000	75,000	0	No grant is expected for 2019-20
Total Grants to 3rd Sector			1,126,927	944,002	489,332	

Fees & Charges Summary 2019/20

Directorate	Service	Narration	2018/19 Budget £	2019/20 Proposed Average Change %	2019/20 Proposed Budget Change £	2019/20 Target Budget Increase 3.0% £
Adults, Health & Wellbeing	Allotments	Charges increased by 3%	37,390	3.0%	1,120	1,120
Adults, Health & Wellbeing	Libraries	Fees held at 2018/19 levels in most cases as activity would decrease if fees increased, therefore reducing income generated. Fees have been increased/rounded up where possible but in many cases remain the same as an increase of a few pence causes cash handling problems. Increases greater than 3% largely result from the rounding to the next appropriate denomination where that level of fee is considered to be sustainable. The microfilm charges have not been increased, as the cost of changes to equipment would be prohibitive. The planning charge is in conjunction with planning department and has not changed. The image usage charges are considered to be high so have not been changed. The Diocesan and GRO certificates are stipulated by the Church of England authorities and the General Register Office (London) so they can't be changed.	42,510	0.9%	850	1,280
Adults, Health & Wellbeing	Museums	There have been some changes in line with the general 3% guidance; however, given some large increases last year in the weddings income streams these have been left unchanged. Changes to the not for profit room hire have been left as is.	74,170	1.8%	1,300	2,230
Adults, Health & Wellbeing	Safer Communities	This covers alley gate keys. No increase as costs assumed not to increase.	0	0.0%	0	0
Adults, Health & Wellbeing	Translation Services	Hourly rate remains the same to remain commercially viable.	104,290	0.0%	0	3,130
Regeneration & Environment	Bereavement - Burial	Charges have generally been increase by 3% and rounded but in some cases further changes have been made to bring charges in line with costs or to increase sales, which leads to the overall reduction in the Proposed Average Change percentage. The charges for surrounding Local Authorities have been reviewed and Doncaster's charges are now more in line with them. Child related services are free of charge.	739,950	-0.1%	17,590	22,200
Regeneration & Environment	Bereavement - Cremation	Charges have generally been increase by 3% and rounded but in some cases further changes have been made to bring charges in line with costs or to increase sales. The charges for surrounding Local Authorities have been reviewed and Doncaster's charges are now more in line with them. Child related services are free of charge.	2,169,670	3.6%	68,900	65,090
Regeneration & Environment	Bereavement - Memorial Items	Charges have generally been increase by 3% and rounded but in some cases further changes have been made to bring charges in line with costs, which leads to the lower overall Proposed Average Change percentage. The charges for surrounding Local Authorities have been reviewed and Doncaster's charges are now more in line with them.	100,900	1.7%	6,070	3,030
Regeneration & Environment	Bereavement - Mausoleums	The service have been struggling to make any sales in this area and have such have decided to publish as 'Price on application' in an attempt to tailor the service and attract interest.	770	0.0%	0	20

Directorate	Service	Narration	2018/19 Budget £	2019/20 Proposed Average Change %	2019/20 Proposed Budget Change £	2019/20 Target Budget Increase 3.0% £
Regeneration & Environment	Building Control	The Trading element of Building Control fees represents 92% of the fee income budget. Increases in charges are being made to maintain parity with other South Yorkshire Local Authority Building Control teams and competitors in the private sector and average out at 10%. Charges at Doncaster have remained static since 2013 as customer choice was at that time very much based on cost, however the Building Control Ethos of quality has prevailed and given opportunity to raise these as previously mentioned. The increases address shortfalls against current income budgets rather than contributing to the fees and charges target. The non-trading element of Building Control fees represents only 8% of the fee income budget. These have been increased by 3% and then rounded to the nearest £1.	537,930	5.5%	800	16,140
Regeneration & Environment	Built & Natural Environment	Most fees increased by 3% and rounded up to the nearest £5.	7,870	3.3%	280	240
Regeneration & Environment	Car Parking - Permits	No increase proposed so as not to deter usage.	9,140	0.0%	0	270
Regeneration & Environment	Car Parking - Residents Permits	No increase applied to resident parking permits in 2019/20 following a 4% increase in 2018/19.	108,360	0.0%	0	3,250
Regeneration & Environment	Car Parking - Staff & Partners Parking	Fees have generally increased by 3% and rounded to denominations of whole pounds or fifty pence.	248,000	4.8%	0	7,440
Regeneration & Environment	Car Parking - Off Street Charges	Increase to charges at Colonnades, Wood Street and Thorne Road Car Parks to bring in line with other local parking. Significant reduction to charges at Council House and Scarborough House (Saturdays only) to increase usage of these car parks. Other fees to remain the same so as not to deter usage.	1,310,940	-0.2%	11,880	39,330
Regeneration & Environment	Car Parking - On Street Charges	Proposed not to apply increase as this would mean more coins used; machines would have to be emptied more often and would not be cost effective.	208,530	0.0%	0	6,260
Regeneration & Environment	Car Parking - Civic Quarter Multi-Storey	Increases already agreed as part of decisions in taking ownership of the Civic Quarter Multi Storey Car Park.	467,510	6.8%	0	14,030
Adults, Health & Wellbeing	Cusworth Hall Car Park	No change proposed as it continues to be a concern that any increase would discourage visitors and lead to an increase of parking in the village and surrounding roads. No activity data as the parking machines do not collect this data at the moment.	60,000	0.0%	0	1,800
Regeneration & Environment	Civic Catering	Catering charges to staff/public mainly at the Vibe, Café Culture, Mary Woollett Centre and the Mansion House. Fees have increased by 3% and rounded to the nearest 5p or 50p as appropriate.	271,810	3.0%	9,010	8,150
Regeneration & Environment	Development Management	Pre Application fees have been increased by 3% and rounded to the nearest 50p or £1 as appropriate. Statutory Fees are set by Central Government with a national increase of 20% implemented from January 2018. There is no change in the fee between 2018/19 and 2019/20.	1,572,690	1.5%	1,500	47,180
Regeneration & Environment	Environment Public Health	To reflect cost recovery, fees have either been increased by 3% and rounded upward to the nearest 10p or remain the same.	13,660	1.3%	1,040	410

Appendix G

Directorate	Service	Narration	2018/19 Budget £	2019/20 Proposed Average Change %	2019/20 Proposed Budget Change £	2019/20 Target Budget Increase 3.0% £
Regeneration & Environment	FLAG - leaflets	Fees increased by 3% rounded upwards.	26,100	5.2%	4,660	780
Regeneration & Environment	FLAG - Litter fixed penalty notices	Statutory Fees set by Central Government. DMBC are charging the upper limit for all FPN's (except Fly Postering) but we offer a discount if paid within 28 days to encourage payment rather than the more costly method of going through court to recover the charge. Fly postering remains at £80 due to objection from local businesses.	449,820	0.0%	0	13,490
Regeneration & Environment	Food Safety & Education	Charges have been increased by 3% and rounded to the nearest £1. Level 2 Emergency First Aid at Work reduced to £58 to become competitive with external companies.	37,550	1.4%	0	1,130
Regeneration & Environment	Food Control	Prices increased by 3% rounded.	16,030	3.0%	340	480
Regeneration & Environment	Facilities Management - Other Room Hire	Fees increased by 3% and rounded to the nearest £1.	12,000	3.9%	0	360
Regeneration & Environment	Gypsy & Traveller Rents / Static Caravan Sites	Legislation only allows increase in line with the RPI available at the annual review date, which is 2.7% (Dec RPI).	319,690	2.7%	1,030	9,590
Regeneration & Environment	Highways Licences & Permits	Licences are run on a cost recovery basis in accordance with legislation. Streetworks permits are not increasing as to do so would risk income exceeding expenditure.	583,630	1.0%	16,080	17,510
Regeneration & Environment	Homelessness	The value of the charge is based on the rental charge for any temporary accommodation property plus a daily service charge. A new daily service charge was approved from December 2018. The overall charges for each property aren't published due to confidentiality.	0	0.0%	0	0
Regeneration & Environment	Landlord Licences	Selective licence fees are for a fixed 5 year period with the current value not due for change in 2019/20. No increase proposed for HMO's.	2,000	0.0%	0	60
Regeneration & Environment	Taxi Licencing	Not allowed to generate a surplus, so limited to cost recovery; therefore, only small realignments in selected fees proposed averaging at c. 3%.	347,550	3.1%	9,310	10,430
Regeneration & Environment	Miscellaneous Licences	A number of fees are statutory charges where a maximum limit is determined by central government - many are decided jointly with other South Yorkshire authorities and/or are close to the maximum limit. The Council must also not be seen to generate surplus income from its licensing activities nor must it be seen to be using fees to support the enforcement activity against unlicensed individuals/businesses. Where possible selected increases have been made but this limits the budget uplift possible.	351,080	1.1%	1,840	10,530
Regeneration & Environment	Mansion House	Fees have been restructured. Significant increases reflect the need to recover out of hours costs.	6,320	3.3%	5,250	190
Regeneration & Environment	Markets	No increase to Doncaster Markets charges are proposed for 2019/20 due to the continuation of falling numbers of traders. 3% increase at Rossington Market and Mexborough Outer Market. Car Boot fee cannot be increased at the Keepmoat until 2021/22 as per the lease agreement.	1,162,500	1.6%	540	34,880
Regeneration & Environment	Mary Woollett Centre	Fees have been restructured. Savings proposals include charging the Children's' Trust for Rooms.	4,370	3.0%	0	130

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Directorate	Service	Narration	2018/19 Budget £	2019/20 Proposed Average Change %	2019/20 Proposed Budget Change £	2019/20 Target Budget Increase 3.0% £
Regeneration & Environment	Parks & Playing Fields	Most services have been increased by 3.0% and rounded but for some mall fees it is impractical to increase the price and would not result in any appreciable increase in income. The hire charges for senior pitches are all subsidised and junior provision for free pitches is a mayoral commitment from previous years.	25,190	3.2%	770	760
Regeneration & Environment	Pest Control	Fees generally increased by 3% and rounded. Larger increases for Bedbugs reflect higher costs of the service. Bedbugs do not constitute a public health concern, as they do not carry any blood-borne diseases between hosts; however, they are very unpleasant and due to their persistence lead to a high staff cost due to two members of staff required. A comparison with other Local authorities has shown some do not treat bedbugs as it is not viable for them, others charge at the market rates, taking into account treatment times; a benchmarking exercise across the region has ascertained Doncaster is well positioned to justify higher % increase in these fees.	79,340	4.4%	3,520	2,380
Regeneration & Environment	Pollution Prevention & Control	Statutory fees, charges based on rates confirmed by DEFRA August 2017. Revised figures expected to be announced March 2019.	42,580	0.0%	0	1,280
Regeneration & Environment	Health & Safety Courses	The service is currently being restructured under a new delivery model following closure of Bentley Training Centre, with courses now being offered by the Health & Safety Team. Due to the changes in delivery model it is not felt that an increase in fee is sustainable until continued take up is assured.	60,990	0.0%	0	1,830
Regeneration & Environment	Town Centre Management	Most fees have been increased by 3% and rounded to the nearest 50p. Pavement café licences remain the same to promote take up.	25,300	3.0%	760	760
Regeneration & Environment	Trading Standards	Fees generally increased by 3% and rounded. The increases address shortfalls against current income budgets rather than contributing to the fees and charges target.	54,050	1.8%	0	1,620
Regeneration & Environment	Transport Services Fees	Driving Assessments for Taxis and Private Hire Vehicles are not proposed to be increased to remain competitive, this only represents £4.8k of the budget. MOT Fees, no increase proposed. MOT service offered locally by numerous providers at a lower price and need to remain competitive. Increases greater than 3% have been made for Staff Vehicle Hire, to bring closer to market rates and Private Vehicle Repair, to ensure costs are recovered.	54,800	1.4%	0	1,640
Regeneration & Environment	Waste & Recycling	Fees have been increased in line with the 3.7% applied to the waste collection contract with SUEZ. Increase for additional bins have been increased from £32 to £40 to factor in the expected additional disposal costs likely to arise by giving customers the additional capacity.	2,412,900	4.2%	108,410	72,390
Corporate Resources	Blue Badge Scheme	Statutory fee set by Central Government. The 2018/19 charge is not expected to change for 2019/20	46,130	0.0%	2,020	1,380
Corporate Resources	Land Charges	Government guidance requires the fee to be calculated to ensure no profit is achieved. Increase in estimated activity covers any increase in cost for 2019/20, so no change proposed to the fee value.	140,000	0.0%	2,180	4,200

Appendix G

Directorate	Service	Narration	2018/19 Budget £	2019/20 Proposed Average Change %	2019/20 Proposed Budget Change £	2019/20 Target Budget Increase 3.0% £
Corporate Resources	Registrars	Existing Statutory fees remain the same for 2019/20. The majority of non-statutory fees have increased by 3%, subject to some rounding to the nearest £5. The exceptions are higher rises for Individual Citizenship Ceremonies and Change in Name deeds to bring them in line with local solicitors charges. Some new fees have been introduced and other fees have been restructured in line with recently received guidance.	524,130	1.6%	12,250	15,720
Learning & Opportunities (CYPS)	Attendance	The Fixed Penalty Notices are statutory fees set by Central Government. Chaperone license including Disclosure and Barring (DBS) check for volunteers whilst working with children involved in performing increased to £28 per application.	170,000	1.9%	200	5,100
			15,040,140		289,500	451,220

Not included in the fees and charges additional income, as already included in budget proposals

Adults, Health & Wellbeing	Social Care	The charges for day care, home care, supported living and residential care are based on the actual cost of care which is used to calculate how much individuals receiving packages of support will pay. The client contributions are charged in accordance with the Council's 'Charging and Financial Assessment for Adult Care and Support' policy. The policy ensures that people are only required to pay what they can afford towards their care and support, and people are entitled to financial support based on a means-test.
Adults, Health & Wellbeing	In-house Supported Living	
Adults, Health & Wellbeing	Residential Services	
Adults, Health & Wellbeing	Self Support/Group Homes Rents	
Adults, Health & Wellbeing	HEART service	
Adults, Health & Wellbeing	Day Care Charges	
Adults, Health & Wellbeing	Home Care Charges	
Adults, Health & Wellbeing	Residential Care Services	
Adults, Health & Wellbeing	Community & Day Centre Room hire	
Adults, Health & Wellbeing	Day Care Transport	

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or -

4.5%

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ADULTS & COMMUNITIES

Community & Day Centre Hourly Charges

Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Community Group < 25 people	5.00	6.00
Community Group > 25 and < 40 people	10.00	11.50
Voluntary Sector < 25 people	10.00	11.50
Voluntary Sector > 25 and < 40 people	20.00	23.00
Profit Making < 25 people	20.00	23.00
Profit Making > 25 and < 40 people	25.00	28.00

Supported Living

Sleep in Fee	35.00	80.44
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CORPORATE RESOURCES

REGISTRARS

Civil Naming/Renewal of Vows

Wednesday (Registry Office)	New Specific Fee for day and place	50.00
Thursday (Priory Place)	New Specific Fee for day and place	150.00
Friday (Priory Place)	New Specific Fee for day and place	250.00
Saturday AM (Priory Place)	New Specific Fee for day and place	250.00
Saturday PM (Priory Place)	New Specific Fee for day and place	350.00
Premium Marriage/ Civil Package - Priory Suite		
Sunday	New	450.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Other Fees			
Individual Citizenship Ceremonies		133.00	140.00
Change of Name Deed		43.00	50.00
Copy Certificates - Standard	New		10.00
Copy Certificates Priority issue - same day over counter (While You Wait)	New	6.00	40.00
Postage - Standard	New		1.00
Statutory Fees			
Birth, Death or Marriage Certificate	New single fee		11.00
Copy Certificates Priority issue - same day return of post (Priority Next Day)	New Statutory Fee		35.00
Registration correction - where customer is at fault (SR)	New specific fee (previously combined)		75.00
Registration correction - where customer is at fault (GRO)	New specific fee (previously combined)		90.00
Consideration of divorce papers from outside UK (SR)	New specific fee (previously combined)		50.00
Consideration of divorce papers from outside UK (GRO)	New specific fee (previously combined)		75.00
Space 17 amendments (change in child forenames within first year after registration - fee excludes replacement certificates)	New specific fee (previously combined)		40.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or -

4.5%

REGENERATION & ENVIRONMENT

BEREAVEMENT SERVICES

Independent funerals

Burial:

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Late Charge for turning up to scheduled burial booked (15mins late)		70.00	50.00
Duplicate grave deed		38.00	30.00
On site meeting request			
Outside Cemeteries	New		40.00
Rose Hill	New		20.00
Fee for late Burial or Cremation Paperwork		70.00	75.00
No show charge for appointments made for either burial of remains or scattering appointment		67.00	50.00

Cemetery Permits:-

Permit for double headstone (to be placed over 2 graves)		436.00	402.50
Permit for triple headstone (to be placed over 3 graves)	New		533.60
Permit for triple kerbset (to be placed over 3 graves)	New		408.50
Permit for replacement headstone		32.00	34.00
Permit for vase (size up to 12" x 12")		32.00	34.00
Permit for additional inscription on a vase		13.00	14.00

Cremation:

Additional Chapel Time (20 minutes)		265.00	280.00
Over running on cremation time		64.00	70.00
Bearers for cremation (when available)		37.00	30.00
Scattering remains from elsewhere		90.00	95.00
Use of chapel organ		13.00	15.00
Certificate of cremation		22.00	25.00
Genealogy search (per person)		27.00	30.00
Velvet bags		17.00	18.00
Environmental containers		17.00	18.00

Memorials: -

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Extra lines per entry in books and cards		22.00	23.00
Bronze tablet on path kerb renewal - 10 years	New		180.00
Ornamental tree with bronze or granite tablet renewal - 10 years	New		450.00
Granite vases for path side renewal - 10 years	New		415.00
Childs hand or mushroom memorial renewal - small plaque - 10yrs	New		153.00
Childs hand or mushroom memorial renewal - medium plaque - 10yrs	New		202.00
Childs hand or mushroom memorial renewal - large plaque - 10yrs	New		234.00
Granite plaques on scatter monument or barbican renewal 10 years	New		384.00
Granite plaque on wishing well renewal 10 years	New		200.00
Rose tree - 5 years		229.00	240.00
Rose shrub or miniature shrub - 5 years		133.00	140.00
Rose tree or shrub labels allowing 4 line inscription		37.00	40.00
Metal vases for cemetery/crematorium plots		17.00	10.00

BUILDING CONTROL

Erection or extension of a non exempt attached or detached domestic garage or carport or having a floor area 36- 100m².

Amount of Inspection Charge		172.00	200.00
Building Notice or reservation Charge including VAT		322.00	350.00
Amount of Regularisation Charge (No VAT)		322.00	350.00

Conversion of a domestic garage to create a habitable space

Amount of Inspection Charge		107.00	150.00
Building Notice or reservation Charge including VAT		257.00	300.00
Amount of Regularisation Charge (No VAT)		257.00	300.00

Any extension of a dwelling with an internal floor area of which does not exceed 10m². that extension

Amount of Inspection Charge		139.00	200.00
Building Notice or reservation Charge including VAT		289.00	350.00
Amount of Regularisation Charge (No VAT)		289.00	350.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

Any extension of a dwelling with an internal floor area between 10m² and 40m²

Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Amount of Inspection Charge	273.00	350.00
Building Notice or reservation Charge including VAT	423.00	500.00
Amount of Regularisation Charge (No VAT)	423.00	500.00

Any extension of a dwelling with an internal floor area between 40m² and 60m².

Amount of Inspection Charge	357.00	450.00
Building Notice or reservation Charge including VAT	507.00	600.00
Amount of Regularisation Charge (No VAT)	507.00	600.00

Any extension of a dwelling with an internal floor area between 60m² and 100m².

Amount of Inspection Charge	407.00	520.00
Building Notice or reservation Charge including VAT	557.00	670.00
Amount of Regularisation Charge (No VAT)	557.00	670.00

Installation of up to 5 domestic replacement window/s and door/s

Building Notice or reservation Charge including VAT	88.00	100.00
Amount of Regularisation Charge (No VAT)	88.00	100.00

Any alteration of a dwelling creating one or more rooms in roof space, including means of access.

Amount of Inspection Charge	273.00	370.00
Building Notice or reservation Charge including VAT	423.00	520.00
Amount of Regularisation Charge (No VAT)	423.00	520.00

Any other domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work does not exceed £2,000.

Amount of Plan Charge	154.00	170.00
Building Notice or reservation Charge including VAT	154.00	170.00
Amount of Regularisation Charge (No VAT)	154.00	170.00

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Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

Any other domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work exceeds £2,000 but does not exceed £5,000.

Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Amount of Plan Charge	188.00	250.00
Building Notice or reservation Charge including VAT	188.00	250.00
Amount of Regularisation Charge (No VAT)	188.00	250.00

Any other domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work exceeds £5,000 but does not exceed £25,000.

Amount of Inspection Charge	172.00	210.00
Building Notice or reservation Charge including VAT	322.00	360.00
Amount of Regularisation Charge (No VAT)	322.00	360.00

PLANNING & BUILDING CONTROL FEES (TABLE B)

Planning & Building Control Fees for Small Domestic Buildings

Number of Dwellings

1

Inspection Charge	441.00	500.00
Amount of Regularisation Charge (No VAT)	591.00	650.00

Installation of up to 20 non domestic window/s and door/s.

Amount of Inspection Charge	102.00	110.00
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Any other non domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work does not exceed £5,000.

Amount of Plan Charge	205.00	300.00
Building Notice or reservation Charge including VAT	205.00	300.00
Amount of Regularisation Charge (No VAT)	205.00	300.00

Any other non domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work exceeds £5,000 but does not exceed £25,000.

Amount of Inspection Charge	256.00	350.00
Building Notice or reservation Charge including VAT	406.00	500.00
Amount of Regularisation Charge (No VAT)	406.00	500.00

Completion Certificates

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or -

4.5%

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	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Completion certificates issued at time of completion/occupation	New		0.00
To resolve case and issue completion certificate where work has been completed or occupied for 6-12mths and subsequent request made for a certificate	New		96.00
To resolve case and issue completion certificate where work has been completed or occupied for more than 12mths and subsequent request made for a certificate	New		180.00
Other Charges			
Application withdraw - any type	New		Individually Determined
Resurrection charge	New		100.00
CAR PARKING			
Stay			
Car Park:			
Colonnades	Per Hour	1.30	1.50
	All day	5.00	5.50
Wood Street	1 Hour	1.20	1.30
Council House - Saturdays Only	4 Hours	2.00	1.00
	ALL DAY	4.00	2.00
Scarborough House - Saturdays Only	4 Hours	2.00	1.00
	ALL DAY	4.00	2.00
Thorne Rd (DRI)	1 Hour	1.10	1.30
	2 Hours	1.60	2.50
	3 Hours	2.10	3.00
	4 Hours (Max stay)	2.60	3.50
CIVIC QUARTER MULTI STOREY CAR PARK			
Monday - Friday	1 Hour	1.10	1.20
	2 Hours	1.90	2.20
	3 Hours	2.50	2.90
	4 Hours	4.50	4.90
	Over 4 Hours	6.00	6.50
Early bird - In between 6:00 am and 8:30 am		3.00	3.30

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
STAFF & PARTNERS PARKING			
GOLD BAND - Any staff & partners car park including Civic Quarter MSCP			
Staff & Partners Parking Permit 1 Day	Monthly	7.00	7.50
SILVER BAND - Chappell Drive and Marshgate			
Staff & Partners Parking Permit 3 Days	Monthly	18.00	19.00
Staff & Partners Parking Permit 2 Days	Monthly	12.00	13.00
Staff & Partners Parking Permit 1 Day	Monthly	6.00	6.50
BRONZE BAND - Marshgate only			
Staff & Partners Parking Permit 6 Days	Monthly	19.00	20.00
Staff & Partners Parking Permit 5 Days	Monthly	18.00	19.00
Staff & Partners Parking Permit 3 Days	Monthly	11.00	11.50
Staff & Partners Parking Permit 2 Days	Monthly	7.50	8.00
Staff & Partners Parking Permit 1 Day	Monthly	3.50	4.00
ENVIRONMENT			
Storage of seized equipment per day:			
Single item	New		3.00
Large/ multiple items	New		5.00
PLANNING ENFORCEMENT			
Removal of Illegally Displayed Posters/Banners			
Solicitor Requests for outstanding notices and investigations on Properties under the Town and Country Planning Act 1990.	New		41.50
FLAG (Fly Tipping, Litter, Abandoned Vehicles & Graffiti)			
Leaflet Distribution			
0 to 5		208.00	220.00
6 to 9		312.00	330.00
10 to 15		416.00	440.00
16 to 23		520.00	550.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or -

4.5%

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FOOD SAFETY & EDUCATION

Level 2 Emergency First Aid at Work

Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
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	84.00	58.00
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HIGHWAYS

Private Road Openings

	435.00	481.50
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LICENSING

Other Licences

Acupuncturist/Tattooist/Ear Piercing

	210.00	220.00
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Scrap Metal Dealer - Collector

	215.00	225.00
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Scrap Metal Dealer - Additional Site(s) to Licence

	80.00	85.00
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Gambling:

Betting Premises (other)

Annual Fee

	425.00	450.00
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LOCAL RECORDS CENTRE

Collation and provision of biological records data for private and public sector use .

Standard Data Search

Single Species/Group of Species search in 1km buffer

	60.00	65.00
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Single Species/Group of Species search in 2km buffer

	90.00	95.00
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MANSION HOUSE

Small wedding

New		1,320
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Large wedding

New		1,950
-----	--	-------

Room Hire - per hour (Small room) In hours

New		28.00
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Room Hire - per hour (Small room) Out of hours

New		58.00
-----	--	-------

Room Hire - per hour (Large room) In hours

New		122.00
-----	--	--------

Room Hire - per hour (Large room) Out of hours

New		155.00
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MARY WOOLLETT CENTRE (No VAT)

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Small Room hourly rate Day-time	New		20.00
Small Room hourly rate Out of Hours	New		35.00
Medium Room hourly rate Out of Hours	New		45.00
Large Room hourly rate Out of Hours	New		55.00

PARKS & PLAYING FIELDS

Bowling Greens

Per Person (non member use)		3.00	3.20
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Sandall Beat

Wooden table decorations (excluding postage where applicable) - starting price £11.00 - prices vary according to individual decoration.		10.50	11.00
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PEST CONTROL

Dwellings - Mice

- subsequent visits (after the 4 above)		21.00	22.00
Sundays and Bank Holidays		150.00	160.00

On benefits:

- subsequent visits (after the 4 above)		16.00	17.00
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Dwellings - Insects (excluding bed bugs)

Sundays and Bank Holidays		150.00	160.00
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Dwellings - Bed Bugs

Per visit		70.00	80.00
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On benefits:

Applies to domestic customers in receipt of Housing Benefit and/or LTSS - per visit		60.00	70.00
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Dwellings - Control of Moles, Feral Pigeons, Squirrels & Cockroaches (price per hour; except cockroaches minimum 2 hours to be paid in advance)

Out of hours and Saturdays		140.00	150.00
Sundays and Bank Holidays		180.00	190.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

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Commercial Premises - Control of Moles, Feral Pigeons, Squirrels & Cockroaches, Mice, Insects & Rats (price per hour; except cockroaches minimum 2 hours to be paid in advance)

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Out of hours and Saturdays		140.00	150.00
Sundays and Bank Holidays		180.00	190.00

General Fees:

Insect Identification (refunded if treatment carried out by DMBC)		30.00	32.00
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TRANSPORT SERVICES FEES

Staff Vehicle Hire

Weekends & Bank Holidays	Per Day	27.00	30.00
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Private Vehicle Repair - Labour

Private Vehicle Repair - Labour	Per Hour	48.00	51.00
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WASTE AND RECYCLING

Wheeled Bins Quarterly Charge

240 L		86.00	90.00
360 L		110.00	115.00
1100 L		250.00	265.00

Wheeled Bins Charities Quarterly Charge

Sack		37.00	39.00
240 L		37.00	39.00
360 L		40.00	42.00
Recycling Service		84.00	89.00

Commercial Recycling

Initial Receptacle - 360 L		60.00	63.00
Additional Receptacle - Sack		15.00	16.00
Additional Receptacle - 360 L		35.00	37.00
Additional Receptacle - 660 L		55.00	58.00

Fees & Charges 2019/20 Extract Showing New Fees and Increases > + or - 4.5%

	Unit / New	Charge from 1st April 2018 £	Charge from 1st April 2019 £
Commercial Special - Recycling			
Under 2m ³	New		150.00
Between 2m ³ and 4m ³	New		230.00
Between 4m ³ and 6m ³	New		300.00
Administration and delivery of Additional/New and Replacement Bins (including New Developments)			
Additional Bins (limited to residents meeting criteria)		32.00	40.00
Additional Green Bins			
Additional Green Bin emptying service annual fee (March – Nov) - 2nd Bin	New		40.00
Additional Green Bin emptying service annual fee (March – Nov) - 3rd Bin	New		30.00

Reserves (to be reviewed at year-end)

	Estimated Balance at 31/03/19 £m
School Balances	5.743
Health & Social Care Transformation Fund	5.733
Service Transformation Fund	5.181
Minimum Revenue Provision (MRP) underspend	2.247
Improved Better Care Fund	1.667
New NNDR Incentive Scheme	1.384
Stronger Families Programme	1.296
Essential Life Skills	1.200
Civic Office Major Repairs & Maintenance Sinking Fund	1.140
Social Mobility Opportunity Area	0.910
Various Section 278	0.832
Public Health	0.808
S106 Open Spaces Revenue unapplied contribution	0.714
Teesland Section 278	0.545
Well Doncaster match funding	0.400
Coppice School	0.311
Revenue Contribution to the Capital Programme (pre-work/development costs)	0.300
ERP - Phase 2	0.212
St James Baths	0.193
Safeguarding Adults Board	0.177
Transport budget Sec 19 permits	0.169
S106 Interest balances	0.162
All Out Local Elections - 4 Year Cycle	0.134
Public Spaces Community Order	0.130
Revenues & Benefits - Discretionary Hardship	0.114
LEP Inward Investment Loan	0.109
Dilapidation Costs on Vacated Buildings	0.100
Tour de Yorkshire	0.100
Examination In Public (LDF Sites & Policies)	0.096
Adult Social Care System Implementation	0.094
Flexible Homelessness Grant	0.081
North Ridge School	0.080
Welcome to Yorkshire Cycle Partnership	0.075
Mayor's Pledge to Miners' Statue	0.063
ICT - Schools Centralised Infrastructure Sinking Fund	0.058
Others (less than £50k)	0.417
	32.975

Risk Assessment of Uncommitted General Fund Reserve

Risk	Risks & Quantification	Maximum Potential Call on Reserves 18/19 & 19/20 £m
Known provisions and contingent liabilities as at January 2019	An Insurance Fund provision of £9.4m has been made as per the methodology agreed. A provision of £4.2m for NNDR appeals has been made based on known risks.	Provision identified, unable to quantify potential risk.
Overspend on Service Expenditure	An amount is included for the potential risk of overspends in future years (excluding the risk on deliverability of budget proposals covered below).	Up to 4.0
Major Emergency	The Government has confirmed that the Bellwin Scheme will continue thereby limiting certain costs to be borne by the Council. However in November 2015 they confirmed that the timescales for claiming recovery costs would be much reduced.	Up to 0.5
Robustness of 2019/20 budget proposals	It is prudent to include a risk regarding the deliverability of the 2019/20 proposals to allow for potential slippage on delivery. It is not possible to quantify the risk with certainty. This will need month by month monitoring in 2019/20 and urgent action taken if targets are not being achieved. However, due to the size of the budget reductions and increasing difficulty of achieving the savings £3.5m is included (equivalent to 20% of the 2019/20 budget proposals). The Local Government Finance Act 2012 which introduced the Business Rate Retention scheme and the Localisation of Council Tax Support from 2013/14 has introduced unprecedented volatility into local government funding which adds significant additional risk to the budget proposals. One-off funding has been identified (Service Transformation Fund), which is available to fund slippage on the deliverability of savings and reduces this risk.	Up to 3.5
Redundancy Costs	The staffing reductions assumed in the budget proposals will result in additional early retirements and/or compulsory redundancies. A process to reduce staffing through VER/VR's is taking place from December 2018 until March, 2019. A separate earmarked reserve exists for this.	0.0

Risk	Risks & Quantification	Maximum Potential Call on Reserves 18/19 & 19/20 £m
Capital Programme 2019/20 – 2022/23	There is a risk of grant clawback where projects do not meet their outputs, where they do not proceed, or the Council subsequently breaks the grant conditions. There is also a risk that expenditure will slip beyond the period of the grant so becoming ineligible and require financing from alternative resources.	No major issues at present. Any expenditure likely to slip into 2019/20 to be managed as part of capital monitoring process.
Treasury Management	The Council relies on short term (circa £17m) and under borrowing (circa £36.4m) to minimise interest costs; there is a risk that if we need to replace the under borrowing with long term external borrowing the Council will incur additional expenditure. If the Council had to replace the £36.4m of under borrowing with long term borrowing, this could cost £0.7m per year at current rates over 5 years and could rise to £0.9m per year over 50 year terms. There is also a risk regarding increasing interest rates. This would cost an additional £0.36m for every 1% increase in interest rates.	Up to 0.7
I.T. Strategy.	Current I.T. projects which are underway are funded from earmarked reserves and the Corporate Capital Programme.	Funding would be identified prior to purchasing any new I.T. requirements.
Reserves and contingencies	Reserves leave little room for further in year pressure, e.g. from new initiatives. To minimise the impact estimates as far as possible are included in the financial plan. This needs close monitoring throughout the year.	Up to 2.0
Abortive development and compensation costs	Any development costs on major capital projects which do not go ahead will become abortive and need to be funded from a revenue resource. This may also include potential compensation costs.	None envisaged at present but will be kept under regular review
Business Rates Appeals	There remains a risk that appeals and mandatory reliefs may be greater than estimated. There is also a risk to baseline income if the economy falls into recession.	Appeals and Business Rates income is kept under regular review
Total Maximum Quantified Risks		Up to 10.7
General Reserve Available based on best estimates		11.5
Headroom Available		0.8

Detailed Budgets

Service	Net Base Position £'000	Pressures £'000	Savings £'000	Other Changes (incl inflation) £'000	Net Budget £'000	Customer & Client Receipts £'000	Government Grants £'000	Other Income £'000	Gross Budget £'000
ADULTS HEALTH & WELLBEING									
ADULT SOCIAL CARE&SAFEGUARDING	59,070	11,915	-4,023	3,739	70,700	25,441	1,660	4,550	102,351
COMMISSIONING & CONTRACTS	6,708	758	-533	-79	6,854	0	1,198	2,803	10,855
COMMUNITIES	12,719	165	-1,041	492	12,335	668	1,741	8,010	22,754
DIRECTOR OF ADULT SERVICES	5,865	0	0	-5,694	171	0	990	88	1,249
DIRECTOR OF IMPROVEMENT	-11,472	5	-570	-3,272	-15,310	0	16,900	144	1,735
PUBLIC HEALTH	-226	0	-879	886	-220	419	18,010	552	18,761
ADULTS HEALTH & WELLBEING Total	72,663	12,842	-7,046	-3,929	74,530	26,528	40,500	16,147	157,706
CORPORATE RESOURCES									
CORPORATE RESOURCES DIRECTOR	-135	0	0	4	-131	0	0	339	207
CUSTOMERS, DIGITAL & ICT	5,940	326	-2	340	6,604	48	0	2,262	8,914
FINANCE	6,079	0	-843	551	5,788	12	62,767	2,316	70,883
HR, COMMS & EXEC OFFICE	3,882	0	-25	118	3,975	11	27	757	4,770
LEGAL & DEMOCRATIC SERVICES	3,417	0	-64	167	3,520	699	0	1,243	5,462
STRATEGY AND PERFORMANCE	2,102	0	-100	104	2,107	0	158	50	2,315
CORPORATE RESOURCES Total	21,286	326	-1,034	1,285	21,862	769	62,952	6,968	92,550
COUNCIL WIDE BUDGET	34,594	123	-6,822	-2,736	25,158	554	13,664	-29,395	9,982
LEARNING & OPPORTUNITIES C&YP									
CENTRALLY MANAGED	290	56	0	-151	195	0	4,391	3,191	7,777
CHILDRENS SERVICES TRUST	42,124	6,735	0	1,225	50,084	0	3,653	382	54,119
COMMISSIONING & BUSINESS DEVEL	8,647	248	-609	423	8,709	117	26,284	2,980	38,090
PARTNERSHIPS & OPERATIONAL DEL	1,914	-110	-35	106	1,874	192	5,332	367	7,765
LEARNING & OPPORTUNITIES C&YP Total	52,974	6,929	-644	1,603	60,862	309	39,660	6,920	107,751
REGENERATION & ENVIRONMENT									
DEVELOPMENT	3,013	245	-174	167	3,251	2,693	721	2,406	9,071
DIRECTOR OF REGEN & ENVIRO	175	0	0	17	193	1	0	41	235
ENVIRONMENT	29,221	150	-944	1,219	29,646	7,973	4,635	23,576	65,831
TRADING & PROPERTY SERVICES	865	990	-1,530	984	1,309	12,319	70	31,162	44,861
REGENERATION & ENVIRONMENT Total	33,274	1,385	-2,648	2,387	34,398	22,987	5,427	57,186	119,998
Total Council Budget	214,791	21,605	-18,195	-1,391	216,811	51,147	162,202	57,826	487,986
Funded By: -									
NON DOMESTIC RATES	-46,436	0	0	1,914	-44,523				
REVENUE SUPPORT GRANT	-28,131	0	0	8,090	-20,041				
TOP UP GRANT	-33,527	0	0	-768	-34,296				
COUNCIL TAX	-106,696	0	0	-8,025	-114,721				
NET BUDGET REQUIREMENT	-214,791	0	0	1,211	-213,581				
USE OF RESERVES	0	0	-3,230	0	-3,230				
TOTAL FUNDING	-214,791	0	-3,230	1,211	-216,811				

Budget Proposals 2019/20 - Due Regard Review

Due Regard Assessment required
AH&Wb

- Community Safety
- Day Opportunities
- Fees & Charges
- Public Health Grant
- Residential Care - Working Age
- Stronger Communities
- Supported Living
- Contract Review
- Front Door and Community Offer
- Home Care & Direct Payments
- Staffing Restructuring & Functional Review

Council-Wide

- Fees & Charges

LOCYP

- Independent Travel Training Scheme
- LOCYP: Functional Review

R&E

- Assets
- Strategic Housing

No Due Regard Needed
AH&Wb

- Housing related support services
- Leisure Trust

Council-Wide

- Metropolitan Debt Levy
- Parish Councils
- South Yorkshire Passenger Transport Executive (SYPTTE)
- Minimum Revenue Provision (MRP) - reprofiling
- Pension - former employees
- Pension - prepayment
- Treasury Management

Corporate Resources

- Corporate Resources

LOCYP

- LOCYP: Savings one-off in-year
- LOCYP: Savings on-going

R&E

- Highways (general fund)
- Highways and Streetscene
- Metroclean
- Waste Contract
- Facilities Management
- Fleet

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Doncaster Council

Date: 12th February 2019

To the Chair and Members of Cabinet

CAPITAL STRATEGY AND CAPITAL BUDGET 2019/20 – 2022/23

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Mayor Ros Jones	All	Yes

EXECUTIVE SUMMARY

Capital Strategy

1. The Prudential Framework of Capital Finance introduced a new requirement for local authorities to prepare a Capital Strategy for the 2019/20 Capital Budget.
2. The Capital Strategy outlines the principles and decision making process involved when approving new bids and the monitoring of Doncaster Council's capital programme. The aim is to contribute to the achievement of the Council's priorities and objectives, through the regeneration of the borough, improved infrastructure, improved efficiency and effective operation of services. This is to be delivered via an affordable programme of capital investment consistent with the Council's financial strategy.
3. The Capital Strategy is set out in paragraphs 37 to 72; this has been used to produce the Capital Budget Proposals set out in paragraphs 12 to 31.

Capital Programme Budget Proposal

4. Doncaster Council continues to invest in the future of the Borough despite the tough economic climate with an estimated £323m of capital investment over 2019/20 to 2022/23 that will continue to stimulate growth and prosperity, with £135.6m of spend estimated for 2019/20. The Council is investing in projects to further improve core services such as Education, Housing, Infrastructure, Leisure and Culture, as well as attracting investors and visitors to the Borough. Prime examples of this investment are the new Central Library and Museum £11.2m 2019/20 and 2020/21 (£15m overall for the programme including 2018/19), DN7 Hatfield Link Road Project £10.9m 2019/20 (£15.9m

overall for the programme including previous years) and investing in our Leisure Facilities.

5. The proposed capital programme for the four years 2019/20 to 2022/23 is detailed in Appendices 1a to 1e and the paragraphs below. There is also further information on some of the schemes that will have wide-ranging benefits for Doncaster.
6. The bids received during the budget setting process, total £30.1m over the four year programme, are provided in Appendix 2 of the Appendix pack.
7. In the following sections, unless stated otherwise, the value for 2019/20 is shown first and then the total for the four year programme is in brackets (2019/20 to 2022/23).

EXEMPT REPORT

8. This report is not exempt.

RECOMMENDATIONS

9. Cabinet will be asked to recommend to Council to approve:
 - a. The Capital Strategy at paragraphs 37 to 72;
 - b. Flexible use of Capital Receipts Strategy at paragraphs 32 to 36;
 - c. Capital Programme Budget for 2019/20 to 2022/23 at paragraphs 12 to 31; and
 - d. Directors in consultation with the portfolio holder take responsibility for agreeing any significant changes to the Schools Condition Programme and the Local Transport Plan funding and that they are agreed in consultation with the relevant Portfolio Holder.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

10. Doncaster citizens will benefit from the continued capital investment in public facilities such as schools, leisure centres, roads, markets and affordable housing, and also from the Council facilitating growth by working with a range of partners. Work will also continue on the new Central Library and Museum an iconic 21st century building, which will transform how library and heritage resources are provided in the borough.

BACKGROUND

11. Capital spending is something that is bought or built that generally lasts more than one year, such as a road or building. Most capital funding is allocated for spending on specific projects. Capital spending is different from revenue spending, which covers the day to day costs of running council services but capital investment can assist the revenue budget by helping to reduce running costs by providing more efficient facilities and equipment.

Capital Programme Summary

12. The Capital Programme includes £323m of capital investment over 2019/20 to 2022/23, with £135.6m in 2019/20. A summary of the Capital Programme by Directorate is provided below: -

Directorate	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Adults, Health and Well-Being	7.178	11.268	6.923	6.294	31.663
Corporate Resources	16.469	13.334	12.500	12.500	54.803
Flexible use of capital receipts	3.000	3.000	0.000	0.000	6.000
Learning and Opportunities – Children and Young People	12.717	13.705	6.759	0.000	33.181
Regeneration and Environment	96.277	46.564	28.195	26.358	197.394
Total	135.641	87.871	54.377	45.152	323.041

Regeneration and Environment: -

13. The programme managed by this Directorate is the largest part of the Council's budget in terms of project numbers and value at an estimated total investment of £96.3m in 2019/20 (£197.4m). The main areas of investment are the Infrastructure and Major Projects £45.4m (£58.2m), transport and maintenance £7.2m (£12.1m) and housing projects £30.4m (£109.9m).

14. A further analysis is provided in Appendix 1e of the Appendix pack.

Development

- a) **New Central Library and Museum** – £10.9m 2019/20 £0.3m 2020/21 (funded from £11.2m borrowing) – £15m for the overall programme including 2018/19. A new, combined Central Library, Archives, Museum and Art Gallery, along with other social and learning facilities (e.g. a Core Education Space, rail heritage centre, conference and training facilities, micro-business incubation space, café, retail, etc.). The building work started in late 2018 and will be located on the site of the former Girls' School on Waterdale, adjacent to the Civic Offices. Scheduled for completion in the Summer of 2020. The building will contribute to wide-ranging skills, economic, and learning-related outcomes for Doncaster's residents.
- b) **Civic and Cultural Quarter (CCQ) Cinema Infrastructure** - £7.6m 2019/20 £2.2m 2020/21 (funded from £9.8m borrowing). CCQ cinema development with the Council acting as landowner, funder, developer and landlord of the completed development. The CCQ project seeks to regenerate the area around the Cast Theatre to increase footfall and attract further investment. The project aims to make the area more accessible and in turn attractive to

occupiers, developers and investors, further assisting the Sheffield City Region's aims of securing further jobs and Gross Value Added (GVA) to this part of the region. This development land will be more effectively connected to the core CCQ uses delivered in earlier phases (Cast Theatre and Civic Offices) and offer the potential to accommodate up to 47,882 sqm (515,000 sqft) of mixed use development incorporating retail, office and residential uses. The improved connectivity to these sites provided by the proposed public realm and infrastructure works will increase the attractiveness of these plots to investors for further commercial and residential development, in turn continuing the momentum achieved to date within the core CCQ area.

In tandem with the public realm and infrastructure works, the associated delivery of the new cinema (6 screens) and family restaurants (4) will lever in £7.8m of finance, providing 102 new jobs, adding to local employment opportunities for Doncaster and the wider City Region. Once completed it will create an annual rent, generate additional business rates and an enhanced CCQ leisure offer.

- c) **St Sepulchre Gate / Station Forecourt** - £3.7m 2019/20 (£5.3m) (funded with all SCRIF but with an additional £2.4m associated private development works directly relating to the scheme but not undertaken by the Council) – Providing a new gateway to Doncaster by redeveloping the station forecourt and access to the station from St Sepulchre Gate. The project aims to create a sense of arrival into Doncaster and define the railway station as a key gateway into the town centre. Works include the relocation of station car parking, acquisition of redundant buildings, new public realm and infrastructure works to improve safety, accessibility and visitor experience to the urban centre.

Phase 3 of the St Sepulchre Gate West project seeks to deliver the investment ambitions of Phases 1 and 2 of the scheme as set out in the business case submitted in June 2018.

The scheme involves the potential construction of an office complex at the Coroners Court location providing 2,693sqm (28,989sqft) of prime office space in which we already have interested third parties requiring office space in close proximity to the railway station.

The development of this office complex at the Coroner's Court would act as the catalyst to encourage further private investment into the St. Sepulchre Gate West area.

- d) **Quality Streets** - £0.5m 2019/20 (funded with £0.1m Council resources and £0.4m SCR Local Transport Capital Pot) – Quality Streets consists of Hall Gate and Silver Street which are identified in the Urban Centre Masterplan and are key to the delivery of the Innovation Quarter. Hall Gate is a vitally important location as it represents the key route and connectivity from the urban centre to Bennetthorpe and Doncaster Racecourse.

The changes will directly impact on the vision of Doncaster by increasing the attractiveness of these areas; complementing three earlier phases of investment, increasing footfall and retail usage and supporting the town's evening economy offer.

The project includes works to enhance the public realm (refurbishment and enhancement), changes to traffic flow on Hall Gate and evening pedestrianisation of Silver Street. There will be additional lighting features for Silver Street.

It is expected this scheme will deliver between 80 and 198 jobs.

- e) **Enterprise Market Place Phase 2 (EMP2)** - £7.5m 2019/20 to 2020/21 (funding with £1.5m SCRIF) – The scheme will realise new retail, leisure and office floor space through the development of a new mixed use building (No1 Marketplace Building) framing the northern side of the market square and creating a new city street. This development is key to changing the feel of the marketplace to ensure it is best able to respond to the wider role envisaged. No1 Marketplace building will, by enclosing the northern side of the market, provide a key anchor linking the marketplace to the Minster and Waterfront via the creation of a new street, embracing the linkages to the wider City Core. Options for this scheme are currently being reviewed.

Housing

- a) **Council House Building Programme (Committed)** – £2.8m 2019/20. 102 new Council owned affordable homes will be delivered next year through the Council's Affordable Housing building programme. The majority of the funding for these schemes was in previous years however completion is profiled in 2019/20. The major regeneration and redevelopment at the Wheatley Howards Estate will deliver 16 of these total units (in addition to the 58 units delivered previously). The remaining units will be: 20 units in Edlington, 41 in Conisborough and 25 in Balby.
- b) **Council House Building Programme (Not yet committed)** - Funding totalling £5.1m in 2019/20 (£20.6m across the four year programme) has been earmarked for further new build developments, subject to scheme approval. It is estimated this will deliver in the region of 180 additional units. A fully worked up programme is currently being developed. A housing needs survey has recently been completed and is currently under review; this will help to inform the future capital programme.
- c) **Council House Improvement and Maintenance Programme** - Funding totalling £12.3m in 2019/20, will be spent on improving and maintaining the existing Council housing stock to the Doncaster decency standard. The main focus will be on improvements to communal areas, heating conversions/upgrades, refurbishment of void properties and roof, fascia and soffit replacements.
- d) **High Rise Fire Safety Improvements** - £5.3m total has been invested previously into fire suppressant & sprinkler installations to nine high rise blocks of flats, the replacement of both lifts and improvement to the communal areas at Silverwood house. An additional £0.5m will be spent in 2019/20.

The Government has recently completed a review of building regulations (Hackitt report) and it is likely this will result in additional works to properties; this will be used to inform the future capital programme.

- e) **Energy Efficiency Works** - Funding totalling £1.8m in 2019/20 (£7.2m across the four year programme) will be spent on investment in Energy Efficiency Works to help reduce fuel poverty. The main focus will be on hard to treat properties where there is either no cavity (sometimes classed as solid wall) or a narrow cavity, where standard cavity wall insulation is not possible or viable due to the nature of the construction.

Major Transport Schemes

- a) **DN7 Unity Hatfield Link Road** - £11.9m 2019/20 (funded with £9.5m SCRIF £0.6m Corporate resource, £0.4m grant and £1.4m developer contributions). Delivery of 3km new road from J5 M18 to unlock Unity mixed use development comprising 3,100 houses, 395,000m² of commercial floor space and local centre, retail and educational facilities over a 30 year timeframe.
- b) **A630 Westmoor Link** - £7.7m (£10.3m) 2018/19 to 2019/20 (funded with £5.0m SCRIF, £3.3m National Productivity Infrastructure Fund, £0.3m Local Transport Plan (LTP) including South Yorkshire Passenger Transport Executive (SYPTTE) works and £1.7m developer contributions). This scheme sets out to deliver infrastructure improvements, including high capacity junctions and removal of a classified arterial route pinch point by widening a narrow railway overbridge over the A18. This scheme future-proofs infrastructure so that it is able to accommodate a number of planned developments in the area.

Asset protection dialogue has already commenced with Network Rail. Construction to be completed 2020/21.

Transport – Integrated Transport (IT) programmes

- a) £1.3m in 2019/20 for a range of schemes relating to Safer Roads, Network Management, Cycling and Sustainable Choices (Dropped crossings, Footways, Bus Partnership, Minor Works Package, etc.).

Environment

- a) **Highway Maintenance Programmes – £4.9m 2019/20 (£9.8m) (LTP)**

An estimated £4.9m of LTP capital funded works programmes for highways, bridges and street lighting maintenance schemes in 2019/20.

The highways works comprise of the structural, preventative and routine maintenance of the classified and unclassified road, footway and bridges infrastructure.

This funding will support on average per year approximately; surface dressing around 25km (15.5miles) of road network, strengthening/resurfacing around 10km (6.2 miles) of local roads and reconstruction/resurfacing around 8km (5miles) of footways in 2019/20.

In addition it is anticipated that around 15,000m² of permanent patching repairs will be undertaken in 2019/20 in support of pothole repairs, pothole prevention measures and routine maintenance.

The capital funded schemes will be undertaken based on a prioritised selection of classified and unclassified roads and footways aimed at stabilising and improving the condition performance status of the highway

network in order to promote user safety and efficient travel and to support the local economy, investment, growth and regeneration initiatives within the borough.

- b) **Street Lighting Column Replacement** - £0.3m (£0.7m) 2019/20 to 2020/21 (funded with Council resources) – for the replacement of existing street lighting columns, re-using the existing LED light fittings.

Trading

- a) **Retained Public Building Investment Programme** - £1.0m (£1.8m) 2019/20 to 2020/21 (funded with Council resources). This is an annual programme to enhance and improve our retained building assets by addressing backlog maintenance issues. This value includes a bid made for additional resources for works to be carried out at sites including libraries; children's centres and youth centres. (see appendix 2, bid R&E 02).

Adults, Health and Well Being: -

15. The total investment managed by this Directorate is estimated to be (£31.7m) over the four year programme, with £7.2m in 2019/20. The three largest areas are Housing Adaptations £4.8m (£18.5m) and Leisure Centre improvements £1.0m (£2.0m) as well as a new bid for a further (£10.0m) investment in Leisure Facilities over the next four years which will fundamentally improve leisure services (further information for this bid can be seen in appendix 2 bid reference AHWB 02).

16. A further analysis is shown in Appendix 1b of the Appendix pack:

- a) **DFG/Adaptations** - 1,200 housing adaptations for the disabled are estimated to be completed per year, with an estimated funding package of £4.8m (£18.5m). Additional funding has recently been announced that the Council will be bidding for.
- b) **Doncaster Culture and Leisure Trust** - This is the second year of a 3 year programme with (£2m) remaining. £1m is estimated to be used on fabric maintenance and system replacement in 2019/20, mainly at Adwick, Dearne Valley and the Dome.

Corporate Resources: -

17. Corporate Resources are estimated to manage (£60.8m) of funds over the four year programme, with £19.5m in 2019/20. The major area of spend managed is investment in ICT £3.6m (£4.4m). The balance for the Investment and Modernisation Fund allocation, which is to be increased to £12.5m (£50m), is held within this directorate.

18. Also held within Corporate Resources is a bid for the flexible use of capital receipts £3.0m (£6.0m). This allows the Council to fund revenue expenditure that is forecast to generate ongoing service savings with capital receipts. As a requirement for the flexible use of capital receipts the Council must produce a flexible use of capital receipts strategy which is included for approval in paragraphs 32 to 37. This is the first time the Council will be using this Government direction.

19. A further analysis is shown in Appendix 1c of the Appendix pack.

- a) The £3.6m (£4.4m) of investment in technology is informed by the Council's Technology Forward Plan agreed by the Council's Technology Governance Board focused on ensuring the key objectives of the Council are met. This includes Doncaster Growing Together, the Council's Corporate Plan, Directorate and Service priorities to achieve all that the Council must as well as ensuring the Council continues to operate on a daily basis efficiently, legally and securely. This includes ensuring the Council's technical infrastructure is refreshed and maintained; business critical service delivery systems are refreshed and maintained and the introduction of new technologies. In particular, this includes the essential upgrade of all systems infrastructure, devices and desktops to comply with new operating system and desktop versions being introduced nationally in 2020 that are needed to ensure the organisation can still function and is fully protected from cyber- attacks. In addition, the implementation of the new Integrated People solution across children and adult social care and education management continues to progress as planned with use of the solution starting in 2019/20 using a phased approach providing whole family intelligence and enabling the reduction of many systems and data sources that are costly to support and maintain. More integrated joined up solutions will also be introduced for place based services thereafter providing intelligence to better target services and improve decision making.
- b) £12.5m (£50.0m) IMF available to fund projects which deliver more efficient services and enable further revenue savings; further detail is provided in paragraph 31.

Learning and Opportunities – Children and Young People: -

20. The total investment via this Directorate is estimated to be £33.2m over the four year programme, with £12.7m in 2019/20. The major areas of investment are creating additional School Places, including a new special school £6.8m (£18.4m), the Schools Condition Programme £2.0m (£6.0m) and the School Roofs Programme £0.7m (£2.3m). It is important to note that these programmes are in development and so are subject to change, if for example cost estimates change or schools leave the Council's control. A further analysis is shown in Appendix 1d of the Appendix pack.

21. The bids received during the budget setting process are provided in Appendix 2 of the Appendix pack.

22. Considerable amounts of effort and investment are being made to improve the condition of our schools and create new school places. The main outcomes for this Directorate and more detail on the school building improvements is below:-

- a) **Schools Condition Programme** - Overall fifteen schools are estimated to have a range of improvements works completed in 2019/20, a single school may have more than one type of improvement work carried out,

including roof replacement, electrical and lighting upgrades, window replacement and heating system improvements, investing £1.3m

- Four schools will have a range of electrical work completed including mains and lighting upgraded £0.24m
- Six schools will have a range of heating, boiler and pipework improvements at an estimated cost of £0.41m;
- Nine schools will have a range of fabric work completed including drainage work, roof work, windows replaced and fascia boards investing £0.61m;

The Schools Condition Programme will be refined and the values and locations are subject to change once detailed design has been completed. Any significant amendments will be agreed with the Portfolio Holder / Cabinet for this area and updates will be available through the quarterly Finance and Performance Improvement report to Cabinet and Overview and Scrutiny Management Committee.

Social, Emotional, Mental Health (SEMH) Provision and Alternative Provision allocation included at £1.1m – further information can be seen in Appendix 2 bid LOCYP 03.

Investment for the Armthorpe Academy which is dependent upon and cannot proceed without capital receipts from an external land sale at the site. Further information can be found in appendix 2 (LOCYP 02).

- b) **Doncaster Children's Services Trust** – Doncaster Children's Services Trust has funding of (£1.5m) over the four year programme, with £0.5m in 2019/20. The schemes are for the construction and acquisition of accommodation for care leavers which will reduce annual revenue expenditure.

The projects listed on Appendix 1d of the Appendix pack, have estimated values attached to them but the level of work leaves very little contingency compared to the overall programme of works. Should unexpected and urgent works be required or the estimated value of works increase, some projects will have to be delayed or cancelled to manage within the resources available.

Links to the Medium-term Financial Forecast (MTFF)

23. All capital investment must be sustainable in the long term through revenue support by the Council or its partners. All capital investment decisions consider the revenue implication both in terms of servicing the finance and running costs of the new assets. The impact of the revenue implications is a significant factor in determining approval of projects. The use of capital resources has been fully taken into account in the production of the Council's MTFF.

Asset Sales and Capital Receipts

24. To deliver the priorities, the Council needs to generate income by selling assets to generate capital receipts. Over the next four years the Council has estimated £58.3m will be received from sales of land and buildings via the general fund disposal programme. It is currently projected that there will be a shortfall in general fund capital receipts of £5.2m in 2018/19 caused by delayed delivery in the current and previous years (this shortfall could increase further if the current estimated sales for 2018/19 are not achieved). This reduces the balance available over the four year programme to £53.1m.
25. Existing commitments to be financed with capital receipts total £19.2m (Appendix 3a and b of the Appendix pack), with new proposals totalling £20.3m (Appendix 3c of the Appendix pack).
26. If the planned capital receipts are not generated or are below the estimated values the Council will need to review the capital programme. This may mean that the Council is unable to progress all the schemes, some schemes may need to be rescheduled or have values revised. In cases where schemes are left unfinanced until the capital receipt is available, additional borrowing costs will be incurred.
27. The tables below show the existing capital receipts, and both commitments and new proposals for 2019/20 to 2022/23: -

	19/20 £m	20/21 £m	21/22 £m	22/23 £m	Total £m
Approved Committed Projects – App 3a	6.940	2.118	0.000	0.000	9.058
Approved Uncommitted Projects – App 3b	7.660	1.590	0.829	0.050	10.129
New Proposals – App 3c	5.089	9.990	2.932	2.275	20.286
Total Capital Receipts Required	19.689	13.698	3.761	2.325	39.473
Estimated Capital Receipts:					
Carried forward	(5.215)	0.180	0.067	0.218	(5.215)
In-year capital receipts	25.084	13.585	3.912	15.762	58.343
Total Est. Capital Receipts	19.869	13.765	3.979	15.980	53.128
Cumulative Balance (to c/f)	0.180	0.067	0.218	13.655	13.655

28. The disposal programme is dependent upon a low number of high value assets. If any of these assets were to fail to sell, slip to another financial year or not achieve the estimated sale price it would be detrimental to the amount of capital receipts available. The capital receipts position is very tight over the first three years of the proposed capital programme with little room for slippage. As these are estimates the sale price may vary as well as the timings of the sales.

Future Capital Allocations and Funding

29. Funding allocations will continue to be used in line with the relevant legislation or funding guidance. For funding that allows the Council discretion on how it is used and any new funding allocations made during the year, the Chief

Financial Officer will confirm to which part of the capital programme it will be applied.

30. The Chief Financial Officer will also approve requests to amend the use of capital receipts during the year after consultation with the Mayor and these will be reported quarterly to Cabinet as part of the Finance and Performance Improvement report.

Investment and Modernisation Fund (IMF)

31. The IMF allocation is being increased back up to £50.0m to be available over the four year programme. Examples of projects to be funded over the four year programme include: -
- a) The Herten Triangle development;
 - b) Fleet and Plant replacement programme;
 - c) Civic and Cultural Quarter cinema development.

Flexible use of Capital Receipts Strategy

32. The flexible use of capital receipts strategy has been prepared in accordance with guidance issued by the Secretary of State under section 15 (1)(a) of the Local Government Act 2003, effective from 1st April 2016 in respect of the Flexible Use of Capital Receipts. This allows the Council to fund expenditure, up to and including 2021/22, with capital receipts that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in such a way that it reduces costs or demand for services in future years. Examples of qualifying expenditure are:

- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Sharing back-office and administrative services with one or more other council or public sector bodies; and
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others).

33. Implementation and progress of the projects within this strategy will be monitored as part of regular financial reporting arrangements, and funding allocated accordingly up to the maximum figure included in the capital programme. If it is deemed there are more cost effective or efficient uses of the receipts flexibility on projects not listed in the table below or further receipts are made available, this strategy will be replaced by a revised strategy, which will be approved by Cabinet in the quarterly monitoring report. A copy will also be sent to the Ministry of Housing, Communities & Local Government.

Impact upon Prudential Indicators

34. The council will have due regard to the requirements to the Prudential Code and ensure there is not a detrimental impact upon the prudential indicators.

35. All schemes which are eventually deemed to qualify under this programme will have the required costs funded through capital receipts rather than revenue funding streams.

Planned use of the flexibility

36. The Council plans to set aside £3m in 2019/20 and a further £3m in 2020/21. In accordance with the guidance issued, the planned use in 2019/20 is set out below. All the projects will contribute towards the Council's savings target in 2019/20. The 2020/21 plan is subject to future planning.

Project	Aim of the project
Portfolio Office	To fund a Portfolio Office within the Council's Strategy and Performance Unit which will provide portfolio and programme management support to the Doncaster Growing Together portfolio and Council's corporate programmes. Portfolio management allows for the prioritisation of programmes and projects, the identification of interdependencies and cross-cutting risks and should ensure that collectively programmes are aligned to organisational strategies. The Portfolio Office will set the standard in terms of good governance and effective programme management.
DIPS Recruitment Integrated People Solution	To fund temporary resources of three Business Analysts and DCST Subject Matter Experts and associated resources, this extra staffing is required as the current resources do not have the required expertise in children's and adults services.
DCST additional funding	Extra funding for Doncaster Children's Services Trust (DCST) for Innovation funding. This funding will contribute to ongoing revenue savings and the avoidance of future expenditure.
Commissioning Contracts Team	Funding for procurement / recruitment of additional Commissioning and Contracts team resources on an initial twelve month basis. Delivering effective commissioning and contract management is right at the heart of our Transformational ambitions. Indeed, the inputs of the Commissioning and Contracts team are critical to the success of the vast bulk of transformation / improvement projects that are either already underway or planned. Crucially, the move towards the development of a strategic commissioning approach with external partners is a key element of the Doncaster Place Plan. This will include moves towards joint commissioning arrangements where appropriate / achievable.
Workforce	Severance costs from the reconfiguration and downsizing of the council's workforce.

Capital Strategy

37. The Capital Strategy outlines the principles and decision making process involved when approving Doncaster Council's capital programme explaining how the Council prioritises, finances and manages capital schemes.
38. Spending is included within the capital programme where the Council expects it to result in future economic (asset value) or service (asset performance or life) benefits. This covers both purchase of new long-term assets and improvements to existing ones, and is consistent with the approach required in the CIPFA Code of Practice in Local Authority Accounting. Some of the Council's spending allocations are to either purchase or improve an asset belonging to another organisation or individual, such as housing adaptations for the disabled, in these circumstances, we include the expenditure in the capital programme for budget setting and monitoring processes, but follow the Code of Practice's requirements for accounting treatment to ensure it does not increase the net worth shown on our Balance Sheet.
39. A prudent low risk approach is taken with the capital programme; spend needs to be aligned to council objectives e.g. through the regeneration of the borough, improved infrastructure and effective operation of services. This is achieved by ensuring the Council:
- a. Maximises the use of assets over their useful life ensuring they are kept in appropriate operational condition for continual delivery of services;
 - b. Strategic projects that deliver our ambitions as a Council to improve education, housing, infrastructure, retail, leisure and culture, as well as attracting investors and visitors to the borough; and
 - c. Improves the revenue budget position through maximising the use of capital funding e.g. rationalisation of buildings and investment in Care Leavers Housing Provision to reduce on-going costs.
 - d. If designed to yield returns a capital scheme must be within the borough, deliver regeneration and meet the criteria set out in paragraphs 45 to 50.
40. Further information is provided below on the overall priorities and key strategies that influence the capital programme:

The Council's Corporate Objectives and Priorities

41. The Council's priorities are summarised by five themes in both the Corporate Plan and four year Borough Strategy, Doncaster Growing Together. The five themes are:
- a) Doncaster Learning – Learning that prepares all young people and adults for a life that is fulfilling;
 - b) Doncaster Working – More people are able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future
 - c) Doncaster Caring – A borough that cares together for its most vulnerable residents
 - d) Doncaster Living – Doncaster's people live in a borough that is vibrant and full of opportunity, where people enjoy spending time

e) Connected Council - A Connected Council, ready for the future.

42. The strategies and plans influencing the capital programme include:

- a) **Medium-term Financial Forecast (MTFF)** - All capital investment must be sustainable in the long term through revenue support by the Council or its partners. All capital investment decisions consider the revenue implication both in terms of servicing the finance and running costs of the new assets. The impact of the revenue implications is a significant factor in determining approval of projects. The use of capital resources has been fully taken into account in the production of the Council's MTFF.
- b) **Asset Management Strategy 2017-2022** - Sets out actions to be taken to the Council's property portfolio to ensure it stays relevant and retains its financial and organisational value with clear guidance about how assets will be used, maintained and where appropriate, disposed of.
- c) **Housing Strategy** - A clear strategy for responding to current and future housing needs is an essential requirement for borough growth and improvement. The availability and quality of housing has a direct impact on health, educational attainment, economic prosperity and community safety and cohesion – all of which are critical to Doncaster's success and to the wellbeing of our residents and visitors.
- d) **Treasury Management Strategy Statement** - details the strategy for management of the Council finances and provides a framework for the operation of the treasury management function within the Council. Treasury management makes sure that sufficient cash is available to meet service delivery in line with the approved Capital and Revenue Budgets.

The Minimum Revenue Provision (MRP) policy adopted by the Council is outlined within the Treasury Strategy.

- e) The Council's previous ICT Strategy has expired and a **Technology Strategy 2018-22** is currently being finalised for consideration. This will assist the Council in planning how it will seek to maximise the use of technology to enable the Council over the next few years. The purpose being to achieve the following:
 - A technology vision and plan that enables the Council's business objectives and priorities;
 - To ensure changing customer/citizen expectations are met in an ever-changing world;
 - The continuation of the modernisation of service delivery and how staff operate; and
 - To continue the streamlining of the behind the scenes operating model to assist in meeting increased demand within an ever-reducing budget.
- f) It includes 3 themes to deliver against –
 - **A Smarter Doncaster** based around our Doncaster Growing Together objectives – Living, Working, Caring & Learning; Connected Council;
 - **A Smarter Council** – Less Systems, Smart Agile Desktop, Data Driven and More Cloud Platforms;
 - **A More Innovative Council** – Drones, Internet of Things, Artificial Intelligence and Autonomous Vehicles.

Maintenance and review of current Assets

43. The Council must ensure that its assets remain at an appropriate level of condition in order for them to be used for the delivery of services, in accordance with the Council priorities.
44. The following programmes of maintenance, replacement and acquisition are used for the review of current assets and future requirement:

- a) **School condition programme** – planned maintenance across Doncaster’s Maintained Schools. The programme will cover schemes for mechanical (heating and ventilation), electrical (lighting and Mains upgrades) and building fabric improvements (windows etc.). The work is identified through the annual building surveys and a review of any data that has been collected through call outs or emergency repairs as well comments from regulatory inspections (OFSTED and Safeguarding).

By delivering the programme the Council will ensure the school buildings remain open and ensure pupil places are not at risk due to condition issues within the premises. The lighting, mechanical and mains upgrades will ensure all statutory requirements as set out in the condition reports held by the Council are met.

- b) **Highways** - supports the ongoing permanent repair and structural maintenance of all of the adopted highway assets including carriageways, footways, street lighting and bridges. Works to be carried out are based on condition surveys which are carried out annually.

Planned structural schemes will be selected and funding allocated on a priority basis reflective of condition, usage, risk and affordability in order to ensure the Council meets its statutory duty and obligations in safely maintaining the highway network and in providing safe passage for highway users.

- c) **Responsive Asset Management Plan (RAMP)** – development of directorate specific plans to inform decision making and bring asset use further up the agenda. Will provide information used to identify and prioritise the maintenance requirements of current assets.
- d) **Investment Portfolio Review** – a reporting mechanism to allow robust and informed management decision making relating to;
- Asset performance
 - Investment, acquisition and disposal opportunities
 - Benchmarking against other authorities
- e) **Fleet replacement** – factors such as condition, mileage and current utilisation levels are all taken into consideration when deciding if vehicles which currently form part of the Council’s fleet should be disposed of, maintained or replaced.
- f) **Retained Buildings Improvement** - Investment to address condition related projects to ensure buildings remain fit for purpose, in operation and safe.
- g) **Housing** - improvements and maintenance of the existing Council housing stock to maintain the Doncaster decency standard. The main focus will be

on improvements to communal areas, heating conversions/upgrades, refurbishment of void properties and roof, fascia and soffit replacements. There will be further investment in Energy Efficiency Works to help reduce fuel poverty.

Non-Financial Investments

45. The Council holds some assets to primarily or partially generate rental income and appreciation in value.
46. All investment assets are revalued annually at fair value to give an accurate indication of the receipt that could be generated to recover any capital investment.
47. It is anticipated that the properties will increase in value over the long term providing an increase in the capital value of the investment as well as the investment return. There is a risk the capital value could fall reducing the capital returned on disposal depending upon market conditions.
48. The key considerations when purchasing a property for investment purposes are:
 - a) Targeted Returns of 7%
 - b) Investment range between 5% & 12% (hurdle rate for consideration 5%)
 - c) When weighing up an investment the rental yield will be used to ensure the hurdle rate is reached i.e. an investment property with a capital value of £1m should return at least £50k pa after costs to meet the criteria. This will take into account any costs of management of the property.
 - d) Reporting will also outline the expected capital appreciation for the property and the overall IRR (Internal Rate of Return).
 - e) Clear risk management through a balanced portfolio approach and link with the Treasury Management Strategy Statement as a whole;
 - f) Due diligence will be carried out on all potential properties. This will include:
 - Full Survey and valuation of the buildings;
 - Review of leases ensuring they are FRI (Full repair and insuring) and there is a clear service charge where needed covering 100% of all costs of maintenance;
 - Review of tenant covenants including credit checks to ensure tenants are a low risk category and yields are appropriately set;
 - Full book appraisal of service charge accounts to ensure these have been managed appropriately;
 - Review of all contracts in place for the management of service charge contracts.
49. The investment portfolio review will be used to monitor the performance and value of the existing investment properties held by the Council.

Funding Sources

50. The capital programme budget is financed using the most appropriate funding sources to maximise the overall financial position for the Council. Throughout the year this is continuously monitored and the Section 151 officer will update capital financing accordingly to ensure the most advantageous financial position is achieved. The strategy seeks to maximise external funding as a priority, followed by internal capital funding sources i.e. capital receipts, with

the least preferred option being borrowing. This protects the limited corporate resources available and maximises the revenue budget position.

51. The resources used for the delivery of the capital programme are:

- a) **Grants/Contributions** - Some capital projects are financed wholly or partly through external grants and contributions e.g. grants from central government and developer contributions.

Grants from external sources are a valuable source of capital finance for the Council and have enabled the Council to realise a substantial number of capital developments that would otherwise have been unable to progress.

- b) **Capital Receipts** – generated through the sale of surplus land and building assets.

A disposals programme has been approved by Cabinet up to 2021/22. Reviews account for legal and planning restrictions and include ward member consultation.

The timing of the receipts takes into account, where possible, other Council led disposals (Strategic Housing) and known local private sector supply. An example of this is at Lakeside where a number of competing Council owned sites programmed to be marketed simultaneously, with on-going developer activity in the area, risked low demand and reduced receipts. The programme also aims to create a spread of disposals in terms of scale as well as geographical location, to promote development across the borough.

Strategic Asset Management continues to review smaller scale disposals and will bring these sites forward on a continuing basis for approval.

Failure to deliver asset sales in the specified timeframe or at the estimated value could lead to proposed schemes being rejected or delayed. Alternatively, schemes could be funded through additional borrowing but the impact upon revenue budgets would have to be reviewed.

- c) **Borrowing** - borrowing is where the debt costs have to be funded from the Council's revenue resources. The impact upon the revenue budget and affordability has to be taken into consideration for the MTF due to the MRP and interest charges involved. The capital schemes to be borrowed against are reviewed and the use of resources will be changed to ensure the MRP charges to be incurred maximise the revenue budget.

Borrowing limits and policies are covered in the Treasury Management Strategy Statement.

- **Local Infrastructure Rate** - Local authorities will be able to access a new Local Infrastructure Rate; this will be further considered during 2018/19. Borrowing will be available at a discounted interest rate to support infrastructure projects that are high value for money.
- **Investment and Modernisation Fund (IMF)** – the fund was set-up in 2013/14 to assist the Council to deliver better and more efficient services; without the initial capital investment these types of projects quite often do not develop. The IMF is funded by borrowing and is available for regeneration or efficiency projects where capital investment is required up front. The schemes must be proven to be affordable within the revenue budget (cover the revenue borrowing costs).

The IMF Board, is responsible for the overall control and management of the IMF and has responsibility and authority for the approval and allocation of funds to projects in line with Council policy.

All projects must be evaluated and approved by the Board on the following criteria:

- Be aligned to and contribute to Council priorities;
- Be self-financing through for example: generating revenue savings or additional income or from asset disposals;
- Carry an acceptable level of risk;
- To fit into the borrowing level approved; and
- Be within the Councils control, or where the Council has significant influence

- d) **Revenue Contribution to Capital Outlay** – the use of revenue resources to fund capital schemes. This is the least preferred option of financing due to the additional pressure it could cause upon the revenue budget. If it is to be used the impact will be taken into consideration within the MTFF.

Approval and Prioritisation of the Capital Programme

52. Relevant approval is required before a project can commence or commit to capital spend. New additions to the capital programme are approved in either the annual capital budget setting report or the quarterly monitoring report; which must be followed by a more detailed decision record.
53. During the budget setting process a targeted approach is taken to capture capital bids from key service areas such as Transport, ICT, Assets and Property, etc. To help ensure they are priorities, the bids are supported by the relevant Director before being passed to Financial Management
54. Bids are made by the completion and submission of a Capital 1 Form. The Capital 1 form aims to capture the relevant information to prove the scheme is required and if so, determine its level of priority.
55. The Capital 1 form records the Council priorities the proposed scheme will help to achieve, measurable outcomes and the potential impact if the scheme is rejected or delayed. How the scheme is expected to be financed is also required with additional scrutiny taking place on the use of capital receipts.
56. Future impact upon revenue budget requirements is also captured in order to ensure the scheme is affordable and sustainable in the long term following implementation. The pressures this could cause upon revenue budgets are taken into consideration within the MTFF.
57. Bids are ranked by priorities met, health and safety issues resolved, necessity for service continuation, financial implications.
58. The bids are then considered by all the Directors, the Mayor and Cabinet, and then if supported, included in the proposed Capital Programme considered by Full Council in March.
59. Outside of budget setting, the other main way to include a project in the capital programme is to complete a Capital 1 form and include the project in the quarterly Finance and Performance Improvement Report, which is a key decision approved at Cabinet. An Officer Decision Record (ODR) will then be required to gain specific project approval before spend can be committed to.
60. If approval is required before the next Finance and Performance Improvement report goes to Cabinet, a project specific report will be needed. Generally

projects under the key decision limit are approved by Officer Decision Record (ODR), but a full report will be needed for projects meeting the definition of a key decision. Capital decision records are approved by both the Directorate and Financial Management.

Monitoring of the Capital Programme

61. Capital projects are formally monitored as part of the quarterly Finance and Performance Improvement report by Directors and Cabinet, with updates and amendments being made on a project by project basis in-between quarterly reports, with higher value and profile projects often reviewed monthly. Budgets for projects funded by capital receipts, borrowing and ear-marked reserves are project specific and cannot be moved by Directors.
62. Project officers work with Financial Management to provide information which is collated and analysed. Exceptions (problems with delivery or spend for example) are then included in the quarterly report for information and action. The information is considered by the relevant Directorate Management Team, Directors, Executive Board and Cabinet.
63. The outturn position for capital schemes is collated at year end. Financing of the schemes is finalised and any unused budget is either rolled forward or removed.
64. Capital CP shows the original approved budget and total scheme spend. When a scheme is complete this allows the financial aims of the scheme to be assessed. Where the aims were not met, lessons can be learned, which can inform future projects and may lead to revisions in either the budgeting or monitoring processes.
65. As well as the financial aims the project outcomes should also be reviewed e.g. construction of facilities to encourage the uptake of sport and physical activity within a community has had the desired effect.

Flexible use of Capital Receipts

66. Guidance was issued by the Secretary of State under section 15 (1)(a) of the Local Government Act 2003, effective from 1st April 2016 in respect of the Flexible Use of Capital Receipts.
67. This allows the Council to fund expenditure with capital receipts that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery in such a way that reduces costs or demand for services in future years.
68. The option to use capital receipts for revenue transformation purposes is currently available up to 2021/22.
69. The Council is going to use capital receipts in this way and is required to produce a Flexible use of Capital Receipts Strategy before the start of the year to be approved at full Council. This contained within paragraphs 32 to 36.

Skills and Knowledge

70. The Council has many years' experience of delivering capital programmes and uses this experience to evaluate new proposals, monitor on-going capital investment and manage any risks that may arise.
71. Capital investments are reviewed under a robust approval process that receives input from appropriately qualified and skilled finance professionals and receives scrutiny from Elected Members.

72. If additional skills and knowledge requirements are identified, the Council will source appropriate specialist skills and knowledge to supplement and, where possible, upskill Members and in-house staff.

OPTIONS CONSIDERED

73. Option 1 – Do not support the Capital Strategy, Flexible use of Capital Receipts Strategy and proposal for the 2018/19 to 2021/22 Capital budget.

74. Option 2 – Council approve the Capital Strategy, Flexible use of Capital Receipts Strategy and proposal for the 2018/19 to 2021/22 Capital budget.

REASONS FOR RECOMMENDED OPTION

75. Option 2 has been adopted, approving the Capital Strategy, Flexible use of Capital Receipts Strategy and allowing the Council to carry out the four year Capital programme financed with available resources. This will bring about the investment required for the regeneration and improvements highlighted within the report.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

76. These are detailed in the table below: -

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>Council budget therefore impacts on all outcomes</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p>	

	<ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	

RISKS AND ASSUMPTIONS

77. Specific risks and assumptions have been detailed in the report. Specific risks to highlight are: -
- a. the risk of asset sales being delayed or being delivered at a lower value than estimated.
 - b. Should the funding for Education be lower than estimated, this would mean that programmes of work would have to be reviewed and revised.

LEGAL IMPLICATIONS [Officer Initials: SF Date: 28.01.19]

78. In accordance with the provisions of the Local Government Act 2003, a local authority may borrow money – (a) for any purpose relevant to its functions under any enactment, or (b) for the purposes of the prudent management of its financial affairs.
79. Each individual drawdown of Capital funds of one million pounds or more will require further approval by the Chief Financial Officer, in consultation with the relevant Portfolio Holder in accordance with Financial Procedure Rules.
80. Further, specific legal advice will be required as each project progresses. Advice will be required when utilising external funding streams in order to ensure that the council's best interests are protected. Each individual project should be procured in accordance with Contract Procedure Rules and EU Procurement Regulations as appropriate.

FINANCIAL IMPLICATIONS [Officer Initials: RI Date: 07.01.19]

81. Financial implications are contained within the body of the report. Specific project approval will be required for each project as they are developed as per the Financial Procedure Rules. These will help to ensure that the capital programme remains affordable as projects will not start until the required funding has been identified.

82. The use of borrowing to fund projects such as the Investment and Modernisation Fund will be managed within the prudential indicators as approved in the Council's Treasury Management Strategy Statement. The Chief Finance Officer and Assistant Director of Finance have delegated powers through this policy to make the most appropriate form of borrowing from approved sources. The borrowing will therefore be incorporated within the Council's four year capital programme for 2019/20 to 2022/23.

HUMAN RESOURCES IMPLICATIONS [Officer Initials: KG Date: 01.02.2019]

83. There are no immediate HR imps identified within this report, however once post reduction numbers are known (see point 37) further advice should be sought from the relevant Directorate Team.

TECHNOLOGY IMPLICATIONS [Officer Initials: PW Date: 25.01.2019]

84. As outlined above, the capital programme includes investment in technology that has been informed by the Council's Technology Forward Plan agreed by the Council's Technology Governance Board. The report covers many other areas and activity of work for the Council. For the majority of the items listed in the report there are no technology implications. However, as part of the implementation of the individual projects any requirements for new, enhanced or replacement technology to support the delivery of proposals outlined in the report will need to be considered and prioritised by the Technology Governance Board..

HEALTH IMPLICATIONS [Officer Initials: CH Date: 22.01.2019]

85. The choices the council makes in both raising and allocating capital budgets will impact on the health of the population. In general 20% of what contributes to health is due to clinical care, 30% due to behavioural factors, 40% due to socio-economic factors and 10% due to the built environment. Within the financial resources available this paper sets out clearly the broad areas of capital investment in culture, housing, leisure and infrastructure should support increasing physical activity and reducing social isolation. Work on fire safety will contribute to protecting health, street lighting and other environmental improvements may also increase physical activity and support for school infrastructure is crucial for learning. Where ever possible capital investments should seek to maximise social value consider long term social, environmental and economic sustainability and resilience. Where further cabinet reports are required report authors should consider the need for formal health impact assessments or early involvement of the public health team to minimise unintended impacts on health. Health impacts should also be addressed in the due regard statements that are developed alongside these further reports.

EQUALITY IMPLICATIONS [Officer Initials: RI Date: 23.01.19]

86. The Council must consider and have due regard to the three aims of the general equality duty when developing and implementing the council's Medium Term Financial Forecast. The Council will ensure it makes fair and informed financial decisions, demonstrating its commitment to improving outcomes for the most vulnerable groups of people living in Doncaster. The weight given to the general duty will depend on how that area of work affects

discrimination, equality of opportunity and good relations. For example; decisions on social care or community safety are likely to be more relevant and have greater impact on equality than those on waste disposal. The Council uses a simple due regard process to ensure due regard is considered and to support a transparent, effective process that is accountable to users and residents. Amongst others, the “due regard” will be informed by establishing the key equality issues across Doncaster, undertaking appropriate consultation and prioritising the projects.

87. Whilst no due regard statement has been completed as part of this report, all projects and programmes agreed during the programme will be subject to an individual due regard statement being prepared and actioned by the relevant project manager where required.

CONSULTATION

88. The specific proposals have been considered by Directorates from September 2018. Key dates in the budget timetable leading up to Council approving the budget on the 4th March 2019 are detailed below: -

- Government's Autumn Budget – 29th October, 2018
- Union consultation – 30th January, 2019
- Overview & Scrutiny Management Committee (OSMC) consultation – 7th February 2019
- Cabinet – Council reports – 12th February, 2019.
- Council – 4th March, 2019

89. Where required, specific consultation will take place on individual projects prior to implementation.

BACKGROUND PAPERS

- Cabinet Report – Finance and Performance Improvement Report: 2018-19 Quarter 1
<https://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=2864>
- Cabinet Report – Finance and Performance Improvement Report: 2018-19 Quarter 2
<https://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=3068>

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**Steve Mawson
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Appendices Contents

Title	
Appendix 1a to 1e	Capital Schemes by Directorate
Appendix 2	New Proposals to the Capital Programme
Appendix 3	Use of Capital Receipts

CAPITAL PROGRAMME 2019/20 TO 2022/23 - DIRECTORATE SUMMARY (INCLUDING NEW PROPOSALS)

DIRECTORATE & SERVICE AREAS	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
					£'000s
ADULTS, HEALTH & WELL-BEING					
ADULT SOCIAL CARE	4,791	4,831	4,437	4,437	18,496
COMMUNITIES	292	80	0	0	372
MODERNISATION AND COMMISSIONING	295	0	0	0	295
PUBLIC HEALTH	1,800	6,357	2,486	1,857	12,500
ADULTS, HEALTH & WELL-BEING TOTAL	7,178	11,268	6,923	6,294	31,663
CORPORATE RESOURCES					
CUSTOMERS, DIGITAL & ICT	3,597	834	0	0	4,431
FINANCE	12,670	12,500	12,500	12,500	50,170
DEMOCRATIC SERVICES	70	0	0	0	70
HR, COMMS & EXEC OFFICE	132	0	0	0	132
FLEXIBLE USE OF CAPITAL RECEIPTS	3,000	3,000			6,000
CORPORATE RESOURCES TOTAL	19,469	16,334	12,500	12,500	60,803
LEARNING & OPPORTUNITIES - CHILDREN & YOUNG PEOPLE					
CENTRALLY MANAGED	200	200	200	0	600
COMMISSIONING & BUSINESS DEVELOPMENT	10,808	13,071	5,780	0	29,659
PARTNERSHIPS & OPERATIONAL DELIVERY	1,232	136	0	0	1,368
CHILDREN'S TRUST	477	298	779	0	1,554
LEARNING & OPPORTUNITIES - CHILDREN & YOUNG PEOPLE TOTAL	12,717	13,705	6,759	0	33,181
REGENERATION & ENVIRONMENT					
DEVELOPMENT - STRATEGIC INFRASTRUCTURE	45,445	11,268	1,500	0	58,213
DEVELOPMENT - STRATEGIC HOUSING	30,445	27,346	26,198	25,890	109,879
ENVIRONMENT	7,572	5,294	50	50	12,966
TRADING & ASSETS	12,815	2,656	447	418	16,336
REGENERATION & ENVIRONMENT TOTAL	96,277	46,564	28,195	26,358	197,394
TOTAL DMBC CAPITAL PROGRAMME WITH NEW PROPOSALS	135,641	87,871	54,377	45,152	323,041
CAPITAL FUNDING					
CAPITAL RECEIPTS - GF	19,689	13,698	3,761	2,325	39,473
MINIMUM REVENUE PROVISION	500	0	0	0	500
EARMARKED RESERVES	1	0	0	0	1
GRANTS & CONTRIBUTIONS	46,094	28,429	9,725	2,244	86,492
BORROWING	36,591	15,740	12,528	12,528	77,387
REVENUE CONTRIBUTION - GENERAL FUND	103	100	0	0	203
REVENUE CONTRIBUTION - HRA	6,828	5,887	6,970	7,605	27,290
USABLE CAPITAL RECEIPTS (HOUSING)	7,487	3,788	2,265	2,265	15,805
MAJOR REPAIRS RESERVE (HOUSING)	18,348	20,229	19,128	18,185	75,890
TOTAL CAPITAL FUNDING	135,641	87,871	54,377	45,152	323,041

ADULTS, HEALTH & WELL-BEING CAPITAL PROGRAMME 2019/20 TO 2022/23

CAPITAL INVESTMENT	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
ADULT SOCIAL CARE	4,791	4,831	4,437	4,437	18,496
ADAPTATIONS FOR THE DISABLED	1,900	1,900	1,900	1,900	7,600
DISABLED FACILITIES GRANTS	2,794	2,931	2,537	2,537	10,799
EDEN LODGE NEW LIFT SHAFT	97				97
COMMUNITIES	292	80			372
LIBRARIES & CULTURE	284	80			364
HERITAGE ASSET IMPROVEMENTS	284	80			364
COMMUNITIES	8				8
FAR FIELD-EDENTHORPE	7				7
MERE LANE EDENTHORPE	1				1
MODERNISATION AND COMMISSIONING	295				295
COMMUNITY INFRASTRUCTURE - CUSTOMER JOURNEY	295				295
PUBLIC HEALTH	1,800	6,357	2,486	1,857	12,500
DONCASTER LEISURE TRUST	1,000	1,000			2,000
CLOSED ROAD CYCLE CIRCUIT	500				500
LEISURE FACILITIES INVESTMENT	300	5,357	2,486	1,857	10,000
ADULTS, HEALTH & WELL-BEING CAPITAL PROGRAMME	7,178	11,268	6,923	6,294	31,663

ADULTS, HEALTH & WELL-BEING CAPITAL SOURCES OF FUNDING	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
CAPITAL RECEIPTS - GF	1,976	6,437	2,485	1,857	12,755
MINIMUM REVENUE PROVISION	500				500
EARMARKED RESERVES	1				1
GRANTS & CONTRIBUTIONS	2,279	2,273	2,273	2,272	9,097
USABLE CAPITAL RECEIPTS (HOUSING)	522	658	265	265	1,710
MAJOR REPAIRS RESERVE (HOUSING)	1,900	1,900	1,900	1,900	7,600
TOTAL ADULTS, HEALTH & WELL-BEING CAPITAL PROGRAMME FUNDING	7,178	11,268	6,923	6,294	31,663

CORPORATE RESOURCES CAPITAL PROGRAMME 2019/20 TO 2022/23

CAPITAL INVESTMENT	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s
CUSTOMERS, DIGITAL & ICT	3,597	834			4,431
NEW EMAIL PLATFORM	150				150
ICT DESKTOP & MOBILE UPGRADE	470	400			870
NETWORKING (WAN)	380	140			520
PHYSICAL SERVERS	87	83			170
ICT CORPORATE STORAGE (SAN)		100			100
VMWARE VIRTUAL SERVERS	250				250
DONCASTER INTEGRATED PEOPLE SOLUTIONS (DIPS)	908	111			1,019
SUPERFAST BROADBAND	780				780
COUNCIL WIDE SYSTEMS	572				572
FINANCE	15,670	15,500	12,500	12,500	56,170
ERP (FINANCIAL SYSTEMS)	170				170
INVESTMENT & MODERNISATION FUND	12,500	12,500	12,500	12,500	50,000
FLEXIBLE USE OF CAPITAL RECEIPTS	3,000	3,000			6,000
DEMOCRATIC SERVICES	70				70
VOTING AND CONFERENCE SYSTEM	70				70
HR, COMMS & EXEC OFFICE	132				132
HR/PAYROLL SYSTEM	132				132
CORPORATE RESOURCES CAPITAL PROGRAMME	19,469	16,334	12,500	12,500	60,803

CORPORATE RESOURCES CAPITAL SOURCES OF FUNDING	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s
CAPITAL RECEIPTS - GF	6,089	3,734			9,823
BORROWING	13,280	12,500	12,500	12,500	50,780
REVENUE CONTRIBUTION - GENERAL FUND	100	100			200
TOTAL CORPORATE RESOURCES CAPITAL PROGRAMME FUNDING	19,469	16,334	12,500	12,500	60,803

LEARNING & OPPORTUNITIES - CHILDREN AND YOUNG PEOPLE'S CAPITAL PROGRAMME 2019/20 TO 2022/23

CAPITAL INVESTMENT	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
					£'000s
CENTRALLY MANAGED	200	200	200		600
LO-CYP SERVICE IMPROVEMENTS & LIABILITY	200	200	200		600
PARTNERSHIPS & OPERATIONAL DELIVERY	1,232	136			1,368
SPECIAL EDUCATIONAL NEEDS AND DISABILITY (SEND) ASD DEVELOPMENT		136			136
SEND HEATHERWOOD	150				150
SOCIAL, EOTIONAL AND MENTAL HEALTH (SEMH) PROVISION AND ALTERNATIVE PROVISION	1,082				1,082
COMMISSIONING & BUSINESS DEVELOPMENT	11,285	13,369	6,559		31,213
SCHOOL ORGANISATION	9,881	12,671	5,380		27,932
SAFEGUARD&SECURE MINOR PROJECT	280	80	80		440
SCHOOL PLACES-BLOCK ALLOCATION	100	600	300		1,000
LAKESIDE PRIMARY SCHOOL PLACES	180				180
SURPLUS PLACES ARMTHORPE		2,250	2,250		4,500
NEW SPECIAL SCHOOL	3,821	3,441			7,262
SCHOOL PLACES HATCHELL GRANGE	1,250	1,250			2,500
SCHOOL PLACES ROSSINGTON PRIMARIE	1,500	1,500			3,000
ARMTHORPE ACADEMY LAND PURCHAS		800			800
SCHOOL ROOFS PROGRAMME	750	750	750		2,250
SCHOOLS CONDITION PROGRAMME	2,000	2,000	2,000		6,000
SCHOOLS	827	300	300		1,427
DEVOLVED FORMULA CAPITAL - SCHOOLS	827	300	300		1,427
COMMISSIONING	1,054	696	1,658		3,408
AIMING HIGH FOR DISABLED CHILDREN	100	100	100		300
CHILDREN'S TRUST	477	298	779		1,554
CARE LEAVERS HOUSING PROVISION SHELTERED ACCOMMODATION	477	298	119		894
CARE LEAVERS HOUSING PROVISION 16 -18YEAR OLDS			660		660
LEARNING & OPPORTUNITIES - CHILDREN & YOUNG PEOPLE CAPITAL PROGRAMME	12,717	13,705	6,759		33,181

LEARNING & OPPORTUNITIES - CHILDREN & YOUNG PEOPLE CAPITAL SOURCES OF FUNDING	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
					£'000s
GRANTS & CONTRIBUTIONS	12,240	12,607	5,980		30,827
CAPITAL RECEIPTS - GF	477	1,098	779		2,354
TOTAL LEARNING & OPPORTUNITIES - CHILDREN & YOUNG PEOPLE PROGRAMME FUNDING	12,717	13,705	6,759		33,181

REGENERATION & ENVIRONMENT CAPITAL PROGRAMME 2019/20 TO 2022/23

CAPITAL INVESTMENT	2019/20 PROJECTION	2020/21 PROJECTION	2021/22 PROJECTION	2022/23 PROJECTION	FOUR YEAR PROGRAMME TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s
DEVELOPMENT	75,890	38,614	27,698	25,890	168,092
INFRASTRUCTURE & MAJOR PROJECTS	45,445	11,268	1,500		58,213
URBAN CENTRE					
URBAN CENTRE DONCASTER MARKET PHASE 2	1,488	4,512	1,500		7,500
URBAN CENTRE QUALITY STREETS	569				569
URBAN CENTRE ST SEPULCHRE GATE STATION FORECOURT	3,732				3,732
URBAN CENTRE ST SEPULCHRE GATE TRAFFORD WAY IMPROVEMENT	20				20
DONCASTER GROWING TOGETHER TOWN CENTRE FWAY ENHANCEMENT	61	62			123
DGT TOWN CENT WELCOME WAYFIND	220				220
SCOT LANE ACQUISITIONS	953				953
URBAN CENTRE ST SEPULCHRE PHASE 3 OFFICE COMPLEX		1,600			1,600
CCQ					
CCQ CINEMA INFRASTRUCTURE & PUBLIC REALM	7,663	2,185			9,848
OTHER					
LAKESIDE 1 GENERAL	208				208
NEW CENTRAL LIBRARY AND MUSEUM	10,898	282			11,180
TRANSPORT					
DN7 HATFIELD LINK ROAD PROJECT	11,943				11,943
SCRIF-A630 WEST MOOR LINK	7,690	2,627			10,317
STRATEGIC HOUSING	30,445	27,346	26,198	25,890	109,879
VOIDS CAPITAL WORKS	2,550	2,550	2,550	2,550	10,200
MANAGEMENT FEE	1,500	1,500	1,500	1,500	6,000
MECHANICAL & ELECTRICAL					
HEATING CONVERSIONS/UPGRADES	2,100	2,100	2,100	2,100	8,400
ELECTRICAL PLANNED WORKS	70	70	70	70	280
MECHANICAL PLANNED WORKS	250	120	120	120	610
LIFTS	20	160			180
INTERNAL WORKS	1,200	1,200	1,200	1,200	4,800
PLANNED WORKS FOLLOWING 20 YEARS SINCE DECENT HOMES WORK				7,000	7,000
EXTERNAL WORKS					
EXTERNAL PLANNED MAINTENANCE	5,786	4,600	4,600	4,600	19,586
STRUCTURAL	300	300	300	300	1,200
SPRINKLERS, SILVERWOOD LIFT & COMMUNALS	500				500
FIRE SAFETY WORKS	250	250	250	250	1,000
SHOPS/FLATS	265	200	200	200	865
COMMUNAL HALLS	180	100	100	100	480
COMMUNAL HALLS CONVERSIONS	1,000				1,000
THERMAL EFFICIENCY - ECO WORKS	1,800	1,800	1,800	1,800	7,200
ENVIRONMENTAL WORKS					
ENVIRONMENTAL / FENCING PROGRAMME	860	400	400	400	2,060
ASBESTOS SURVEYS & REMOVAL	800	800	800	800	3,200
GARAGE SITE IMPROVEMENTS	400	400	400	400	1,600
ESTATE ROADS & PATHS	300	200	200	200	900
IT SYSTEMS/INVESTMENT	800				800
REPLACEMENT STAIRLIFTS					
EMPTY HOMES ACQUISITIONS/BUY BACKS	600	300	300	300	1,500
COUNCIL HOUSE BUILDING PROGRAMME (COMMITTED)	2,782				2,782
COUNCIL HOUSE BUILDING PROGRAMME (NOT YET COMMITTED)	5,126	8,166	7,308		20,600
AFFORDABLE HOUSING GOODISON BOULEVARD	30				30
LANDLORD GRANTS	76				76
RESIDENTIAL SITES INVESTMENT NEEDS	900	400	400	400	2,100
HOUSING INVESTMENT		1,730	1,600	1,600	4,930
ENVIRONMENT	7,572	5,294	50	50	12,966
DEVELOPMENT & COMMISSIONING - TRANSPORT & MAINTENANCE	7,188	4,910			12,098
C307 JUBILEE BRIDGE FERRY ROAD	400				400
MAINTENANCE BLOCK	4,910	4,910			9,820
SYKEHOUSE SLOPE STABILIZATION	400				400
MAINTENANCE BLOCK CARRY FORWARD	1,478				1,478
STREET SCENE & HIGHWAYS OPERATIONS	334	334			668
STREET LIGHTING IMPROVEMENT PROGRAMME	334	334			668
REGULATION & ENFORCEMENT	50	50	50	50	200
REPLACEMENT OF DETERIORATING AIR QUALITY MONITORING STATIONS (AQMSS).	50	50	50	50	200

REGENERATION & ENVIRONMENT CAPITAL PROGRAMME 2019/20 TO 2022/23

CAPITAL INVESTMENT	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
					£'000s
TRADING & ASSETS	12,815	2,656	447	418	16,336
MARKETS	320	350	350	350	1,370
CORN EXCH & FOOD HALL ROOF REPAIR	320				320
MARKETS SCHEDULED MAINTENANCE		350	350	350	1,050
BEREAVEMENT SERVICES	118	13			131
GRAVEYARD BOUNDARY WALLS	48	13			61
SANCTUM/CREMATORIUM DECORATING	70				70
FLEET TRANSPORT	6,308	708			7,016
2 YEAR FLEET/PLANT REPLACEMENT	6,308	708			7,016
STATUTORY PLANNED MAINTENANCE	1,080	585	97	13	1,775
RETAINED PUBLIC BUILDINGS INVESTMENT PROGRAMME	1,080	585	97	13	1,775
METROCLEAN	55			55	110
CLEANING EQUIPMENT PROGRAMME	55			55	110
CORPORATE LANDLORD	4,934	1,000			5,934
HOLMESCARR CENTRE SECURITY IMPROVEMENTS	45				45
COLONNADES UNDERGROUND CAR PARK	70				70
PROPERTY INVESTMENT FUND	690				690
STRATEGIC ACQUISITION FUND	4,000	1,000			5,000
BLUE BUILDING DILAPIDATION WORKS	96				96
ELECTRIC VEHICLE CHARGING INFRASTRUCTURE	33				33
REGENERATION & ENVIRONMENT CAPITAL PROGRAMME	96,277	46,564	28,195	26,358	197,394

REGENERATION & ENVIRONMENT CAPITAL SOURCES OF FUNDING	2019/20	2020/21	2021/22	2022/23	FOUR YEAR
	PROJECTION	PROJECTION	PROJECTION	PROJECTION	PROGRAMME
	£'000s	£'000s	£'000s	£'000s	TOTAL
					£'000s
CAPITAL RECEIPTS - GF	11,147	2,429	497	468	14,541
GRANTS & CONTRIBUTIONS	31,575	13,549	1,528	28	46,680
BORROWING	23,311	3,240	-28	-28	26,495
REVENUE CONTRIBUTION - GENERAL FUND	3				3
REVENUE CONTRIBUTION - HRA	6,828	5,887	6,970	7,605	27,290
USABLE CAPITAL RECEIPTS (HOUSING)	6,965	3,130	2,000	2,000	14,095
MAJOR REPAIRS RESERVE (HOUSING)	16,448	18,329	17,228	16,285	68,290
TOTAL REGENERATION & ENVIRONMENT CAPITAL PROGRAMME	96,277	46,564	28,195	26,358	197,394

New Proposals to the Capital Programme

2019/20 values are listed first and four year programme total values in brackets.

Some inclusions are funded by capital receipts and to identify them they are allocated a CR reference in addition to the Directorate specific reference.

Corporate Resources

CR04 CORPRES 01 Voting and Conference System, Audio and Visual Recording Upgrade £0.07m

To upgrade the voting and conference system as well as the audio visual recording system in the Council Chamber. The upgrade will use HDMI technology making the system more reliable and compatible with new technology.

Council Priorities met: Connected Council

CR05 CORPRES 02 VM Ware £0.25m

A Capital Bid was agreed in 2016 to replace the existing corporate servers hosting the DMBC virtual servers in 2019/2020. We are reducing the amount of hardware we need but the cost has increased, as has capacity requirements. It is estimated that 95% of DMBCs ICT services are hosted within this virtual environment. With the demand of additional capacity, that was unknown at the time, such as the Integrated People System and the increased cost of Oracle licencing, this Capital Bid is to fund the additional hardware to meet these and future demands. We are sweating the existing asset so that we can co-term the whole VMWare estate refresh, which will give us a more robust and sustainable solution moving forward. Expansion and growth rates (with a capacity planning tool implemented in Jan 18) combined with the list of project priorities approved by Directors indicates that the Council must upgrade ahead of time in order to deliver new projects e.g. new virtual servers for projects such as DIPS, Revs and Bens, Collaboration, Office 365, VOIP etc.

Council Priorities met: Connected Council

CR06 CORPRES 03 Desktop Refresh £0.47m (£0.87m)

There is a critical requirement for Windows10 operating system to be implemented across the ICT estate due to the impending risk from Microsoft of the lack of support / withdrawal of support for Windows7 within the next 15 months (Oct '18 to Jan '20). A desktop refresh programme is required and associated funding to ensure the Council invests in our future new technology to support new software requirements, plus supporting the Council's aim for a more agile and flexible workforce. An up to date ICT asset estate (desktops, laptops, tablets) is essential to be able to achieve this. Aged hardware wouldn't be able to operate with Windows10.

Council Priorities met: Connected Council

CR07 CORPRES 04 Physical Server Migration £0.09m (£0.17m)

The Capital Bid is to refresh and upgrade end of life ICT server hardware.

ICT server hardware has a general life expectancy of approximately 5 years, after that time the chance of failure increases significantly, and the probability of performance issues and services outages greatly increases. VMWare is appropriate for most of the server estate, however, there are niche applications that still require physical hardware (these are being phased out where possible) but we need to replace the current physical server hardware due to age and future support lifecycles. There has been a previous bid for Capital (Q1416) that was approved. This bid was made in 2016/17 and was for £80,000 covering year 2019/20 and 2020/21. The figure was requested using the existing server estate and estimated growth at the time. This is an additional capital bid to cover the actual current 2008 and 2012 server estate.

Council Priorities met: Connected Council

CR08 CORPRES 05 Flexible Use of Capital Receipts £3.0m (£6.0m)

Use of capital receipts to fund revenue schemes that will result in budget savings

Council Priorities met: Connected Council

Learning and Opportunities – Children and Young People Programme

LOCYP 01 Capital Condition Programme £1.3m

The project delivers the planned maintenance programme across all the maintained community schools as detailed with the attached appendix (not academies or LCVAP), current focus on mechanical (new heating & water tanks), electrical (mains upgrades) and fabric (windows, external cladding and drainage).

Council Priorities met: Doncaster Living, Doncaster Learning

CR09 LOCYP 02 Acquisition of Land at Armthorpe Academy (£0.8m)

Armthorpe Academy have been provided with funding from the ESFA to rebuild the majority of the school estate based on a recent condition assessment. The investment will include a new teaching block, dining room facilities, sports hall and changing rooms and is scheduled to open in Autumn 2019. The funding does not include redevelopment of the ancillary teaching areas.

Armthorpe Academy is part of the Consilium Multi Academy Trust which has identified an area of the site that is surplus to requirements. The Trust wishes to sell the land in order to invest in further development of the site.

The area of Land has been valued by the District Valuer for a cleared site allocated for residential use is £800,000

The funding will only be available for drawdown following agreement of the sale and will not be drawn down prior to.

A more detailed business case will be required before drawdown of any funding

Council Priorities met: Doncaster Living, Doncaster Learning

LOCYP 03 SEMH Provision and Alternative Provision £1.1m

A review of Doncaster Inclusion Services has identified two key areas requiring capital investment:-

- Rationalisation and partial refurbishment of current accommodation
- Establishment of new provision for pupils requiring Social Emotional and Mental Health Support.

The review included an assessment of current provision based at a number of buildings across the Borough including

- Levett Upper
- Levett Lower
- Maple Medical
- Old Hall
- Learning Centres

A future vision established the overall strategic intent for the service in line with the strategic intent already published within the Behaviour Transformation Programme cabinet report (May 2017) to provide for pupils at 4 distinct levels and a new provision for SEMH. These will support the new provisions through Big Picture Learning and The Bader School with a focus on high functioning autism.

The detailed review assessed current provision, the location of its services and delivery model. The review has identified a need to consolidate current provision and gaps in provision for specific needs, particularly for children with Social Emotional and Mental Health (SEMH) needs which are accommodated across a range of services.

The capital proposal presents Doncaster Council with an opportunity to rationalise its current inclusion provision placing a number of services in buildings fit for purpose. Council Priorities met: Doncaster Learning

Adults Health and WellbeingCR01 AHWB 01 Heritage Asset Improvements £0.28m (£0.36m)

Bid to carry out maintenance and improvement works on heritage assets. This will include an extension of the tarmac pathways at Cusworth Hall on the west side of the Park, required improvements and maintenance within the Hall and fire safety improvements at the Chequer Road museum.

A more detailed business case will be required before drawdown of any funding

Council Priorities met: Doncaster Living

CR02 AHWB 02 Leisure Facility 'Accelerated' Investment £0.3m (£10m)

The aim of the scheme is to accelerate investment and complete as much of the '10 year condition survey work' as possible (including the modular pools) within a 3-4 year period beginning in 2019. It is believed that in total £15m is required to complete all work with further work to be carried out to establish the exact needs

The £10m being applied for within this bid will ensure the completion of the modular pools at Campsmount and Rossington, with the remaining amount to be used to address '10 year condition survey work' across the other 6 leisure facilities. Options will be explored to determine whether further '10 year condition survey work' can be completed through other funding streams.

A more detailed business case will be required before drawdown of any funding

Council Priorities met: Doncaster Living, Connected Council

CR03 AHWB 03 Lift installation at Eden Lodge - Stainforth £0.1m

Provision of a new lift at respite services Eden Lodge to increase the number of residents that can use the respite services and increase revenue earnings potential. This will also save money on respite services that are currently being commissioned out of area and costing more.

Council Priorities met: Connected Council

Regeneration and Environment ProgrammeCR11 R&E 01 Electric Vehicle Charging Infrastructure £0.03m

To prepare the charging (fuel) infrastructure for the introduction (Council owned) and roll out (by the Council and public) of electric vehicles (EVs). To install EV charge points in key locations for use by the Council and the public.

Council Priorities met: Doncaster Living, Connected Council

CR12 R&E 02 Retained Public Buildings Investment Programme £0.56m (£0.95m)

To carry out all essential repairs and improvements in Council occupied sites to provide safe working environments. Includes bids for improvements to Adwick Town Hall and Mary Woollett Centre kitchen.

Council Priorities met: Doncaster Living, Connected Council

CR14 R&E 03 Metro Clean - Cleaning Equipment Programme £0.05m (£0.11m)

To purchase various Cleaning Equipment (Vacuum Cleaners, Carpet Cleaners, Scrubber Driers) to replace existing equipment which is no longer fit for purpose, is resulting in reduced productivity and increased maintenance/repair costs.

Council Priorities met: Doncaster Working, Connected Council

CR15 R&E 04 Redecoration of the Crematorium and development of new Sanctum area £0.07m

Redecoration of the crematorium public areas (Chapel, corridor, entrance lobby, exit and waiting room). The scope of the scheme would consist of painting, wallpaper, carpets and soft furnishings.

Development of a new Sanctum area for above ground storage of ashes and memorialisation. This is proposed for land under the trees, adjacent the main car park. This area would not be suitable for graves and so is effectively “spare”. Being in such a convenient and highly visible area this will also attract sales volumes and command maximum income prices.

Council Priorities met: Connected Council

CR16 R&E 05 Blue Building Dilapidation Works £0.09m

The Blue Building was leased to DMBC for 15 years from 30th April 2004. DCST moved into the building in 2013. The lease expires 29th April 2019. As part of the asset rationalisation programme, DCST have now moved into Colonnades House. There is no identified requirement for ongoing service occupation to justify the negotiation of a new lease term and ongoing revenue expenditure can be saved by handing the building back to Lazarus.

As a condition of the lease the building must be handed back in good repair and condition. Landlord and Tenant Law allows for the landlord to serve upon the tenant (DMBC) a ‘terminal schedule of dilapidations’ which accounts for all works required. The tenant is then obliged to either carry out these works or negotiate a financial payment for their equivalent cost (Dilapidations).

The Council has undertaken its own building survey of the property and on the basis of the repairing obligations in the lease the anticipated dilapidations cost is circa £95,500

A more detailed business case will be required before drawdown of any funding

Council Priorities met: Doncaster Living, Connected Council

CR17 R&E 06 Colonnades Underground Car Park £0.07m

Upgrade of existing 95 space car park for entry and exit infrastructure to provide;

- 1) Renewal of the Existing Ramp Roller Shutter & provide Staff Card Access Controls.
- 2) Renewal of the proposed Staff Access Door with Card Access, Decoration of Stair well and Lighting.
- 3) Alteration / Renewal to the Fire Doors & create Foyer for safer Pedestrian access to Car Park & Decoration.

The proposed works will allow;

- ‘out of hours’ operation by users

- Reduction in FM & Metroclean resourcing
- Mitigation of ongoing risk of anti-social behaviour and assault of staff members and risk to users
- Opportunities for improved revenue generation from the asset

Council Priorities met: Doncaster Living, Connected Council

CR18 R&E 07 Markets Scheduled Maintenance (£1.05m)

£1.05m over three years from 2020/21 for external and internal works to the structure of the market buildings which will be complemented by investment in and around the market estate.

Council Priorities met: Doncaster Working, Doncaster Living

R&E 8 Integrated Transport Block £1.3m

Doncaster is allocated funding (via SCR Combined Authority) from the Department for Transport on a formula basis. Monitoring arrangements exist to ensure that this allocation meets Local Transport Plan objectives. Failure to demonstrate progress on the outputs and outcomes may jeopardise future funding and performance ratings (e.g. National Indicators on congestion and road safety), so it is essential that funding is maintained within the Council's Transport Capital programme.

The Integrated Transport Block is split into a number of generic themes (such as local safety schemes) from which a detailed programme of schemes is taken forward for implementation. The detailed programme is derived from a prioritisation process for each block (e.g. safety schemes respond to accident trends). Where practical, schemes are co-ordinated to ensure value for money.

Future year budgets are indicative at this stage and the budget is allocated to projects on an annual programme setting process.

Safer Roads

Safer Communities – Borough wide	100,000
Residential Area Speed Limits	100,000
Targeted casualty reduction scheme	100,000
	300,000

Network Management

Traffic Management Measures – Borough wide`	90,000
Direction Signing – Borough wide	60,000
Enhancements	60,000

Variable Message Signs	25,000
CCTV	35,000
	270,000
Cycling	
Cycling Infrastructure	180,000
Cycle Parking	20,000
	200,000
Sustainable Choices	
Dropped Crossings	40,000
Footways 19-20	40,000
Active Travel Communities Project	20,000
Travelwise Commuter Plan	20,000
Doncaster Bus Partnership Infrastructure/ Activities	60,000
Minor Works Package/ Monitoring	100,000
	280,000
Major Schemes	
West Moor Link	300,000
	300,000
IT Total	1,350,000

Council Priorities met: Doncaster Working, Doncaster Living, Doncaster Caring, Connected Council

R&E 09 2019/20 Highways and Bridges Maintenance - Department for Transport Capital Funding Allocations. £4.91m

The DfT LTP Highways Capital Maintenance Block funding allocation supports the ongoing permanent repair and structural maintenance of all of the adopted highway assets, these include split funding allocations to:

- Carriageways and footways including some drainage assets (84%)
- Street Lighting (2%)
- Bridges, retaining walls and other highways structures (14%)

In 2019/20 it has been determined that the funds will again be pass-ported through the South Yorkshire Passenger Transport Executive/ Sheffield City Region Strategic Transport Group and for the LTP Team to assess that the proposed schemes are in line with the strategic and partnership objectives.

The sums quoted below include the incentive element from the DfT which we will only receive if we can demonstrate good asset management principles and processes in maintaining, prioritising, operating and governance of our Highways assets.

The total value of the DfT LTP Highways Capital Maintenance Block funding allocation is:

Core Highway Maintenance Needs Element = £4,064k

Additional Incentive Element (assume Band 3 @ 100%) = £846k (estimated)

Council Priorities met: Doncaster Working, Doncaster Living, Doncaster Caring, Connected Council

Ref for New Bids	Project name	Project Details	Spend Profile				
			2019/20	2020/21	2021/22	2022/23	Total Four Year Programme
Section 3a - Approved Committed Projects - Capital Receipts							
Adults, Health and Well-Being							
	Doncaster Cultural & Leisure Trust	Funding for proposed capital expenditure requirements over the programme to enable centres to be 'fit for purpose'	1,000	1,000			2,000
Sub Total - Adults, Health and Well-Being			1,000	1,000	0	0	2,000
Corporate Resources							
	New Email Platform		150				150
	ICT Desktop & Mobile Device Upgrade	To implement an ICT solution to accurately manage the Council's mobile assets, identifying location, licences and the ability to remotely wipe data from lost or stolen devices. This bid is in addition to the existing capital programme. To also ensure Council staff are using the latest desktop and mobile devices and have the ability to securely connect and access Council systems when working remotely. This allows staff to be able to work more mobile and agile.		220			220
	ICT Corporate Storage	The current ICT Corporate Storage (SAN) infrastructure which includes physical servers, storage disks and various other hardware at both the Civic Office and the Colonnades (cross-site resilience) will be five years old in 2018/19, the hardware will no longer be under support by the vendors as it is end of life and therefore will need replacing. This capital bid is to replace the aging unsupported hardware in 2018/19 and to addresses any potential lack of expansion capacity moving forward.		100			100
	Doncaster Integrated People Solution (DIPS)	Replacement of a number of childrens and adults related IT systems with one integrated solution	908	111			1,019
	Financial Systems (ERP) Upgrade & Enhancements	Upgrades and enhancements will be required to ensure that ERP meets service requirements	170				170
Sub Total - Corporate resources			1,228	431	0	0	1,659
Regeneration and Environment							
	Corn Exchange Roof & Façade	The scheme will refurbish the roof and external façade of the Corn Exchange.	320				320
	Retained Public Buildings Investment Programme	Investment to address condition related projects to ensure buildings remain fit for purpose, operation and safe	520	305			825
	Street Lighting Improvement Programme	Existing street lamps are being replaced with new LED (Light Emitting Diode) lamps which will result in better quality lighting, a reduced carbon footprint and financial savings.	334	334			668
	2 Year Fleet/Plant Replacement Programme	Programme to replace the Council's vehicles and plant. Capital receipts used will be generated through vehicle sales	333	35			368
	Graveyard Boundary Walls	Repair work is required at various closed and current graveyards across the borough to prevent further damage to walls and risk of accidents as the sections of wall requiring attention get worse. The work across the different sites has been profiled across the years according to the risk of further damage. Some small repairs may be required from revenue to make collapsed sections safe.	48	13			61
	Lakeside 1 General	Amount to be paid if Plot 6 Lakeside is sold	208				208
	DN7 Hatfield Link Road Project		650				650
	Unfinanced Schemes from previous years	Payment of capital schemes previously left unfinanced, this will replace the use of borrowing.	2,299				2,299
Sub Total - Regeneration and Environment			4,712	687	0	0	5,399
Total Section 3a - Approved Committed Schemes - Capital Receipts			6,940	2,118	0	0	9,058

Ref for New Bids	Project name	Project Details	Spend Profile				
			2019/20	2020/21	2021/22	2022/23	Total Four Year Programme

Section 3b - Approved Un-Committed Projects - Capital Receipts

Adults, Health and Well-Being

	Community Infrastructure - supporting Customer journey CLS	The proposal is to integrate 3 tiers of 'Your Life Local' into communities throughout the borough. We will develop the approach incrementally and proportionately using the learning from each area so the model can evolve organically. Ultimately a 'hub and spoke' type model will be in place, that is led and run by the community alongside key partners, meaning only limited resource from DMBC is required to oversee and co-ordinate activity.	295					295
Sub Total - Finance and Corporate Services			295	0	0	0	0	295

Corporate Resources

	Council Wide Systems	To enable the replacement of key Council systems (in line with the ICT Strategy) together with the procurement of essential new systems, following consideration by the Council's ICT Governance Board. This will enable continued progress towards becoming a modern digital authority and ensure service delivery is not affected by the loss of or ageing technology.	572					572
	HR/Payroll System	Acquisition of a new HR system	132					132
	Networking	This bid covers a range of network related contracts that will be coming to an end in the coming years such as the corporate WAN contract, the Fixed/Mobile contract that includes the core Unified Communication Infrastructure and the Email and Web filtering devices. The bid also addresses the requirement to upgrade essential core network equipment, and to also do a feasibility study to see the viability to expand the existing Council owned Fibre infrastructure	380	140				520
	Physical Servers	ICT hardware has a general life expectancy of approximately five years, after that time the chance of failure increases significantly and the probability of performance issues and services outages greatly increases. This capital bid is to refresh and upgrade end of life ICT server hardware coming to the end of their five year cycle. This include 20 plus Terminal Servers used for Remote Desktop Access to run Council applications.	40	40				80
	Vmware (Virtual Servers)	Replace the existing corporate servers hosting DMBC virtual servers at the Civic Office and the Colonnades (cross-site resilience). We have around 450 virtual servers currently running on the 13 physical servers that need replacing (split between production services and disaster recovery services). Physical servers require replacement every five years to stay within the support life cycles. This is an industry standard for all physical servers. In simple terms the VMware technology allows 450 servers to share their resource and be consolidated down to 13 servers, hence 437 servers do not have to be purchased. This also provides full cross site resilience for the virtual servers, to protect them against the failure of physical equipment.	200					200
Sub Total - Corporate Resources			1,324	180	0	0	0	1,504

Regeneration and Environment

	Sykehouse Slope Stabilisation	Slope Stabilisation projects, Sykehouse Road, West Lane and Rudgate Lane. The banks of the watercourse immediately adjacent to the carriageway have shown clear slip failures, which in turn has caused the carriageway to crack and also slip, causing significant depressions on the surface. If these failures are not repaired, it could progress to more significant failures which pose a serious safety risk to road users that could lead to closure. There are a number of services that are located within the slopes adjacent to the carriageways. These services include BT telephone cables, Yorkshire water mains and other unknown services, which could also be affected by the slope failures.	400					400
	Replacement of deteriorating Air Quality Monitoring Stations (AQMSs).	This bid is part of our continuous evidence gathering for the secretary of state, to prove that Doncaster air quality is below levels where further Government intervention maybe required across the borough. Furthermore, the units are used to provide daily air quality data to the public and also for joint working with the Public Health partnerships, in line with the Mayor's new Doncaster Growing Together 4 year strategy. The data obtained from the units was recently used to prove to DEFRA that the air quality linked to the St Georges Bridge "Clean Air Zone" investigation was below the required Air Quality Regulation Objectives (2000 as amended 2002).	50	50	50	50		200
	SCRIF - Urban Centre Quality Streets	Refurbishment of public realm and footways around Hallgate, Silver Street and Cleveland Street in the town centre, to complement three earlier phases of investment, and to support the town's evening economy offer (Corporate Resource element)	102					102

	Holmesarr Centre – Security Improvements	Essential Security improvement works to security access, crime detection, crime prevention at the Holmesarr Centre The improvement works will future proof the Holmesarr Centre as a valuable community asset and ensures that it is retained as an asset to Doncaster in line with the Asset Transformation Plan.	41					41
	Property Investment Fund	Create a fund to acquire property to generate a revenue income stream with a target return of 7% per annum.	690					690
	Doncaster Growing Together – Town Centre Programme – Welcome & Wayfinding	Modernises and makes signage consistent and clear. It will create a new and welcoming feel to the town and arrival points. Improves welcome points and clarity of town centre offer for town centre visitors/users and directs people to key locations/zones. The existing system focuses on wayfinding only. When on street there is no promotion of places of interest nor is there any interpretive material to help you understand the Town's history or its current and future development. Works will include: replacement and rationalisation of existing street signage from key arrival points through the town centre to major assets, developments and historical assets.	220					220
	Strategic Acquisition Fund	To be used for the strategic acquisition of assets	4,000	1,000				5,000
Q1362	Doncaster Growing Together – Town Centre Programme –	levelling works, replace broken slabs and reparation to pointing on footways and pedestrian areas within the town centre.	61	62				123
Sub Total - Regeneration and Environment			5,564	1,112	50	50		6,776

Doncaster Children's Services Trust

	Care leavers Housing provision Sheltered accommodation	Construction of three, Care Leavers semi supported Housing for 16 to 18 year old homes. There is an estimated 82 children over the next two years to be reviewed, and potential placed in a new home, although around half will stay in foster care.	477	298	119			894
	Care leavers Housing provision 16-18 year olds	Acquisition of accommodation for 6, 16 to 18 year old care leavers homes.			660			660
Sub Total - Doncaster Children's Services Trust			477	298	779	0		1,554

Total Section 3b - Approved Un-Committed Schemes - Capital Receipts

7,660	1,590	829	50	10,129
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Ref for New Bids	Project name	Project Details	Spend Profile				
			2019/20	2020/21	2021/22	2022/23	Total Four Year Programme

Section 3c - New Requests for Approval - Capital Receipts

Adults, Health and Well-Being

AHWP1	Heritage Asset Improvements	Includes the Bids to extend the tarmac pathways at Cusworth Hall on the west side of the Park. As well as funding to carry out required improvements and maintenance to heritage assets including within Cusworth Hall and fire safety works at Chequer Road museum. A more detailed business case will be required before drawdown of any funding	284	80	0		364
AHWP2	Leisure Facility 2020 'Accelerated' Investment	The aim of the scheme is to accelerate investment and complete as much of the '10 year condition survey work' as possible (including the modular pools) within a 3-4 year period. It is believed that in total £15m, is required to complete all work – this figure includes approximately £14.7m mentioned in the Capital 1 form (see appendix2) and approximately £400k to address any pressing issues that may arise at the facilities over the investment period. A more detailed business case will be required before drawdown of any funding	300	5,357	2,486	1,857	10,000
AHWP3	Lift installation at Eden Lodge - Stainforth	Provision of a new lift at respite services Eden Lodge to increase the number of residents that can use the respite services and increase revenue earnings potential. This will also save money on respite services that are currently being commissioned out of area and costing more.	97				97
Sub Total - Adults, Health and Well-Being			681	5,437	2,486	1,857	10,461

Corporate Resources

CORP RES 1	Voting and Conference System, Audio and Visual Recording Upgrade	To upgrade the voting and conference system as well as the audio visual recording system in the Council Chamber. The upgrade will use HDMI technology making the system more reliable and compatible with new technology.	70				70
CORP RES 2	VM Ware	A Capital Bid was agreed in 2016 to replace the existing corporate servers hosting the DMBC virtual servers in 2019/2020. We are reducing the amount of hardware we need but the cost has increased, as has capacity requirements. It is estimated that 95% of DMBCs ICT services are hosted within this virtual environment. With the demand of additional capacity, that was unknown at the time, such as the Integrated People System and the increased cost of Oracle licencing, this Capital Bid is to fund the additional hardware to meet these and future demands. We are sweating the existing asset so that we can co-term the whole VMWare estate refresh, which will give us a more robust and sustainable solution moving forward. Expansion and growth rates (with a capacity planning tool implemented in Jan 18) combined with the list of project priorities approved by Directors indicates that the Council must upgrade ahead of time in order to deliver new projects e.g. new virtual servers for projects such as DIPS, Revs and Bens, Collaboration, Office 365, VOIP etc.	50				50
CORP RES 3	Desktop Refresh	There is a critical requirement for Windows10 operating system to be implemented across the ICT estate due to the impending risk from Microsoft of the lack of support / withdrawal of support for Windows7 within the next 15 months (Oct '18 to Jan '20). A desktop refresh programme is required and associated funding to ensure the Council invests in our future new technology to support new software requirements, plus supporting the Council's aim for a more agile and flexible workforce. An up to date ICT asset estate (desktops, laptops, tablets) is essential to be able to achieve this. Aged hardware wouldn't be able to operate with Windows10.	370	80			450
CORP RES 4	Physical Server Migration	The Capital Bid is to refresh and upgrade end of life ICT server hardware.	47	43			90
CORP RES 5	Flexible Use of Capital Receipts	Use of capital receipts to fund revenue schemes that will result in budget savings	3,000	3,000			6,000
Sub Total - Corporate Resources			3,537	3,123	0	0	6,660

Learning & Opportunities - Children & Young People

LOCYP 3	Acquisition of Land at Armthorpe Academy	Armthorpe Academy is part of the Consilium Multi Academy Trust which has identified an area of the site that is surplus to requirements. The Trust wishes to sell the land in order to invest in further development of the site. This scheme will not proceed until the external sale of the surplus land with the receipt generated to be used to fund the scheme.		800			800
Sub Total - Learning & Opportunities - Children & Young People			0	800	0	0	800

Regeneration and Environment

R&E 1	Electric Vehicle Charging Infrastructure	To prepare the charging (fuel) infrastructure for the introduction (Council owned) and roll out (by the Council and public) of electric vehicles (EVs). To install EV charge points in key locations for use by the Council and the public.	30				30
R&E 2	Retained Public Buildings Investment Programme	Investment to address condition related projects to ensure buildings remain fit for purpose, operation and safe	560	280	96	13	949

R&E 3	Metro Clean - Cleaning Equipment Programme	To purchase various Cleaning Equipment (Vacuum Cleaners, Carpet Cleaners, Scrubber Driers) to replace existing equipment which is no longer fit for purpose, is resulting in reduced productivity and increased maintenance/repair costs	55			55	110
R&E 4	Redecoration of the Crematorium and development of new Sanctum area	Redecoration of the crematorium public areas (Chapel, corridor, entrance lobby, exit and waiting room). The scope of the scheme would consist of painting, wallpaper, carpets and soft furnishings.	70				70
R&E 5	Blue Building Dilapidation Works	Work to bring the Blue Building back up to required standards as per lease agreement. A more detailed business case will be required before drawdown of any funding	96				96
R&E 6	Colonnades Underground Car Park	Upgrade of existing car park entry and exit infrastructure	60				60
R&E 7	Markets Scheduled Maintenance	Maintenance requirements at the the market		350	350	350	1,050
Sub Total - Regeneration and Environment			871	630	446	418	2,365

Total Section 3c - New Requests for Approval - Capital Receipts

5,089	9,990	2,932	2,275	20,286
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Total Capital Receipts Required

19,689	13,698	3,761	2,325	39,473
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Doncaster Council

Date: 12th February, 2019

To the Chair and Members of Cabinet

Housing Revenue Account Budget 2019/20

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Glyn Jones	ALL	Yes

EXECUTIVE SUMMARY

1. This report sets out the Mayor's proposals for the 2019/20 Housing Revenue Account (HRA) Budget. The report focuses on the following key areas:-
 - the level of the Council's housing rents for 2019/20; the current average rent is £70.10 per week which is the lowest within South Yorkshire, rents will decrease by 1% for 2019/20;
 - the Housing Revenue Account (HRA) budget proposals for 2019/20;
 - the medium term financial forecast for the HRA which includes estimated budgets for 2020/21, 2021/22 and 2022/23; the HRA budget follows the budget strategy as set out in previous years and maintains a reserve of £4.0m within the HRA, the budget for 2019/20 is a balanced budget (income equals expenditure); and
 - the level of fees and charges for 2019/20 as detailed in paragraph 13.

EXEMPT REPORT

2. Not applicable.

RECOMMENDATIONS

3. Cabinet is asked to note the report and recommend to Council to approve the Housing Revenue Account budget proposals as set out in this report and including:-
 - i. Rents are reduced from 1st April 2019, by 1.0% as detailed in paragraphs 7 to 10 in line with Government policy. This will result in an average weekly rent decrease of £0.70, resulting in an average rent of approximately £69.40 per week. Rents will be charged every week of the year.
 - ii. The budget proposals for the HRA for 2019/20, which are contained in Appendix A. These proposals set a balanced budget for the HRA and maintain a reserve of £4.0m;
 - iii. Fees and charges set out in paragraph 13.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. The Council provides housing to over 20,000 residents through the housing stock within the HRA. The majority of these properties are let at social rents which are currently the lowest within South Yorkshire and they will continue to be after this decrease. The proposals within this report mean that the existing tenants of these properties will pay lower rents in 2019/20. Reducing the rents does not prevent the Council from continuing to provide quality social housing maintained to the Doncaster decency standard but significantly reduces the number of new properties which will be built in the future in order to provide additional accommodation for those in need of social housing.

BACKGROUND

5. The Housing Revenue Account budget for 2018/19 was approved on 5th March 2018. Since then the regular financial management reports to Cabinet have provided the latest projections of the 2018/19 financial position.

The underlying principles for HRA budgets had been agreed in previous years,

- that rents would remain at affordable levels;
- where properties are relet it is at target rent; and
- that surplus resources within the HRA would be used to provide additional council housing, either new build or acquisitions.

This would have continued if it had not been for the announcements in the Government's Summer Budget, 8th July, 2015. The major change which was implemented in 2016/17 was a 1% rent reduction for four years, from 2016/17 to 2019/20.

BUDGET PROPOSALS 2019/20

6. The Budget proposals for 2019/20 are shown in detail at Appendix A. The key features are as follows:-
 - a) A reduction in rents of 1.0% with effect from 1st April, 2019 (see paragraphs 7 to 10 for more details);
 - b) Dwelling rent income is expected to be £0.536m lower at £71.778m due to the effect of the rent reduction and the projected number of Right to Buy sales, new build properties, acquisitions and void (empty) properties;
 - c) As and when properties become empty they will be advertised and relet at target rent (see paragraph 11 for definitions of rent) minus 1.0% (2016/17 reduction) minus a further 1% (2017/18 reduction), minus a further 1% (2018/19 reduction) and a further 1% (2019/20 reduction) based on target rent calculations as at July 2015.
 - d) The majority of HRA services are provided by St. Leger Homes of Doncaster (SLHD). The management fee paid to SLHD is increased by £1.563m to reflect increases in salaries (pay award), increased employer pension costs, inflationary increases, legislation and technology changes. Efficiency savings have been made from within SLHD to fund the additional costs of services required to collect rent and sustain tenancies following the rollout of full service

for universal credit on 11 October 2017. It is estimated that when universal credit is fully rolled out in 2021 7,500 tenants will be affected and an additional £24.0m of rent income will need to be collected which was previously paid directly to the HRA from housing benefit. The details of the SLHD management fee calculations are shown at Appendix B. The management fee paid from the HRA for 2019/20 is £30.801m;

- e) It is estimated that the cost of the additional resources required to collect the rent and sustain tenancies following the full rollout of universal credit is £0.5m, SLHD are required to find efficiencies and savings to fund these additional costs over the three year period 2018/19 to 2020/21. In 2019/20 £0.480m of further efficiencies and savings have been identified and reinvested into the tenancy sustainment team, improving customer services and the delivery of a new IT system;
- f) There is a budget of £0.411m within the HRA to assist tenants to deal with changes as a result of welfare benefit reform. The sustainable tenancy policy was reviewed in August 2017 and both the usage and the policy are being kept under review as further changes to welfare benefits are rolled out;
- g) The number of Right to Buy sales continues to be monitored and total sales to the 31st December 2018 were 87 giving an average of 2.18 sales per week (compared to 3.23 per week as of December 2017). A projected level of 175 sales, 102 new build and/or acquisitions and a void rent loss percentage of 1.25% have been used for calculating the rental income budget for 2019/20;
- h) Housing Subsidy (the historic Government grant system for the HRA) was abolished with effect from 1 April 2012 and the HRA became self-financing. A self-financing HRA needs to fund both its revenue services and deliver the investment/capital programme from rent income;
- i) Following the introduction of self-financing for the HRA a longer term view (30 years) is taken on HRA budgets to ensure that there is sufficient funding available in future years to maintain the properties at the Doncaster decency standard, deliver other investment needs and day to day services;
- j) A prudent level of balances for the HRA is considered to be £4.0m. Any surplus funds in excess of this, £2.212m, has been transferred to the housing public sector capital programme to fund investment in the housing stock and the programme for building more council houses.

A balanced budget will be set for 2019/20. This will maintain an estimated reserve within the HRA of £4.0m by 31 March 2020.

RENT LEVELS

7. On 8th July, 2015 the Government held a Summer Budget and announced in that Budget that all social housing rents would reduce by 1% a year for the next four years from 2016/17 to 2019/20. This announcement is being forced upon Local Authorities through the Welfare Reform and Work Act 2016. Over the four year period 2016/17 to 2019/20 there will be £25.9m less resources available compared to the previously budgeted figures and over the 30 year business plan there will be £310m less resources available.

8. Previous assumptions in the 30 year business plan were that any resources in excess of the minimum level of balances required would be invested into the capital programme, these excess resources were estimated at £310m and the majority of these resources would have been invested in new build council houses and these houses would have generated additional rent income. Therefore the total estimated reduction in resources available over a 30 year period is £457m.
9. Rents in Doncaster are the lowest of all South Yorkshire Councils based on the 2015/16 financial year (according to the latest published figures from CIPFA, Chartered Institute of Public Finance and Accountancy). – to be updated once the figures are available.
10. There are five different ways in which rents will change during 2019/20, (different types of rents are defined in paragraph 11);

Existing tenants (social rent) – rent will be reduced by 1%;

New tenants into existing (social rent) housing stock – if the tenancy changes during 2019/20 the property will be relet at the 2015/16 target rent for that property minus 1% (2016/17 reduction), minus a further 1% (2017/18 reduction), minus a further 1% (2018/19 reduction) and minus a further 1% (2019/20 reduction);

New council housing, either new build or acquisitions (funded wholly from Council resources, social rent) – when new properties are completed the target rent will be calculated for each property and then adjusted for minus 1% (2016/17 reduction), a further 1% (2017/18 reduction), a further 1% (2018/19 reduction) and a further 1% (2019/20 reduction);

New council housing, either new build or acquisitions (funded with an element of Government grant, affordable rent) – when new properties are handed over both the target rent and affordable rent will be calculated for these properties, the rent charged will be the higher of the two figures (this is a condition of the grant funding) and

Existing affordable rent properties – the rent will be reduced by 1% for existing tenants. If there is a change of tenancy a new affordable rent calculation will be carried out and the new rent will be the affordable rent (1% reductions are not required).

RENT DEFINITIONS

11. Target rent (sometimes referred to as formula rent) for each property is calculated using the following formula;
 - 70% of the national average rent (April 2000) multiplied by relative county earnings (1999 levels) multiplied by a bedroom weighting (higher weighting for larger properties) plus 30% of the national average rent (April 2000) multiplied by relative property value (January 1999).

This calculation gives a target rent figure for the financial year 2000/01. It has then been updated each year by retail price index (RPI) inflation plus 0.5% up until 2014/15. In 2015/16 the target rent was increased by consumer price index (CPI) plus 1% (2.2%), the average target rent in Doncaster for 2015/16 was £75.26 per week. The target rent figure for 2015/16 is the base figure used for calculating target

rent in future years. The 2016/17 target rent figure (£74.65 per week) is 2015/16 minus 1%, the 2017/18 figure (£73.91 per week) is reduced by a further 1%, the 2018/19 figure (£73.17 per week) is reduced by a further 1% and the 2019/20 figure is reduced by a further 1% (£72.44 per week).

12. Affordable rents – Affordable rent is defined as 80% of open market rent. These figures are calculated on an individual basis for each property by a qualified surveyor. A number of properties which are now in the HRA have either been built or acquired with the assistance of some grant funding from the Homes and Communities Agency (HCA). One of the grant conditions for these properties is that they are let at affordable rents (or target rent if that is higher). The current average rent for these tenancies is £92.61 per week and this will reduce to £91.68 per week in 2019/20.

FEES AND CHARGES

13. The following recommendations are proposed in respect of fees and charges for 2019/20:-

- a) That the charges for garages and garage sites are increased by 3.0%.
- b) The bio mass district heating boiler at Ennerdale provides heating and hot water to the bungalows at Ennerdale and the properties in Jubilee Court. The current charge for heating at this scheme is 5.8p per unit (plus VAT). The charges for heating should ensure that the scheme breaks even, it is therefore recommended that the charges are increased to 6.0p per unit (plus VAT) a 3.4% increase. The average annual charge for these properties is £311.
- c) The district heating charge for properties on the Balby Bridge estate will increase to 6.3p per unit (inclusive of VAT) which is equivalent to 6.0p per unit plus VAT. The average annual charge for these properties is £201.
- d) 40 properties at Milton Court do not have individual meters, the current charge is either £6.40 (bedsits) or £6.50 (one bedroom) per property per week and will also increase by 3.4% to £6.62 and £6.72 per week.
- e) The current enclosed garden charge is between £2.51 and £4.16 (inclusive of VAT) per week dependent on the size of the garden and will increase by 3.0%, the new charges will be between £2.59 and £4.28. This is available as a whole year service (charged every week) or as a part year service (charged for 34 weeks). This service is an optional service, it is not eligible for housing benefit and it is available to all tenants.
- f) That the service charges to leaseholders are calculated based on the actual costs of providing the services and repairs and maintenance to the property.

The table below summarises the fees and charges that are included within the HRA budget assumptions.

Fee	Current Charge 2018/19	Proposed Charge 2019/20	Budget Implication
Garages	£5.34 per week (charged every week)	£5.50 per week (charged every week)	£3,799
Garage charges to non tenants	£6.41 per week (charged every week)	£6.60 per week (charged every week)	£4,365
Garage Sites	£0.91 per week	£0.94 per week	£48
Garage site charges to non tenants	£1.09 per week	£1.13 per week	£302
District Heating – Balby Bridge	5.8p per unit (excluding VAT) 6.09p per unit (inclusive of VAT)	6.0p per unit (excluding VAT) 6.3p per unit (inclusive of VAT)	Income dependant on usage
District Heating – Milton Court			£238
Bedsits	£6.40 per week	£6.62 per week	
One bedroom	£6.50 per week	£6.72 per week	
District Heating – Ennerdale	5.8p per unit 6.09p per unit (inclusive of VAT)	6.0p per unit 6.3p per unit (inclusive of VAT)	Income dependant on usage
Enclosed Garden Service (inclusive of VAT)	£2.51 £3.16 £3.42 £3.89 £4.16 (charged every week or 34 weeks)	£2.59 £3.25 £3.52 £4.01 £4.28 (charged every week or 34 weeks)	£1,539

14. Other changes which impact on the HRA are;

Welfare Benefit Changes and Potential financial impact

Changes to Welfare benefits have a direct impact on individual tenants which usually results in them having less income. This can impact on their ability to pay their rent, this can also lead to an increase in rent arrears and then eventually increased property turnover and associated costs.

A number of welfare benefit changes have already been made;

Under occupation or “bedroom tax” – this was introduced on 1st April, 2013. This policy means that if working age tenants (pensioners were excluded from this change) are deemed to be under occupying their property then their housing benefit is reduced by 14% if they have one under occupied bedroom, or 25% if they have two or more under occupied bedrooms. This change currently affects 2,039 of tenants and their housing benefit has been reduced by £1.249m, which needs to be collected. Bedroom tax still applies to tenants that claim Universal Credit (UC) however as DWP do not share information with us, we are unable to obtain accurate information as to how many of our tenants are affected that are claiming UC.

Benefit Cap – this is the maximum amount of benefit that an individual or household can receive. This was set at £26k in July 2013 and has been further reduced to

£20k for families and £13,400 for single claimants with effect from 9th January, 2017. This currently affects 91 Council tenancies.

Further rollout of universal credit (UC) – Tenants claiming universal credit receive their housing costs (the equivalent of Housing benefit) paid direct to themselves rather than paid to the landlord, with the tenant then responsible for paying their own rent.

Universal credit was rolled out in Doncaster in September 2015 and applied to single people with no dependents, in October 2017 full service for UC started (all new and changes to tenancies will claim UC) there are currently 2,826 UC claimants in the Council's housing stock. At some point between 2019 and 2021, when UC is fully rolled out, it is expected that all working age tenants will be paid their benefits via UC. This will apply to approximately 7,500 Council tenancies and will require approximately £24.0m of rent to be collected from tenants which has previously been paid directly to the HRA via housing benefit. By March 2020 it is anticipated that 5,100 tenants in Doncaster will have moved over to UC and the value of the rent which will need to be collected from these tenants during the 2019/20 financial year (which was previously paid direct via housing benefit) will be £14.6m.

53 Mondays – during the financial year 2019/20 there will be 53 Mondays, for tenants receiving UC this will not be taken into account when calculating their entitlement, the impact of this is that approximately £0.350m of universal credit will not be paid to tenants for them to pay their rent, it is highly likely that this will result in an increase in current tenants arrears. This is a direct contradiction of the principles of UC where no one was supposed to be any worse off and housing benefit payments take account of 53 Mondays.

No automatic entitlement to housing costs for 18 to 21 year olds – This policy was scrapped 31st December, 2018 following a change by the Government.

The changes to welfare benefits will have a significant impact on housing services within Doncaster. Tenants are informed of the changes on a regular basis via Houseproud (the tenants' newsletter) and both the Council and St Leger Homes' website. Members are kept up to date of these changes through Members Briefings.

OPTIONS CONSIDERED

15. The Welfare Reform and Work Act 2016 defines how Local Authority rents will be set over the period 2016/17 to 2019/20. No other options were considered.

REASONS FOR RECOMMENDED OPTION

16. The Authority is required to approve the Housing Revenue Account budget for each financial year and monitor spending throughout the year. HRA budget information is reported quarterly to Cabinet. The HRA must make a provision for depreciation on Council dwellings as specified by the Government (as a minimum). It must also pay the necessary charges due on all its loans (loan charges - interest), any expenditure over and above this is discretionary but all expenditure must be funded from rent income. The recommended rent decrease of 1.0% allows the Council to fulfill its financial obligations in relation to the HRA.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

17.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>All staff employed by SLHD are paid at or above the Living Wage. SLHD has an established apprenticeship programme and all entry level roles are reviewed to see if they can be converted to an apprenticeship role.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>All Council homes are improved and maintained to the Doncaster Decency standard. Resources have been identified to build new Council houses and to improve the energy efficiency of the existing ones.</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	<p>A safe and warm living environment is an excellent foundation from which to children, young people and adults can prosper.</p>
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>SLHD works closely with the Council's stronger families team. A tenancy sustainment team has recently been established. A significant amount of investment is made each year in aids and adaptations to people's homes to enable them to live there in a safe and comfortable environment.</p>
	<p>Connected Council:</p>	<p>Housing services in Doncaster</p>

	<ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>are excellent value for money with 92.8% of tenants saying that they are satisfied that their rent provides value for money. St Leger Homes is a key partner in Team Doncaster and in delivering Doncaster Growing Together.</p>
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RISKS AND ASSUMPTIONS

18. The table below identifies the main quantifiable risks, which might result in the actual income and expenditure in 2019/20 being significantly different from the estimates and proposed actions to manage/mitigate them;

Risk/Assumption	Probability	Impact	Proposed Action
Increase in rent arrears as a result of welfare benefit reform (under occupation criteria)	Medium	£1.25m of direct housing benefit payments will be lost by tenants during 2019/20.	Increased focus on rent collection and financial advice. Bad debt provision of £1.701m and £0.411m assistance fund.
Increase in rent arrears as a result of the introduction of universal credit.	Medium	Estimated that 2,000 new tenants will receive universal credit in 2019/20 (£7.5m), instead of housing benefit paid direct to the landlord.	Increased focus on rent collection and financial advice. Bad debt provision of £1.701m and £0.411m assistance fund
Interest rates increase by 0.5%	Medium	Increased costs of £1.3m	A prudent estimate has been assumed for interest rates, a large proportion of loans are at fixed rates of interest.
Dwelling rent voids exceed the assumed level of 1.25% of the rent debit (£0.909m income reduction for the year) by 0.25% of rent debit.	Medium	Income reduction £0.182m	Regular monitoring of voids, reduce re-let periods, review strategy for long term voids. Demand for most properties remains high.

Dwelling rent voids exceed the assumed level of 1.25% of the rent debit (£0.909m income reduction for the year) by 1.0% of rent debit	Low	Income reduction £0.727m	Regular monitoring of voids, reduce re-let periods, review strategy for long term voids. Demand for most properties remains high.
Inflation in future years is higher than anticipated. An additional 1% on CPI would create cost pressures at a time when income is reducing.	Medium	£0.056m of potential inflationary costs.	Inflationary projections for future years are expected to remain low, the figures will be monitored on a regular basis.

LEGAL IMPLICATIONS [Officer Initials: SRF

Date: 28.01.19]

19. The Council is required by s74 of the Local Government and Housing Act 1989 to keep a Housing Revenue Account (HRA), which records all revenue expenditure and income relating to the provision of council dwellings and related services. This includes formulating proposals relating to income from rent and charges, expenditure on repairs, maintenance, supervision and management, capital expenditure and any other prescribed matters in respect of the HRA. In formulating these proposals using best estimates and assumptions, the Authority must set a balanced account. In its role as landlord, the Council has statutory and contractual obligations to maintain the structure of, and installations in, its housing stock. The HRA Budget will assist the council in fulfilling those obligations
20. Referring to paragraph 7 above, the Welfare Reform and Work Act 2016 requires registered providers of social housing to secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months. The relevant year in relation to a registered provider is a year beginning on 1 April 2016, 1 April 2017, 1 April 2018 or 1 April 2019. The Secretary of State may issue a direction in relation to the amount of rent payable in respect of a local authority if he considers that the local authority would be unable to avoid serious financial difficulties if it were to comply with the reduction in rent.
21. The decision maker must be aware of their obligations under section 149 Equality Act 2010, the Public Sector Equality Duty (PSED). It obliges public authorities, when exercising their functions, to have 'due regard' to the need to:
 - a. Eliminate discrimination, harassment and victimisation and other conduct which the Act prohibits;
 - b. Advance equality of opportunity; and
 - c. Foster good relations between people who share relevant protected characteristics and those who do not.

The relevant protected characteristics under the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.

The decision maker must ensure that they have seen the due regard statement. The duty must be exercised in substance, with rigour, and with an open mind and is not a question of ticking boxes. It is for the decision-maker to decide how much weight

should be given to the various factors informing the decision, including how much weight should be given to the PSED itself. The duty is a continuing one and there should be a record/audit trail of how due regard has been shown. It is not sufficient for due regard to be a “rear-guard action” following a concluded decision. The decision maker must also pay regard to any countervailing factors and decide the weight to be given to these, which it is proper and reasonable to consider; budgetary pressures, economics and practical factors will often be important.

FINANCIAL IMPLICATIONS [Officer Initials: AW Date: 24.01.19]

22. These are contained within the body of the report.

HUMAN RESOURCES IMPLICATIONS [Officer Initials: AC Date: 25.01.19]

23. There are no HR implications specific to this recommendation. The savings which need to be made by SLHD as detailed in Appendix B do not impact on the workforce. Any future changes as a result of the efficiencies that impact on the workforce will require HR engagement and would involve separate approval as appropriate.

TECHNOLOGY IMPLICATIONS [Officer Initials: PW Date: 25.01.19]

24. There are no direct technology implications as a result of this report. SLHD are represented on the Council & Partners Technology Governance Board (TGB) and submit any technology requirements to be considered to ensure wise investment, maximisation of existing systems across partners and rationalisation where possible & appropriate. As outlined above, the delivery of a new Integrated Housing Management IT system is currently underway. Following contract signing, a technical kick off meeting will take place with SLHD, DMBC Digital & ICT and the 3rd party provider and an implementation plan will be finalised and agreed.

HEALTH IMPLICATIONS [Officer Initials: RS Date: 24.01.19]

25. This report sets out the Mayor’s proposals for the 2019/20 Housing Revenue Account (HRA) Budget and outlines rent reductions and proposed fees. The choices the council makes in both raising and allocating budgets will impact on the health of the population. In general 20% of what contributes to health is due to clinical care, 30% due to behavioural factors, 40% due to socio-economic factors and 10% due to the built environment (including housing). The decisions within this budget report have mixed implications for health. On a positive note the proposed rent reduction, maintenance of the Doncaster decency standard, and work to ensure access to warm homes will benefit current tenants. However, continued changes to benefits will impact on the most vulnerable tenants. Overall the reduction in dwelling rent will reduce the ability to build new housing stock. Where further cabinet reports are required report authors should consider the need for formal health impact assessments or early involvement of the public health team to minimise unintended impacts on health. Health impacts should also be addressed in the due regard statements that are developed alongside these further reports. Consideration could also be given to further utilising the considerable guidance on Housing for Health (<https://www.gov.uk/government/collections/housing-for-health>).

26. A Public Sector Equality Duty assessment is attached at Appendix C. There will be implications for individuals as a result of reducing rents but fundamentally rents are set based on the type and location of the property not with regard to the tenant.

CONSULTATION

27. Full Council were informed of the key points on 24th January, 2019.

28. Members have been consulted at meetings between November 2018 and February 2019; this included Labour Group and representatives from other parties.

29. The proposed HRA budget and changes to rent and service charges have been the subject of formal consultation with members of the Tenants and Residents Involvement Panel (TRIP) and representatives from Tenants and Residents Associations (TARAs) on 17th January, 2019.

30. Tenants think that Council rents in Doncaster are excellent value for money (and this is reflected in Tenant surveys 92.8% are satisfied that their rent provides value for money). They thought that the increases in fees and charges were reasonable and that the increases were very small weekly changes and they also responded to say that many tenants were seeing decreases in their fuel bills following investment in energy efficiency improvements.

31. Tenants are happy with the condition of their homes and the services that they receive, they could not identify any service improvements or investment needs which were not being met by the proposed budgets. They were particularly pleased to see the resources to be invested in fire safety work and felt that the Council had acted quickly to address fire safety issues.

32. SLHD consult with their staff and unions on the proposals within the HRA budget which directly affect them.

This report has significant implications in terms of the following:

Procurement	N/A	Crime & Disorder	N/A
Human Resources	N/A	Human Rights & Equalities	N/A
Buildings, Land and Occupiers	N/A	Environment & Sustainability	N/A
ICT	N/A	Capital Programme	Yes

BACKGROUND PAPERS

- Welfare Reform and Work Act 2016
- Housing and Planning Act 2016
- Cabinet report 20th November, 2018 – Finance and Improvement Report 2018/19 Quarter 2

REPORT AUTHOR & CONTRIBUTORS

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**Steve Mawson
Chief Financial Officer
& Assistant Director – Finance**

Description	Annual Budget OE 2019/20 £000s	Annual Budget OE 2020/21 £000s	Annual Budget OE 2021/22 £000s	Annual Budget OE 2022/23 £000s
Expenditure				
Management and Maintenance				
Insurances	766	780	800	820
General Management	3,785	3,485	3,485	3,485
Special Services	240	240	240	240
Management Fee to St Leger Homes	30,801	31,628	32,305	33,232
Tenancy Sustainment Fund	411	411	111	111
Debt Management Expenses	20	20	20	20
Rent, Rates, Taxes & Other Charges	135	135	135	135
Capital Charges				
Depreciation on Council Dwellings	17,265	17,265	17,265	17,265
Depreciation on non dwellings	938	938	938	938
Provision For Bad or Doubtful Debts	1,701	1,500	1,700	1,700
Total Expenditure	56,062	56,402	56,999	57,946
Income				
Rent Income				
Dwelling Rents	-71,778	-73,414	-74,951	-76,515
Non-dwelling Rents	-815	-775	-750	-725
Charges For Services and Facilities	-124	-124	-124	-124
Contributions Towards Expenditure	-286	-286	-286	-286
Income from Solar Panels	-204	-208	-212	-216
Total Income	-73,207	-74,807	-76,323	-77,866
Net Income from Services	-17,145	-18,405	-19,324	-19,920
Capital Charges				
Loan Charges - Interest	12,581	12,543	12,379	12,340
Interest Receivable	-52	-25	-25	-25
Net Operating Income	-4,616	-5,887	-6,970	-7,605
Appropriations				
Revenue Contribution To Capital Outlay	6,828	5,887	6,970	7,605
Transfer to / from Reserves	-2,212	0	0	0
Surplus (-) / Deficit for Year	0	0	0	0
HRA A/C BALANCE BF	6,212	4,000	4,000	4,000
Transfer to/from balances	-2,212	0	0	0
HRA A/C BALANCE CF	4,000	4,000	4,000	4,000

SLHD Management Fee

	Note	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s
Management fee		29,238	30,801	31,628	32,305
Budget Pressures					
Legislation changes					
H&S and Compliance post following Hackitt review	1	52			
Inflationary increases					
Pay award	2	542	500	500	500
Superannuation	3	282	137	137	137
Increments	4	59	40	40	40
Inflation	5	301	250	250	250
Service Level Agreements	6	321			
Office 365	7	66			
Removal of 5 year temporary funding	8	-60	-100		
Efficiencies delivered	9	-480		-250	
Reinvestment in services		480			
Future efficiency target	10	-200	-100		
Future investment in services		200	100		
Total Management Fee		30,801	31,628	32,305	33,232

Details of the growth bids are:

1. Legislation Changes - Following the tragic fire at Grenfell Tower in London during June 2017 and the subsequent publication of the Hackitt report, the requirements for management of high rise blocks have changed and a new post has been created to deliver the necessary changes.

2. Pay award - 2% pay award with effect from 1 April 2019 and implementation of new pay scales.

3. Superannuation - The pension fund was revalued in 2016. Employers contribution increases from 12.4% in 2017/18 to 12.9% in 2018/19 and 13.9% in 2019/20. It has been assumed that this will increase by 0.5% each year in the following 3 years.

4. Increments - the overall net increase paid to staff.

5. Inflation - the increase costs for contracted goods and services. Inflation is calculated on individual budget lines and the vast majority of budgets have not been inflated, examples of some of the inflationary increases are fuel at 9% (£50k), rents at 5% (£47k), materials at 2% (£108k), insurance premiums 9% (£11k), SLAs 2% (£39k) and utilities 3% (£16k).

6. Service Level Agreements (SLAs) - there are significant cost increases on a number of SLAs following a full review of services and revised costs agreed, this figure comprises the following increases - Grounds Maintenance £240k, Payroll Services £64k and increases to other services including ICT, legal and call centre.

7. Office 365 - there are significant increased costs as a result of the implementation of Office 365 and new microsoft enterprise licences.

8. Removal of 5 year temporary funding - on 18 June 2014 Cabinet agreed a five year increase of £160k per annum in resources to fund the refurbishment costs of St Leger House (formerly Concorde House). This funding has been removed from the management fee as the refurbishment costs are written off.

9. Efficiencies Delivered

14 posts have been deleted from across all areas of the business (4 from repairs due to efficiencies in void processes, 4 from housing management (st leger lettings, gardening service and tenant involvement) and 6 from back office services (finance and HR)) other posts have been created to deliver the needs of the service (new posts in the tenancy sustainment team, customer services, H&S and compliance and temporary posts to deliver the new integrated housing management system). Other savings have been made from delivering contracts in-house which were previously outsourced and by reducing postage costs.

During 2019/20 all the efficiencies made have been reinvested into other service improvements, following the full implementation of the new IT system it is anticipated that further savings will be delivered and £250k has been taken out of the 2021/22 budget to reflect this.

10. Future Efficiency Target

It was estimated that over the 3 year period 2018/19 to 2020/21 there would be additional costs of £500k to deal with the rollout of Universal Credit across Doncaster (with an estimated £24.0m of rent income needed to be collected which had previously been paid directly to the Council via housing benefit). These estimated costs were split, £200k for 2018/19 (not shown in the table above), £200k in 2019/20 and £100k in 2020/21. SLHD was not given additional management fee to fund these changes but was required to find efficiencies to deliver the service changes required.

HRA Budget Report

1	<p>Name of the 'policy' and briefly describe the activity being considered including aims and expected outcomes. This will help to determine how relevant the 'policy' is to equality.</p>	<p>HOUSING REVENUE ACCOUNT BUDGET 2019/20 The Impact of Decreasing Dwelling Rents for the Council's Housing Stock.</p> <p>Doncaster Council is landlord to 20,406 properties of which 20,138 are socially rented and 268 are leasehold. The Housing Management responsibility for the stock has been delegated to St Leger Homes of Doncaster (SLHD) under a management agreement. On 8th July, 2015 the Government held a summer budget and announced in that budget that all social housing rents would reduce by 1% a year for the next four years from 2016/17 to 2019/20. This announcement is being forced upon local authorities through the Welfare Reform and Work Act 2016. For 2019/20 the rent reduction will be 1.0% for all tenants meaning that the average rent will be £69.40 per week.</p> <p>This due regard statement seeks to identify those groups noted in the protected characteristics (section 3) that may be affected positively or negatively by the reducing of rents and sets out the measures to mitigate the impact on those groups. The rent decrease of 1.0% will be applied to all tenancies irrespective of the tenant.</p>
2	<p>Service area responsible for completing this statement.</p>	<p>St Leger Homes of Doncaster.</p>
3	<p>Summary of the information considered across the protected groups.</p> <p>Service users/residents</p> <p>Doncaster Workforce</p>	<p>Age The rent decrease of 1.0% will apply to all tenancies, regardless of the resident's age. However, other specific welfare reform measures may have an impact as a result of the age of the tenant , these are as follows;</p> <p>Social Sector Size Criteria (bedroom tax); Introduced 1st April, 2013, this welfare reform only applies to working age households and currently affects 2,039 tenants who are claiming Housing Benefit*. 1,607 tenants have to make up a 14% shortfall for their rent and 432 have a shortfall of 25% to make up. The average age of tenants affected by under occupation charge is 46. We are not aware of the number of households who</p>

under occupy but do not claim housing benefit.

*Bedroom tax still applies to tenants that claim Universal Credit however we are unable to obtain accurate information as to how many are affected so the figures quoted above do not provide the full picture of the impact.

Benefits Cap: A cap on the total amount of benefits a household can receive was introduced in July 2013, which affected 20 DMBC tenants. A further, lower cap was fully implemented on 9th January, 2017 (£20k for families and £13,400 for single claimants). The lower cap currently affects 91 families in Council accommodation. For DMBC tenants, the reduced cap will largely apply to single parent households with 4 or more children or couples with 3 or more children.

No automatic entitlement to Housing costs for 18-21 year olds: From 31st December, 2018 this welfare reform was scrapped.

Full Service roll out of Universal Credit from October 2017

Universal Credit '*Full Service*' was implemented in Doncaster on 11th October, 2017 and replaced the Universal Credit *Live Service* which had been operational since September 2015. From this point all new claims from working age tenants for any of the 6 former benefits (Job Seeker's Allowance, Employment and Support Allowance, Income Support, Child Tax Credit, Working Tax Credit and Housing Benefit) will automatically go onto Universal Credit and these former benefits will be closed to new claims. In January 2018 the total number of cases claiming UC was 755. By January 2019 the number of tenants claiming UC now stands at 2,826 cases, an increase of 2,071. From 1st February, 2019 the rate of transfer on to Universal Credit is likely to increase as claimants with 3 or more children will then be able to claim Universal credit.

As at January 2019, there are approximately 34% pension age tenants and 66% working age. Of these, 4,912 pension age tenants and 5,341 working age tenants are in receipt of Housing Benefit or the equivalent Housing Element of Universal Credit. Currently there are 2,826 tenants claiming Universal Credit, all of which are working age.

	<p>Disability Out of the main tenants on our Universal Housing system, 6,777 have identified as disabled – which equates to 33.75%. This compares to a national figure of 8.3% across the whole population in England (2011 Census data). It is not anticipated that the decrease in rents will adversely affect individuals based on their disability. The Housing Revenue Account also has a specific budget of £1.9m for adaptations to the homes of tenants that need adaptations.</p> <p>Ethnicity 16,684 of our tenants identify as White British – which equates to 83.08%. 1,299 (6.47%) identify as belonging to black, Asian or minority ethnic groups. A report by Department for Work and Pensions in June 2012 also tells us that working age adults living in households headed by someone from an ethnic minority were more likely to live in low-income households. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin. Translation services are offered in exceptional cases, but every effort is made to ensure that tenants understand their tenancy agreements and any other legal documents.</p> <p>Gender It is not anticipated that the decrease in rents or under occupation charge will adversely affect individuals based on their gender. Male and Female residents will be equally affected. 12,736 of our tenants have identified as Female (63.42%) and 7,282 (36.26%) as Male.</p> <p>Sexual Orientation It is not anticipated that the decrease in rents will adversely affect individuals based on their sexual orientation.</p> <p>Religion and Belief It is not anticipated that the decrease in rents will adversely affect individuals as a result of any specific religion or belief they may have.</p>
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		<p>Maternity and Pregnancy It is not envisaged that those residents who happen to be pregnant or on maternity leave will be adversely affected by the rent decrease as a result of their pregnancy or maternity leave.</p> <p>Gender Reassignment It is not anticipated that the decrease in rents will adversely affect individuals who have undergone gender reassignment.</p> <p>Marriage and Civil Partnership It is not anticipated that the decrease in rents will adversely affect individuals if they are married or in civil partnerships, more so than non-married residents or those not in civil partnerships.</p>
4	<p>Summary of the consultation/engagement activities</p>	<p>Full Council were informed of the key points on 24th January, 2019.</p> <p>Members have been consulted at meetings between November 2018 and February 2019; this included Labour Group and representatives from other parties.</p> <p>The proposed HRA budget and changes to rent and service charges have been the subject of formal consultation with members of the Tenants and Residents Involvement Panel (TRIP) and representatives from Tenants and Residents Associations (TARAs) on 17th January, 2019.</p> <p>Tenants think that Council rents in Doncaster are excellent value for money (this is reflected in Tenant surveys, 92.8% are satisfied that their rent provides value for money). They thought that the increases in fees and charges were reasonable and that the increases were very small weekly changes. They also responded to say that many tenants were seeing decreases in their fuel bills following investment in energy efficiency improvements.</p> <p>Tenants are happy with the condition of their homes and the services that they receive, they could not identify any service improvements or investment needs which were not being met by the proposed budgets. They were particularly pleased to see the resources to be invested in fire safety work and felt that the Council had acted quickly to address fire safety issues.</p>

		<p>SLHD consult with their staff and unions on the proposals within the HRA budget which directly affect them.</p> <p>Once a decision has been made by Council on 4th March 2019, a letter will be sent to all Council tenants which will give details of the rent change with effect from 1st April, 2019.</p>
5	<p>Real Consideration:</p> <p>Summary of what the evidence shows and how has it been used</p>	<p>All Council tenants will benefit from the rent reduction. But some tenants will continue to be impacted by the under occupation charge and/or benefit cap, however it is likely that some groups will be affected to a greater extent because of their lower income.</p> <p>The changes to welfare reform currently only impact on tenants that are deemed to be of “working age”.</p> <p>SLHD have a tenancy sustainment team to help assist tenants in financial difficulties and to help to sustain tenancies. This team was reconfigured and significantly strengthened to 19 staff members during 2018/19 to help the increasing numbers of tenants in rent arrears as a result of welfare reform changes. SLHD staff and staff from the Council’s benefit team work together with tenants to assist them to claim discretionary housing benefit (DHP) where this is appropriate. The Council has identified a budget of up to £0.411m to assist tenants impacted by welfare reform, a revised policy was approved which detailed how this money could be spent in August 2017, as further welfare benefit reform changes are made this policy may need to be updated again.</p> <p>The rent reduction is the same percentage reduction for all tenancies, the rent is calculated based on the characteristics of the property and not with regard to the tenant.</p>
6	Decision Making	<p>This due regard statement has been made available to Members in advance of making any decisions on rent decreases. The HRA Budget 2019/20 report to Council on 4th March, 2019 asks the Council to agree the rent reduction for the 2019/20 financial year with effect from 1st April, 2019.</p>
7	Monitoring and Review	<p>The HRA budget is monitored on a quarterly basis by Cabinet, performance information for SLHD is monitored every 3 months by Cabinet and includes information on rent arrears. SLHD management team and Board monitor performance on a regular basis and there is a focus on rent arrears as a result of the recent welfare reform changes. Financial assistance is offered to all tenants who are in rent arrears, the number of evictions due to rent arrears is also monitored in detail to identify if any trends are emerging. Payments</p>

		made from the welfare benefit reform fund are monitored and these details include the protected characteristics of the tenants.
8	Sign off and approval for publication	Julie Crook, Director of Corporate Services, St Leger Homes of Doncaster.



Doncaster Council

To the Chair and Members of the
CABINET

Date: 12th February 2019

THE TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20 – 2022/23

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Mayor Ros Jones	All	Yes

EXECUTIVE SUMMARY

1. This report details the strategy for management of the council finances and provides a framework for the operation of the treasury management function within the Council. Treasury management makes sure that sufficient cash is available to meet service delivery in line with the approved Capital and Revenue Budgets. Key prudential indicators relating to borrowing limits are contained in the body of the report, with the prudential indicators relating to affordability in **Appendix A**. The key messages are:
 - a. Borrowing – total borrowing requirement will increase during the period covered by this report but the Council will remain under-borrowed against its total borrowing requirement to avoid the higher cost of carrying debt (Capital Financing Requirement 2019/20 £596m). As borrowing rates are forecast to only rise gently over the next 3 years, the primary borrowing strategy for new and replacement debt will be to take cheaper short term loans to maximise interest savings over the period of the report. The Council will also repay £24.5m of maturing debt to generate further external interest savings. The borrowing strategy is detailed in **paragraphs 15 – 62**.
 - b. Investments – securing the return of investment funds remains paramount when selecting counterparties and the strategy reflects this. The Investment Strategy will continue to manage the balances available and support cash flow requirements. The Investment Strategy is a low risk policy with minimal returns in value; this protects the Council from losses caused by financial institutions failing to repay investments when due. This policy allows the Council to spread the risk amongst a number of approved lenders, and financial instruments as outlined in **paragraphs 63 – 100**.
2. The Council has to approve the local policy for approach to debt repayment (Minimum Revenue Provision – MRP) which is detailed in **Appendix B**.

EXEMPT REPORT

3. Not applicable.

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RECOMMENDATIONS

4. Cabinet is asked to recommend to Council, the Treasury Management Strategy Statement 2019/20 – 2022/23 report and the Prudential Indicators included.
5. Cabinet is asked to recommend to Council the Minimum Revenue Provision (MRP) policy as set out in **paragraphs 27 - 28** (details in **Appendix B**).
6. Cabinet is asked to note the Treasury Management Annual review report for 2017/18, at **Appendix F**.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

7. This Strategy ensures that the Council's Capital Programme borrowing requirement is affordable and takes advantage of low short term interest rates to deliver savings for the Council. By ensuring that the treasury management function is effective we can ensure that the right resources are available at the right time to enable the delivery of services.

BACKGROUND

8. Chartered Institute of Public Finance and Accounting (CIPFA) defines treasury management as: "The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks". For the Council to produce a strategy which is compliant with the statutory guidelines, a number of acts and guidance have to be taken into account.
9. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management function is to ensure that this cash flow is planned, with cash being available when it is needed. Surplus monies are invested in low risk financial institutions and instruments in line with the Council's low risk appetite, providing liquidity before considering investment return.
10. The second main function of treasury management is the funding of the Council's Capital Programme. The Capital Programme provides a guide to the borrowing need of the Council and the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses.
11. The Treasury Management strategy for 2019/20 – 2022/23 covers two main areas:

Capital Issues

- a) the Capital Programme and the associated prudential indicators;
- b) the Minimum Revenue Provision (MRP) policy.

Treasury Management Issues

- a) the current treasury position;
- b) treasury indicators which limit treasury risk and activities of the Council;
- c) prospects for interest rates;
- d) the borrowing strategy;
- e) policy on borrowing in advance of need;
- f) debt rescheduling;
- g) the investment strategy;
- h) creditworthiness policy; and
- i) policy on use of external service providers.

12. These elements cover the requirements of the Local Government Act 2003, CIPFA Prudential Code, government MRP guidance, the CIPFA Treasury Management Code and the government Investment Guidance.

The Capital Programme Prudential Indicators 2019/20 – 2022/23

13. The Council's Capital Programme is the key driver of treasury management activity. The Prudential Indicators are designed to assist members' overview and confirm capital expenditure plans.

Capital Expenditure

14. The first prudential indicator is a summary of the Council's Capital Programme expenditure plans and funding. It includes existing expenditure commitments, and those included in the 2019/20 – 2022/23 budget cycle.

	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
Capital Expenditure						
General Fund (GF)	71,326	71,516	110,261	61,755	28,279	19,362
HRA	30,400	37,628	27,080	27,816	27,798	27,490
Total	101,726	109,144	137,341	89,571	56,077	46,852
Financing of Capital Expenditure						
Capital Receipts	10,520	13,969	27,176	17,486	6,026	4,590
Capital Receipts Shortfall *	0	-5,215	5,215	0	0	0
Capital Grants	38,235	36,857	45,914	28,429	9,725	2,244
Capital Reserves	596	678	1	0	0	0
Revenue	26,782	32,836	27,659	27,916	27,798	27,490
Sub Total	76,133	79,125	105,965	73,831	43,549	34,324
Net Financing Need	25,593	30,019	31,376	15,740	12,528	12,528

*Some Capital schemes are financed by capital receipts. The timing of the receipts varies and may result in some expenditure showing as unfinanced at the year-end until the receipts are generated. The forecast figures above reflect the in-year movement including the estimated £5.2m shortfall in capital receipts for 2018/19.

Borrowing

The Council's Total Capital Financing Requirement (CFR)

15. The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is total historic outstanding capital expenditure which has not been fully funded. It is a measure of the Council's underlying borrowing need.

16. The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. As at 31/03/18, the Council had £48.1m of such schemes.

17. The CFR does not increase indefinitely, as minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
Capital Financing Requirement						
GF	284,236	305,451	328,953	336,988	341,891	346,872
HRA	266,025	267,069	267,069	267,069	267,069	267,069
Total CFR	550,261	572,520	596,022	604,057	608,960	613,941
Movement in CFR	21,558	22,259	23,503	8,035	4,903	4,981
Represented by						
Net Financing Need (table above)	25,593	30,019	31,376	15,740	12,528	12,528
Less MRP/Other financing adjustment	-4,035	-7,760	-7,873	-7,705	-7,625	-7,547
Movement in CFR	21,558	22,259	23,503	8,035	4,903	4,981

18. The Council is forecast to have borrowed £526.1m as at 31/03/19 against a CFR (borrowing requirement) of £572.5m which means that the Council is currently forecast to be under-borrowed (see paragraphs 20 to 22) by £46.4m. This minimises external interest costs, but may not be sustainable long term.

19. In 2017/18 the Council borrowed £56.5m to prepay its pension deficit obligations and 80% of the future service rate (FSR) for the following 3 years, which saved the Council £0.6m after borrowing costs. Whilst the borrowing for the pension prepayment is not for capital purposes and therefore does not feed into the Capital Financing Requirement as no asset is purchased, it will temporarily reduce the under-borrowed position for reporting purposes, for the three years during which the loans are outstanding.

Under- Borrowing

20. As detailed above, the Council is currently maintaining an under-borrowed position. This means that the level of actual debt is below the Capital Financing Requirement (the amount the authority needs to borrow for capital purposes) and therefore the Council has to use internal resources such as earmarked reserves, unapplied grants and capital receipts, cash balances, etc. to fund some of its unfinanced capital expenditure.

21. This strategy is beneficial because external debt interest payments are minimised and funds available for investments are reduced at a time when investment returns remain low.

22. This position cannot be sustained in the long term. The reserves and balances may be needed and as a consequence the need to borrow will increase. This could be short-term or long-term borrowing. The Council have used short-term borrowing opportunities from other authorities as they have restricted lending lists which means they lend at rates much lower than PWLB rates.

Short-Term Borrowing

23. The use of short-term borrowing can make the borrowing portfolio volatile in terms of interest rate and refinancing risk. The benefit to the Council is low interest costs which has enabled the treasury management function to generate savings, which have been re-prioritised to service delivery. The risk inherent to using this approach has to be balanced against the need to find savings and produce a balanced budget.

24. There is a risk associated with a short-term borrowing strategy. As interest rates are likely to rise in future years, long-term borrowing will be more expensive than

it is currently. By deferring long term borrowing until later years it is likely that additional costs will be incurred. We are balancing long term stable interest costs against short term interest savings.

25. The under-borrowing position remains lower than previous years due to the Council borrowing £56.5m to prepay its pension liabilities for 2017/18 to 2019/20 (see paragraph 19). This position will change by approx. £20m per year when the borrowing is repaid and under-borrowing position increases by the same amount.

26. Unless new resources are identified e.g. grants, asset sales, etc. funding the Capital Programme from balances will decrease investment balances and hence reduce investment income levels, but the loss, is currently, more than offset by the interest savings generated by not taking on the full borrowing requirement.

The Minimum Revenue Provision (MRP)

27. The Council is required by statute to charge MRP to the General Fund Revenue Account each year for the repayment of debt. The MRP charge is the means by which capital expenditure which has been funded by borrowing is paid for by council tax payers.

28. The Council's MRP policy is detailed at **Appendix B**. The selected methods are those which are most beneficial in each case and comply with Ministry of Housing, Communities & Local Government (MHCLG) regulations.

Core funds and expected investment balances

29. The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed over are estimates of the year end balances for each resource and anticipated day to day cash flow balances. It should be noted that the use of resources is difficult to predict and a cautious approach is taken.

Year End Resources	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
Reserves balances	75,933	44,504	32,940	30,025	29,989	29,953
Capital receipts GF	10,520	8,754	32,391	17,486	6,026	4,590
Provisions	15,498	14,544	14,544	14,544	14,544	14,544
Capital Grants Unapplied	11,676	5,904	5,904	5,904	5,904	5,904
Total core funds	113,627	73,706	85,779	67,959	56,463	54,991
Working capital	24,943	24,943	24,943	24,943	24,943	24,943
Under/over borrowing	21,352	46,382	58,733	74,828	66,935	59,120
Expected investments	40,000	56,000	*31,500	31,500	31,500	31,500

*Estimated impact of repaying £24.5m of maturing loans, to minimise external interest costs, using investment funds.

Current Portfolio Position

30. There are a number of key prudential indicators to ensure that the Council operates within well-defined limits. One of these is that the Council needs to ensure that its total borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement (CFR). This helps to ensure that over the medium term borrowing is not undertaken for revenue purposes.
31. The Chief Financial Officer & Assistant Director of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this report. As previously stated the Council's external borrowing at 31 March 2019 is expected to be £526.1m. Split across two pools as below. The borrowing need (total CFR) is £572.5m which highlights that the Council will be under-borrowed by £46.4m (see paragraphs 20 to 22 above).
32. Following changes to the MHCLG guidance the council needs to report debt relating to commercial activities/non-financial investments separately. The council confirms that we do not currently have any debt relating to commercial activities/non-financial investments and there are no plans for this to change during the term of this report.

Portfolio Position	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
CFR General Fund	284,236	305,451	328,953	336,988	341,891	346,872
External Borrowing	285,686	281,871	271,227	263,166	275,962	288,758
Under-borrowed Position	-1,451	23,580	57,727	73,822	65,929	58,114
Ave. Interest Rate	2.89%	2.95%	2.70%	3.16%	3.12%	3.03%
CFR HRA	266,025	267,069	267,069	267,069	267,069	267,069
External Borrowing	243,223	244,267	266,063	266,063	266,063	266,063
Under-borrowed Position *	22,802	22,802	1,006	1,006	1,006	1,006
Average Interest Rate	4.89%	4.84%	4.70%	4.68%	4.61%	4.60%
Total CFR	550,261	572,520	596,022	604,057	608,960	613,941
Total External debt	528,909	526,138	537,289	529,229	542,025	554,821
Total Under-borrowing	21,352	46,382	58,733	74,828	66,935	59,120

*As there is no requirement to apply MRP to HRA borrowing, its under-borrowed position would only change as a result of a strategic change in the Councils borrowing pool makeup or external borrowing position, e.g. increase/decrease in external debt.

33. Both debt pools have relatively low interest rates which are expected to stay flat between 2019/20 and 2022/23. The average rate on GF increases slightly as the short term pension prepayment loans, which have an average interest rate of sub 1%, are repaid. The average interest rate on HRA debt is higher than the GF debt as the pool contains a higher proportion of older, or longer term, debt taken out at higher interest rates.
34. Treasury management decisions on the structure and timing of borrowing will be made independently for the GF and HRA. Interest on loans will be calculated in accordance with proper accounting practices. This will require interest

expenditure on external borrowing attributed to HRA loans being allocated to the HRA. Interest expenditure on external borrowing attributed to the GF will be allocated to the GF.

Treasury Indicators: Limits to Borrowing Activity

35. These are the 2 overall controls for treasury management external borrowing:

- The 'operational boundary' for external borrowing; and
- The 'authorised limit' for external borrowing.

Operational Boundary for external borrowing

36. This is the normally expected limit for external borrowing. For 2019/20 the limit is **£600.6m**. In most cases, this would be a similar figure to the Capital Financing Requirement (CFR). However, Doncaster Council's operational boundary adds our 'other long term liabilities' (which is Metropolitan Debt transferred from South Yorkshire County Council).

Operational Boundary	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
CFR/Borrowing	550,261	572,520	596,022	604,057	608,960	613,941
Other long-term liabilities Met. Debt	7,513	6,513	4,545	2,381	0	0
Total	557,774	579,033	600,568	606,438	608,960	613,941

The Authorised Limit for external borrowing

37. A further key prudential indicator is a control on the maximum level of borrowing. This represents a legal limit beyond which external borrowing is prohibited, and this limit needs to be set or revised by the full Council.

38. It reflects the level of external borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

39. This allows the Council to borrow in advance (up to 3 years) of need for future planned expenditure – relating solely to unfinanced capital expenditure in any future 3 year period. Doncaster Council do not borrow in advance and this would only be considered where interest rates were preferential and to avoid future interest rate risk. For 2019/20 the limit is **£641.4m**.

Authorised limit	Actual	Estimates				
	2017/18 £k	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k	2022/23 £k
Borrowing	550,261	572,520	596,022	604,057	608,960	613,941
Other long-term liabilities – 'Met. Debt'	7,513	6,513	4,545	2,381	0	0
Theoretical amount *	0	59,644	40,796	24,739	12,211	-317
Total	557,774	638,677	641,364	631,177	621,171	613,624

* This figure includes an allocation for the Improvement and Modernisation Fund, which will only be taken as and when individual schemes receive separate approval.

40. Previously, the Council used to be limited to a maximum HRA Capital Financing Requirement (CFR) through the self-financing regime. This was called the HRA debt limit which was abolished during 2018/19.

Treasury Management Limits on activity

41. There are three debt related treasury activity limits, see **Appendix A**, The purpose of these are to keep the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance.

Prospects for Interest Rates

42. Link Asset Services Treasury Solutions, are the Councils treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. **Appendix D** draws together a number of current City forecasts for short term (Bank Rate) and longer term fixed interest rates.

43. Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts and Monetary Policy Committee (MPC) decisions will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. The overall balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit. There are a number of downside risks to current forecasts for UK gilt yields and PWLB rates e.g. an increase in the Bank Rate causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.

44. There is also the potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates e.g. the bank rate raises too slowly and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

45. Our target borrowing rate for 2019/20 is 1.5%. Whilst our borrowing rates have taken account of all known factors including the advice of our treasury management advisors it is possible that rates could change unexpectedly. A significant rise in short term interest rates could expose the Council to additional interest costs. A 1% increase in interest on loans due to be taken within the next 12 months would cost the General Fund an additional £343k in 2019/20 rising to £658k per annum (full year effect).

Borrowing Strategy

46. Effective treasury management makes sure that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet the Council's service activity in line with the Capital Programme. This will involve both the organisation of the cash flow and, where capital plans require, the arrangement of borrowing facilities. Total borrowing at the beginning of 2019/20 is forecast to be £526.1m. During 2019/20 the council estimates that it will borrow an additional £23.5m for the Capital Programme and replace £43m of the £67.5m GF and HRA loans expiring during the year. The Council also has £39m of loans, which potentially, we could be asked to repay during the financial year. However, based on the current and forecast levels of interest rates this risk is considered very low and replacement of the loans has not been included within this strategy. The Council's current Loans and Investment portfolios are shown in **Appendix C**.

47. The borrowing strategy is a continuation of the recent successful strategy that has generated large interest savings. The savings are generated in two ways, being under-borrowed (see paragraphs 20 to 22) and borrowing short term (see paragraphs 23 to 26). As interest rates are forecast to increase gently over the term of this strategy we propose to continue to borrow short term rather than lock into the historically low long term interest rates. Where the Section 151 Officer considers it is prudent to do so borrowing may be taken over a longer period.
48. The savings, which are very sensitive to a movement in interest rates, assume that the under-borrowing will continue. There remains risks associated with the under-borrowing, but these will probably be eroded over time through the application of MRP.
49. The strategy delays some borrowing as long as possible to generate interest saving. For example at today's interest rates, if we were to borrow the £46.4m (forecast under-borrowed amount as at 31st March 2019) from the Public Works Loan Board (PWLb) over 5 years interest would cost £0.803m per annum and over 25 years to 50 years it would cost £1.16m per annum.
50. It is normally prudent to borrow long term to support the Capital Programme; however, we have had unusual market conditions that we have used to generate short term savings. Those market conditions are forecast to continue to normalise gradually during the strategy term, however, the new normal is forecast to be much lower borrowing rates than in previous economic cycles. Also, 48% of the Councils borrowings are for terms between 30 and 50 years, which brings certainty of cost and minimises interest rate risk on almost half the portfolio.
51. It is possible that the Municipal Bond Agency will be offering loans to local authorities in the future. The Agency hopes that the borrowing rates will be lower than those offered by the PWLB. This Authority may make use of this new source of borrowing as and when appropriate. We will also consider any other sources of borrowing, which shows better value for money compared to the PWLB.

Risk Strategy

52. The strategies of internal and short-term borrowing generate immediate savings but are not sustainable in the long term given the level of interest rate risk within the portfolio. Three distinct risks have been identified:
 - a) The increased use of reserves and provisions reduces the funds currently financing the under-borrowing. To mitigate this risk the Council will monitor its use of resources and if necessary undertake additional external borrowing, within approved limits.
 - b) Short-term interest rates increase making the short-term borrowing strategy more expensive than a long-term alternative.
 - c) There is an on-going risk that long-term interest rates rise significantly so that the switch from short-term borrowing becomes very costly.
53. Against this background and the risks within the economic forecast, caution will continue to be adopted with the 2019/20 treasury operations. The Chief Financial Officer & Assistant Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
 - if it was felt that there was a significant risk of a sharp fall in long and short term rates, e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
 - if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a

greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that long term fixed rate funding will be drawn whilst interest rates were still relatively cheap. We have already seen an increase in inflation in line with Bank of England forecasts due to the fall in sterling post Brexit. However, over 2 years on, this impact has started to reverse and inflation has started to fall. The current levels do not yet justify a sharper than forecast increase in interest rates.

Transfer of Loans between Debt Pools

54. The Council's policy on transferring loans between the HRA and GF debt pools is as follows:

- In the case of the HRA/General Fund having a requirement to fund its Capital Financing Requirement (CFR), then one debt pool may be used to subsidise another to reduce either the GF or the HRA external borrowing requirement.
- If this happens, then loans will be transferred between the pools without the need to recognise an internal premium or discount.
- Similarly, if the HRA and General Fund wish to swap loans as a result of strategic decisions, this loan swap would also be undertaken at no internal premium or discount.

55. Where the HRA or General Fund has surplus cash balances which allow either account to fund internal, the rate charged on this internal borrowing will be based on the average external rate of interest on the applicable pool at the end of the financial year. This is a reasonable approach providing certainty of charging, protection against short term increases in market rates and reflects the fact that strategic borrowing decisions will generally be made on an annual basis.

56. It is proposed to transfer £21.8m of existing external loans from the General Fund Pool to the HRA Pool. The transfer also means that the HRA will be virtually fully borrowed and General Fund will carry all the under borrowing risk. As a consequence, the ongoing external interest cost for the General Fund will reduce by £0.65m.

Policy on Borrowing in Advance of Need

57. The Council will not borrow more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. At present Doncaster Council do not borrow in advance.

58. Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 100% of the expected increase in borrowing need (Capital Financing Requirement) over a three year planning period; and
- Would not look to borrow more than 36 months in advance of need.

59. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt Rescheduling

60. As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
61. Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt. During 2019/20 we are planning to repay maturing debt with £24.5m of the investment funds.
62. All rescheduling activity will be reported in the next Finance & Performance Improvement Report to Cabinet.

Annual Investment Strategy

Investment Policy

63. The Council's investment policy has regard to the Government MHCLG's Guidance on Local Government Investments ("the Guidance"), the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the CIPFA Code") and the CIPFA Treasury Management Guidance Notes 2018. The Council's investment priorities will be security first, portfolio liquidity second, then return.
64. In order to minimise the risk to investments, the Council has stipulated the minimum acceptable credit quality of financial institutions for inclusion on its lending list. The methodology used to create the lending list takes account of the ratings and watches published by all three ratings agencies, Fitch, Moody's and Standard & Poors, with a full understanding of what the ratings reflect in the eyes of each agency. Using the Link Asset Services Treasury Solutions, ratings service, banks' ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.
65. The aim of the policy is to generate a list of highly creditworthy financial institutions/products which will also enable diversification and thus avoidance of concentration risk.
66. The primary intention of the policy is to provide security of investment and minimisation of risk.
67. Where the HRA or GF has surplus cash balances invested the interest shall be credited based on the relative proportions of the balances. Where an investment is impaired the charge shall also be shared based on the relative proportions of the balances.

68. Long Term Credit Rating Equivalents and Definitions:-

Fitch	Moody's	Standard and Poor's
AAA Highest credit quality. "AAA" ratings denote the lowest expectation of credit risk. They are assigned only in the case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.	Aaa Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.	AAA An obligator rated "AAA" has extremely strong capacity to meet its financial commitments. "AAA" is the highest issuer credit rating assigned by S&P.

<p>AA (+/-) Very high credit quality. "AA" ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.</p>	<p>Aa (1/2/3) Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.</p>	<p>AA (+/-) An obligator rated "AA" has very strong capacity to meet its financial commitments. It differs from the highest rated obligators only by a small degree.</p>
<p>A (+/-) High credit quality. "A" ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.</p>	<p>A (1/2/3) Obligations rated A are considered upper-medium grade and are subject to low credit risk.</p>	<p>A (+/-) An obligator rated "A" has strong capacity to meet its financial commitments but is more susceptible to the adverse effects of changes in circumstances and economic conditions than obligators in higher rated categories.</p>
<p>There are 1 investment grade and 18 sub investment grade ratings below this level but this Council will not deal in financial instruments rated below the above levels, or equivalent.</p>		

69. Further, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial markets in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets.

70. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investments.

71. As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.)

72. Investment instruments identified for use within the financial year are listed in **Appendix E** under the "Specified" and "Non-specified" investment categories.

73. The MHCLG Guidance defines Specified Investments as those:

- Denominated in sterling
- Due to be repaid within 12 months of the arrangement
- Not defined as Capital Expenditure by legislation and invested with one of:-
 - I. The UK Government
 - II. A UK local authority, parish council, or community council, or
 - III. A body or investment scheme of "high credit quality"

74. Non-Specified Investments are any that do not meet the above criteria.

75. The above criteria is unchanged from last year.

Credit Risk Policy

76. The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating equal to the UK's sovereign rating (minimum rating as confirmed by at least two agencies). The list of countries that qualify using this credit criteria as at the date of this report are shown in **Appendix E**. This list will be amended by officers should ratings change in accordance with this policy. Any changes will be approved by the Councils Section 151 Officer, or Deputy. Not all counterparties will be active in the market at all times, therefore it is important to have a good spread of available organisations.
77. The Council applies the credit risk assessment service provided by Link Asset Services Treasury Solutions.
78. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies. The credit ratings of financial institutions are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;
 - Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings;
79. Sovereign ratings to select financial institutions from only the most creditworthy countries.
80. The model is a series of bands which indicate the relative creditworthiness of financial institutions. This is used by the Council to determine the duration of investments. The model will also be used to select institutions with a high level of creditworthiness, based on the following bands. The Council will therefore use financial institutions within the following durational bands.

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

Colour	Maximum Term
Yellow	5 Years
Dark pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
Light Pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
Purple	2 Years
Blue	1 year (applies to nationalised or semi nationalised UK Banks)
Orange	1 Year
Red	6 Months
Green	100 Days
No Colour	Not to be used

	Colour (and long term rating where applicable)	Money and/or % Limit	Time Limit
Banks	Yellow	£50m	5 years
Banks	Purple	£40m	2 years
Banks	Orange	£30m	1 year
Banks – part nationalised	Blue	£30m	1 year
Banks	Red	£20m	6 months
Banks	Green	£10m	100 days

	Colour (and long term rating where applicable)	Money and/or % Limit	Time Limit
Banks	No colour	Not to be used	
Council's banker (Lloyds Bank)	One colour band upgrade	As per relevant band	As per relevant band
Other institutions limit	-	£20m	1 year
DMADF	UK sovereign rating	unlimited	6 months
Local authorities	n/a	£30m	5 years
	Fund rating	Money and/or % Limit	Time Limit
Money market funds (CNAV/LVNAV or VNAV)	AAAmf	£20m per category	liquid
Ultra –Short dated Bonds Funds with a credit score of 1.25	Dark pink / AAA	£10m	liquid
Ultra –Short dated Bonds Funds with a credit score of 1.5	Light pink / AAA	£10m	liquid

81. This methodology is even more cautious than the approach suggested by CIPFA of using the lowest rating from all three rating agencies to determine creditworthy financial institutions. The Link Asset Services Treasury Solutions, creditworthiness service uses a wider array of information in addition to the primary ratings and by using a risk weighted scoring system, does not give undue weighting to one agency's ratings.

82. Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when another rating agency's counterparty ratings may be used that are marginally lower than Fitch's counterparty ratings, but in such instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

83. All credit ratings are monitored daily and changes to ratings are notified to us by Link Asset Services Treasury Solutions, creditworthiness service.

84. If a downgrade results in the financial institution/ investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

85. In addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

UK banks – ring fencing

86. The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), were required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks

are very close to the threshold already and so may come into scope in the future regardless.

87. Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

88. While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

Investment Strategy

89. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

90. Bank Rate is forecast to stay flat at 0.75% before starting to rise from quarter 2 of 2019 and are unlikely to rise above 1.50% by quarter 1 2021. Bank Rate forecasts for financial year ends (March) are:

Financial Year	Rate
2018/19	0.75%
2019/20	1.25%
2020/21	1.50%
2021/22	2.00%
Estimates after 2021/22 are not available	

91. Policy rates are not expected to tighten for some considerable time, so some of the longer dated deals on offer continue to present some potential advantage.

92. The suggested budgeted investment earnings rates for returns on investments placed for periods of up to 3 months during each financial year for the next 3 years are as above. These rates, plus a small margin to stretch performance, have been used to estimate investment interest, over the strategy term.

93. The Council will pursue value for money with its investments and to measure this will use the 7 day London Interbank Bid Rate (LIBID) as its investment benchmark. We will also continue to use the investment benchmarking service offered by Link Asset Services Treasury Solutions, to compare our performance against our peers.

94. The overall balance of risks to economic growth in the UK is probably neutral.

95. The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively. The Bank of England’s forward guidance should be a good indicator of where interest rates are going.

96. To bring balance to the portfolio funds generated through the Council's cash flow will be invested on the following basis:-

Liquid Funds (approx. £20m)

This part of the portfolio should be managed at around £20m. This allows for the payment of payroll on dates within the year when grants are delayed due to the 15th being on a weekend (June 2019, September 2019, December 2019, February 2020 and March 2020).

For example this part of the portfolio should be invested in:-

- bank deposits (main accounts, call accounts, notice accounts); and
- potentially Money Market Funds (subject to due diligence and selection process).

Other Specified Investments (approx. £20m)

Once the liquid funds are in place the Council should continue to invest in other slightly less liquid, but still secure assets, up to a maximum of 1 year. Examples of these assets are:-

- UK Government Treasury Bills, which will have a maturity date of less than 6 months (the maximum term).
- High quality Certificates of Deposit (rank equally with bank deposits re bail in) which provides access to a wider range of higher rated banks.
- High quality bonds issued by banks, with a maturity date of less than 1 year.
- Other Corporate Bonds that meet its minimum investment criteria, with a maturity of less than 1 year.
- Collateralised Deposits (repurchase/Reverse Repurchase) arrangements utilising its existing custodial arrangements with King & Shaxson brokers. This is a method of secured deposit with a bank.

Repo/Reverse Repo is accepted as a form of securitised lending and should be based on the GMRA 2000 (Global Master Repo Agreement). Should the counterparty not meet our senior unsecured rating then a 102% collateralisation would be required. The acceptable collateral is as follows:

Index linked Gilts
Conventional Gilts
UK Treasury bills
Corporate bonds

Non-Specified Investments (Maximum £20m)

Any core funds that are identified as being available longer term, e.g.reserves should continue to be invested in suitable longer term assets, examples of which are:-

- fixed deposits with banks.
- High quality Certificates of Deposit with a maturity date in excess of 12 months.
- High quality bonds issued by banks, with a maturity date in excess of 12 months.
- Other Corporate Bonds that meet its minimum investment criteria, with a maturity in excess of 12 months.

97. A full list of Specified and Non-Specified investments is in **Appendix E**.
98. Any new Non-Specified investment will require authorisation by the Councils Section 151 Officer, or Deputy. Details of minimum criteria and any additional due diligence required can also be seen in **Appendix E**.

99. Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

	Maximum principal sums invested > 1 year			
£m	2019/20	2020/21	2021/22	2022/23
Principal sums invested > 1 year	£20m	£20m	£20m	£20m

End of year investment report

100. At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

Policy on the use of external service providers

101. Following a competitive tender process the Council has re-awarded its Treasury Consultancy contract to Link Asset Services Treasury Solutions, as its external treasury management advisors until December 2021.
102. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
103. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.
104. The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. Training has been undertaken by members and further training will be arranged as required. The training needs of treasury management officers are periodically reviewed.

Prudential Code Update/MHCLG revised guidance

105. In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. All local authorities will be required to prepare an additional report (Capital Strategy report) from 2019/20 onwards, which is intended to provide the following:
- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.
 - an overview of how the associated risk is managed.
 - the implications for future financial sustainability.
- The aim of this report is to ensure that all elected members fully understand the overall strategy, governance procedures and risk appetite entailed by this Strategy. The Council Capital Strategy will be approved in the Capital Strategy and Capital Budget 2019/20 – 2022/23 report.
106. In February 2018, MHCLG issued revised investment guidance to include non-treasury investments within the Treasury Management framework. The changes will increase the responsibilities of the Section 151 Officer, especially in respect of non-financial (non-treasury management) investments. This will be reflected in the next update to Financial Procedure Rules.

OPTIONS CONSIDERED

107. Other options that have been considered and members need to be aware of, when compiling this report, that would affect the investments and borrowing decisions are as follows:-

Options	Likely impact on Income and Expenditure	Likely impact on risk management
1. Invest in a narrower range of institutions and shorter terms	Interest income will be lower	Reduced risk of losses from credit related defaults, but any single loss could be magnified.
2. Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income. Premium to be paid if debt paid down (avoided if the reduction is done, as planned, by not replacing maturing debt).	Reduced investment balance leading to a lower impact in the event of default, however long term interest costs become less certain.
3. Borrow additional sums at long term fixed interest rates	Debt interest costs will rise, this is unlikely to be offset by higher investment income	Reduced interest rate risk. But higher investment balance could lead to a higher impact in the event of a default.
4. Increase level of borrowing	Additional cost of debt interest is likely to exceed additional investment income received.	Under-borrowing uses a combination of reserves and working capital. Any adverse changes to either could lead to cash not being available to fund expenditure. Leading to increased levels of borrowing.
5. Borrow sufficient funds for under-borrowed position	Additional interest costs of up to £0.9m per annum. It should be noted that a proportion of the under-borrowed position has been used to prepay the pension contribution.	Reduced interest rate risk, but significantly higher costs. In addition the higher investment balance could lead to a higher impact in the event of a default.

REASONS FOR RECOMMENDED OPTION

108. Options 1 & 2 are the recommended option to maximize external interest savings without introducing unacceptable risk.

109. The strategy provides a good balance between our existing, predominantly long maturity profile, to produce additional savings to support front line budgets and service provision. Remaining under-borrowed also reduces the risk of losses from failed investments.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>Treasury Management impacts on all the outcomes; it makes sure that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet the Council's service activity in line with the Capital Programme.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	

RISKS AND ASSUMPTIONS

110. This strategy report along with the Council's Treasury Management Practice Statements seeks to limit as far as possible the risks associated with the Council's Treasury function. However, the economic climate and financial markets are dynamic, and, can be prone to sharp unexpected movements. The Section 151 Officer and the Council's advisors will continually monitor the environment and act as necessary to limit risk and achieve best value for the Council.
111. Key risks and the actions taken to mitigate those risks are:-
- a. The Council could be unable to borrow when funding is required due to adverse market conditions and/or budgetary restraints. This risk is mitigated by maintaining sufficient easily accessible funds. Further mitigating actions could be scaling back or re-profiling capital expenditure plans if necessary.
 - b. There could be an increased use of reserves and working capital which is currently used to finance the under borrowed position. This risk is mitigated by regular monitoring of the use of reserves and having a robust cash flow forecast, which is monitored on a daily basis.
 - c. Interest rates for borrowing could be higher than forecast. This risk is mitigated by regular monitoring of economic forecasts, consulting with the Councils treasury advisers and reducing the borrowing term. Other sources of borrowing will also be identified if possible.
 - d. The Council could receive a lower than forecast return on its investments. This risk is mitigated by regular monitoring of economic forecasts, consulting with the Councils treasury advisers and regular benchmarking. Investment strategies would then be adjusted by the Section 151 Officer, as appropriate.
 - e. An institute with whom the Council has investments could become insolvent. This risk is mitigated by only investing in financial institutions that meet the Councils minimum criteria. The Council will laso continually monitor the credit ratings of approved institutions and spread investments across a number of financial institutions and assets.
 - f. A financial institution may not repay an investment at maturity date due to an administration error (not insolvency). This is mitigated by maintaining accurate records of all investments placed, including confirmation from the counterparty. Adequate borrowing sources are available to cover any temporary cashflow shortfalls. In addition a proportion of the investments placed will always be instantly accessible.

LEGAL IMPLICATIONS [Officer Initials SF Date 17/01/19]

112. The Council's Treasury Management activities are regulated by a variety of professional codes, statutes and guidance:-
- a. Chapter 1 Part 1 of the Local Government Act 2003 (the Act) provides the powers to borrow as well as providing controls and limits on such capital finance and accounts;
 - b. the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, as amended, develops the controls and powers within the Act;

- c. the Regulations require local authorities to have regard to the code of practice entitled the Prudential Code for Capital Finance in Local Authorities published by CIPFA when determining their affordable borrowing limit;
- d. the Regulations also require local authorities to operate its overall treasury function having regard to the code of practice contained in the document entitled Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes published by CIPFA;
- e. the Regulations require local authorities, for each financial year, to make a minimum revenue provision, which they consider to be prudent, in respect of the financing of capital expenditure incurred in that and previous years.

The Treasury Management function is included in the Chief Financial Officer's duties under Section 151 of the Local Government Act 1972 to administer the Council's financial affairs.

FINANCIAL IMPLICATIONS [Officer Initials AT Date 02/01/2019]

113. The treasury management budget required for 2019/20 has been reviewed and analysed over the following headings:

	General Fund £'m	HRA £'m
<u>Costs</u>		
Existing External Borrowing	5.112	11.674
Replacement External Borrowing	0.547	0.774
Pension Prepayment	0.205	0.000
New External Borrowing	0.397	0.016
Total Borrowing Costs	6.261	12.464
Other treasury management expenditure	0.255	0.000
Total Costs	6.516	12.464
<u>Income</u>		
HRA recharge	-0.047	0.047
Investment Interest	-0.315	0.000
Net Costs	6.154	12.511

The 2019/20 general fund budget was £6.572m for Treasury Management and after £0.418m of one-off savings that have been included in the 2019/20 revenue budget proposals, the £6.154m referenced in the above table is available for these costs. The HRA interest costs are included in the separate HRA budget report that will be presented to Full Council in March 2019. Specific financial information is included in the body of the report.

HUMAN RESOURCES IMPLICATIONS [Officer Initials KG Date 11/01/2019]

114. There are no specific Human Resources implications to this report

TECHNOLOGY IMPLICATIONS [Officer Initials...PW Date...14/01/19]

115. There are no technology implications in relation to this report.

HEALTH IMPLICATIONS [Officer Initials RS Date 10/01/2019]

116. Treasury management is unlikely to have direct health impacts. However both the borrowing and the investment strategies should take account of any indirect or unintended health impacts. These may arise from investing or borrowing in or from ventures that themselves have health impacts or are linked with other organisations that impact health. The most obvious case is that the council should protect its tobacco control work from the commercial and vested interests of the

tobacco industry by not accepting any partnerships, payments, gifts and services, monetary or in kind or research funding offered by the tobacco industry.

EQUALITY IMPLICATIONS [Officer Initials CY Date 10/01/18]

117. The Council must consider and have due regard to the three aims of the general equality duty, when developing and implementing the Treasury Management Strategy. By ensuring that the Treasury Management function is effective we can ensure that the right resources are available at the right time to enable the delivery of services. The equality implications for the revenue and capital budgets are detailed in the respective reports within the agenda papers.

CONSULTATION

118. The Council obtains advice from specialist organisations in respect of its treasury management activities. The impact of this is then assessed for its effect on the Council and appropriate action taken as necessary. Consultation has taken place with key financial managers and Executive Board.

119. This report has significant implications in terms of the following:

Procurement		Crime & Disorder	
Human Resources		Human Rights & Equalities	
Buildings, Land and Occupiers		Environment & Sustainability	
ICT		Capital Programme	X

BACKGROUND PAPERS

C.I.P.F.A. Code of Practice on Treasury Management (Revised 2017).

C.I.P.F.A. Treasury Management in the Public Services Guidance Notes 2018.

C.I.P.F.A. Prudential Code for Capital Finance in Local Authorities (Revised 2017).

Localism Act 2011.

MHCLG Statutory Guidance Local Government Investments (3rd edition), April 2018.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2010 [SI 2010/454].

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Steve Mawson
Chief Financial Officer & Assistant Director of Finance

THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2019/20 – 2022/23

- 1) The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital Expenditure	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
£m	Actuals	Estimates				
Adults, Health & Wellbeing	3,935	6,149	5,278	9,368	5,023	4,394
Finance & Corporate	2,078	13,049	19,469	16,334	12,500	12,500
Learning & Opportunity – Children	7,905	7,265	12,717	13,705	6,759	0
Regeneration & Environment	57,408	45,053	72,797	22,348	3,997	2,468
Non-HRA	71,326	71,516	110,261	61,755	28,279	19,362
HRA	30,400	37,628	27,080	27,816	27,798	27,490
TOTAL	101,726	109,144	137,341	89,571	56,077	46,852

2) Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

a. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non-HRA	7.14%	8.05%	7.89%	7.42%	6.42%	6.49%
HRA	15.83%	16.04%	17.32%	16.93%	16.37%	16.00%

The estimates of financing costs include current commitments and the proposals in this budget report.

b. HRA ratios

	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
HRA debt cap £k	269,904	0	0	0	0	0
HRA debt £k	243,223	244,267	266,063	266,063	266,063	266,063
HRA revenues £k	75,154	74,547	73,727	72,223	73,498	74,994
Ratio of debt to revenues %	30.90%	30.52%	27.71%	27.15%	27.62%	28.19%

	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
HRA debt £k	243,223	244,267	266,063	266,063	266,063	266,063
Number of HRA dwellings	20,170	20,100	19,958	19,783	19,608	19,433
Debt per dwelling £	12,059	12,153	13,331	13,449	13,569	13,691

4. Maturity Structure of Borrowing

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

£m	2018/19	2019/20	2020/21	2021/22	2022/23
Interest rate exposures					
	Upper	Upper	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%	100%	100%
Limits on variable interest rates based on net debt	30%	30%	30%	30%	30%
Maturity structure of fixed interest rate borrowing 2019/20					
	Lower	Upper	Actuals £k	Actuals %	
Under 12 months	0%	30%	82,690	15.72%	
12 months to 2 years	0%	50%	72,602	13.80%	
2 years to 5 years	0%	50%	20,288	3.86%	
5 years to 10 years	0%	75%	23,253	4.42%	
10 years and above	10%	95%	327,307	62.20%	
Total			526,141	100.00%	
Maturity structure of variable interest rate borrowing 2019/20					
	Lower	Upper	Actuals £k	Actuals %	
Under 12 months	0%	30%	0	0	
12 months to 2 years	0%	50%	0	0	
2 years to 5 years	0%	50%	0	0	
5 years to 10 years	0%	75%	0	0	
10 years and above	10%	95%	0	0	
Total			0	0%	

Minimum Revenue Position (MRP) Policy Statement

The Council has an annual duty to charge an amount of MRP to the General Fund Revenue Account which it considers to be a prudent provision. The MRP charge is the means by which capital expenditure which has been funded by borrowing is paid for by council tax payers. The guidance on MRP allows different options for the calculation of MRP as below:

- 1) Regulatory method
- 2) CFR method
- 3) Asset Life method, using either
 - a) Equal instalment method
 - b) Annuity method
- 4) Depreciation method

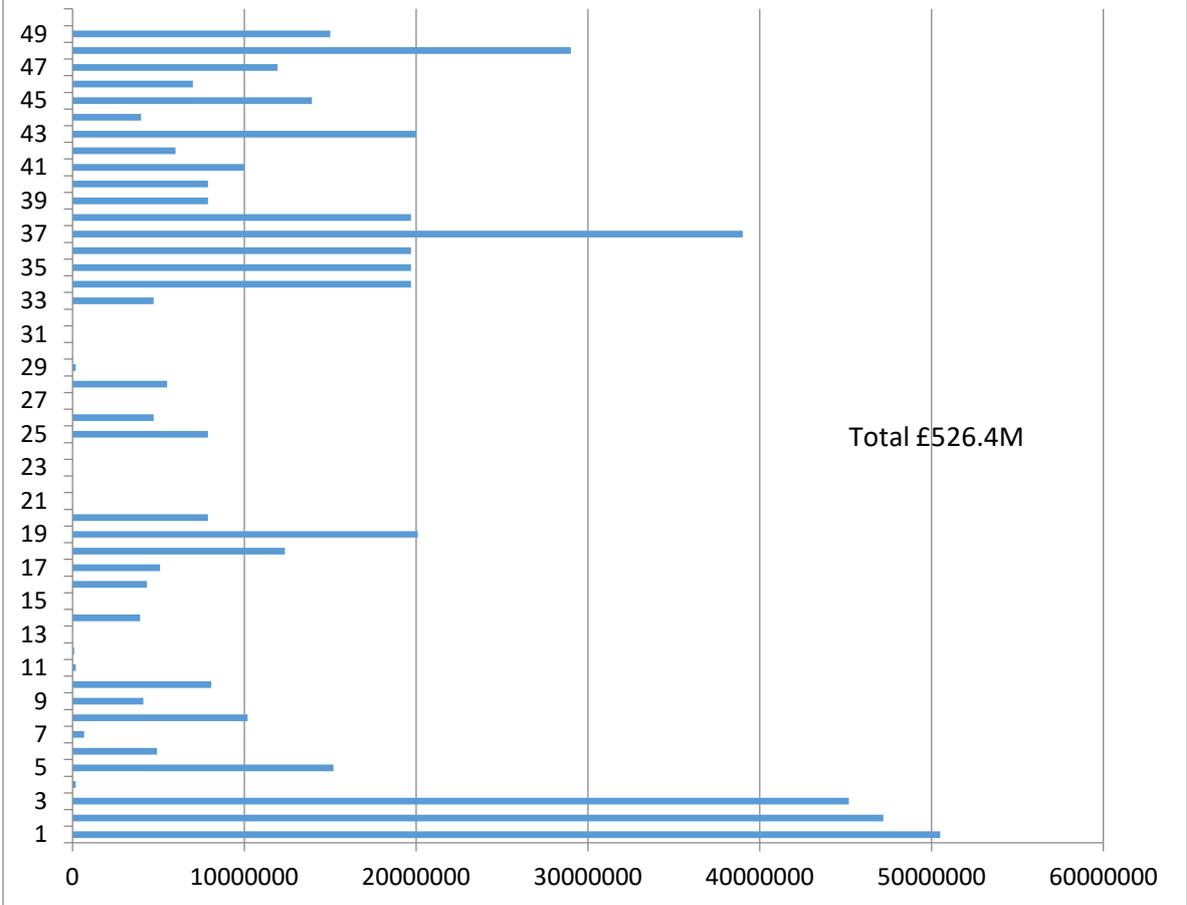
Doncaster Council 2019/20 MRP Policy

The Council adopts the most appropriate method of calculating and charging MRP for the specific asset. Methods used include either:

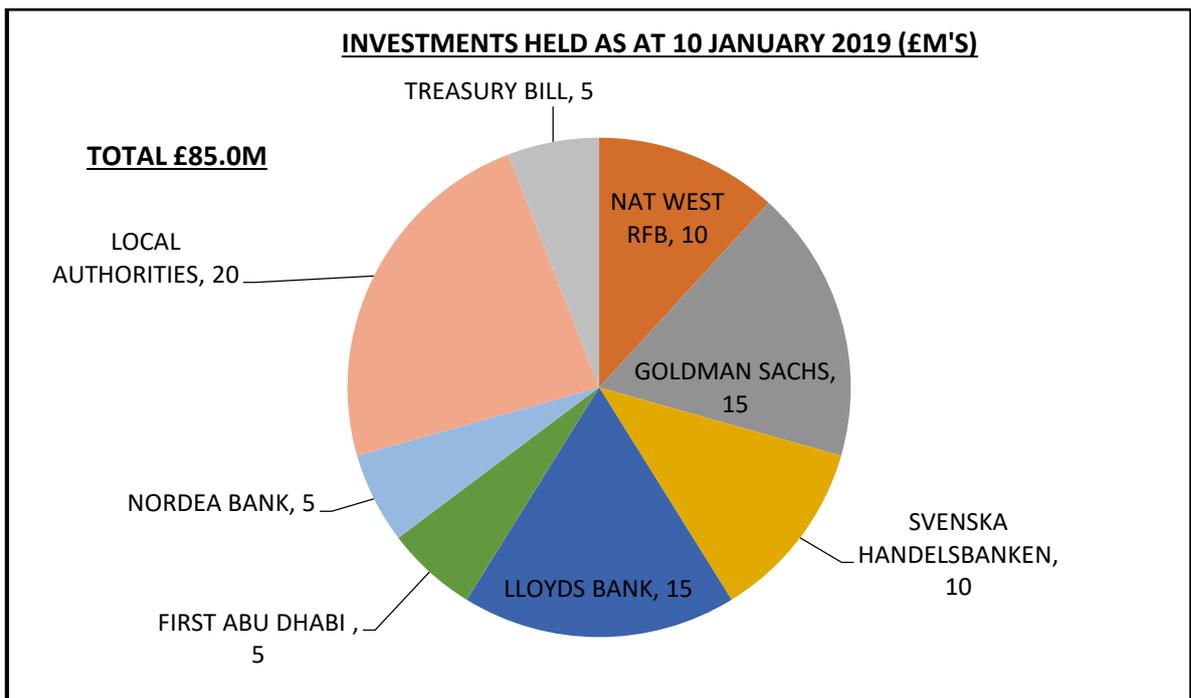
- **Asset Life method – Equal instalment method** (option 3a); or
- **Asset Life method - Annuity method** (option 3b); or
- **Depreciation method** (option 4).

MRP Overpayments - A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 2019 the total MRP overpayments are estimated to be £33.986m.

DONCASTER MBC FORECAST BORROWING
PORTFOLIO AS AT 31/03/19



INVESTMENTS HELD AS AT 10 JANUARY 2019 (£M'S)



Interest Rate Forecasts

Bank Rate	Now	Mar 2019	Mar 2020	Mar 2021
Actual JAN 19	0.75%	-	-	-
Link Asset Services view.	0.75%	0.75%	1.25%	1.50%
Capital Economics(CE)	0.75%	0.75%	1.70%	-
5Yr PWLB Rate	PWLB rates and forecasts below take into account the 0.20% Certainty rate deduction effective as of 01/11/12.			
Actual JAN 19	1.70%	-	-	-
Link Asset Services view.	1.70%	2.10%	2.30%	2.60%
Capital Economics(CE)	1.70%	2.03%	2.70%	-
10Yr PWLB Rate	PWLB rates and forecasts below take into account the 0.20% Certainty rate deduction effective as of 01/11/12.			
Actual JAN 19	2.26%	-	-	-
Link Asset Services view.	2.26%	2.50%	2.80%	3.00%
Capital Economics(CE)	2.26%	2.43%	3.05%	-
25Yr PWLB Rate	PWLB rates and forecasts below take into account the 0.20% Certainty rate deduction effective as of 01/11/12.			
Actual JAN 19	2.61%	-	-	-
Link Asset Services view.	2.61%	2.90%	3.20%	3.40%
Capital Economics(CE)	2.61%	2.96%	3.53%	-
50Yr PWLB Rate	PWLB rates and forecasts below take into account the 0.20% Certainty rate deduction effective as of 01/11/12.			
Actual JAN 19	2.46%	-	-	-
Link Asset Services view.	2.46%	2.70%	3.00%	3.20%
Capital Economics(CE)	2.46%	2.78%	3.40%	-

TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT OPTION 1

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum ‘high’ quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of 30% of the investment pool will be held in aggregate in non-specified investment

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

SPECIFIED INVESTMENTS:

(All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum ‘high’ rating criteria where applicable)

	Minimum ‘High’ Credit Criteria	Maximum % of total investments or maximum Amount per institution	Max. maturity period
Term deposits and other instruments with local authorities	N/a	£30m (maximum of £5m per authority)	12 months
Term deposits with banks and building societies	Yellow Purple Orange Red Green No Colour	£50m £40m £30m £20m £10m nil	12 months 12 months 12 months 6 months 100 days Not for use
Term Deposits with UK part nationalised banks	Blue	£30m	12 months
Certificates of Deposit or corporate bonds with banks and building societies	Yellow Purple Orange Blue Red Green No Colour	£50m £40m £30m £30m £20m £10m nil	12 months 12 months 12 months 12 months 6 months 100 days Not for use
Bonds issued by multilateral development banks	UK sovereign rating	100%	12 months
UK Government Gilts	UK sovereign rating	100%	12 months
UK Government Treasury Bills	UK sovereign rating	100%	6 months

Debt Management Agency Deposit Facility	--	100%	6 months
Collateralised deposit (Reverse Repurchase) (see note 2)	UK sovereign rating	100%	12 months
Bond issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail	UK sovereign rating	100%	12 months
Sovereign bond issues (other than the UK govt)	UK sovereign	100%	12 months
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -			
Government Liquidity Funds	AAA MMF rating	100%	Liquid
Money market funds (CNAV/LVNAV or VNAV)	AAA MMF rating	100%	Liquid
Enhanced Cash Funds with a credit score of 1.25	Fitch rating Short term F1, long Term A- or equivalent	100%	Liquid
Enhanced Cash Funds with a credit score of 1.5	Fitch rating Short term F1, long Term A- or equivalent	100%	Liquid
Bond Funds	Fitch rating Short term F1, long Term A- or equivalent	100%	Liquid
Gilt Funds	Fitch rating Short term F1, long Term A- or equivalent	100%	Liquid

Note 1. If forward deposits are to be made, the forward period plus the deal period should not exceed one year in aggregate.

N.B. buy and hold may also include sale at a financial year end and repurchase the following day in order to accommodate the requirements of the Accounting Code of Practice.

Note 2. As collateralised deposits are backed by collateral such as UK Gilts, corporate bonds, etc. this investment instrument is regarded as being a AA rated investment as it is equivalent to lending to the UK Government.

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

NON-SPECIFIED INVESTMENTS: A maximum of 30% will be held in aggregate in non-specified investment

Maturities in excess of 1 year

	Minimum 'High' Credit Criteria	Maximum % of total investments or maximum Amount per institution	Max. maturity period
Term deposits and other instruments with local authorities	N/a	£20m (maximum of £5m per authority)	5 years
Term deposits with banks and building societies	Yellow Purple Orange Red Green	£50m £40m £30m £20m £10m	5 years 4 years 3 years 2 years 1 year
Term Deposits with UK part nationalised banks	Blue	£30m	5 years
Certificates of Deposit or corporate bonds with banks and building societies	Yellow Purple Orange Blue Red Green	£50m £40m £30m £30m £20m £10m	5 years 4 years 3 years 5 years 2 years 1 year
Bonds issued by multilateral development banks	UK sovereign rating	£5m	5 years
UK Government Gilts	UK sovereign rating	100%	50 years
Collateralised deposit (Reverse Repurchase)	UK sovereign rating	100%	5 years
Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail	UK sovereign rating	£20m	10 years
Commercial Paper Other	Fitch rating Short term F1, long Term A- or equivalent	£20m	10 years
Corporate Bonds	Fitch rating Short term F1, long Term A- or equivalent	£20m	10 years
Sovereign bond issues (other than the UK govt)	UK sovereign	£20m	5 years
Bond Funds	Fitch rating Short term F1, long Term A- or equivalent	£20m	10 years
Gilt Funds	Fitch rating Short term F1, long Term A- or equivalent	£20m	10 years

	Minimum 'High' Credit Criteria	Maximum % of total investments or maximum Amount per institution	Max. maturity period
Municipal Bonds	UK sovereign rating	£5m	5 years
Floating Rate Notes	Fitch rating Short term F1, long Term A- or equivalent	£5m	5 years
Covered Bonds	Fitch rating Short term F1, long Term A- or equivalent	£5m per bond	10 years
Unrated Bonds	**Non-rated internal due diligence	£5m per bond	10 years
Loans to Third Parties	**Non-rated internal due diligence	£5m	50 years
Churches, Charities and Local Authorities (CCLA) Property Fund	**Non-rated internal due diligence	£5m	10 years
Property Funds*	**Non-rated internal due diligence	£5m	10 years

*The use of these instruments can be deemed capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be undertaken before investment of this type is undertaken.

**Due Diligence will include the following, if available, however the list isn't intended to be exhaustive:-

- Capitalisation of the organisation,
- Revenue profits and margin trends,
- Competitors and industry,
- Valuation multiples e.g. price/earnings ratio,
- Management and share ownership and track records,
- Balance sheet analysis,
- Examination of future plans and expectations,
- Stock options and dividend policy.

APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings equivalent to the UK or higher (based on two out of three ratings from the agencies Fitch, Moody's and S&P) and have banks operating in sterling markets which have credit ratings of green or above in the Link Asset Services Treasury Solutions credit worthiness service.

AAA	AA+	AA
Australia, Canada, Denmark	Finland	Abu Dhabi (UAE)
Germany, Luxembourg, Netherlands,	USA	France
Norway, Singapore, Sweden		Hong Kong
Switzerland		UK

TREASURY MANAGEMENT ANNUAL REPORT YEAR ENDED 31ST MARCH, 2018**SUMMARY**

1. During the year the Councils borrowing and investments have been managed in line with the treasury management strategy set out for 2017/18 which was approved by Council on 02/03/2017.
2. The borrowing strategy was a continuation of the recent successful strategy that had generated large interest savings. The savings were generated in two ways, being under borrowed and borrowing short term. As interest rates were forecast to increase gently over the term of the strategy we proposed to continue to borrow short term rather than lock into the historically low long term interest rates. The strategy was forecast to deliver £2.23m savings, which was transferred out as part of the budget setting process.
3. Thanks to the continued low borrowing interest rates the strategy led to a Treasury Management break even for 2017/18. The Council was £80m under-borrowed which is a key contributor to the out turn. If the £80m was borrowed at 2% there would be an additional external interest cost of £1.6m per annum.
4. By minimising external borrowing during the year savings were delivered, whilst at the same time minimising the risk of failure by a third party to meet its contractual obligations under an investment, loan or other commitment.
5. The Council operated within the financial limits set out in the Treasury Strategy and the Borrowing limits and complied with the relevant Regulations and guidance.

BACKGROUND

6. The revised Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2009 was adopted by this Council on 2nd February, 2010, and the Council fully complies with its requirements. This report meets the requirements of the code.
7. During 2017/18 the minimum reporting requirements were that the Council should receive the following reports:
 - a. An annual Treasury Management Strategy in advance of the year (Council 02/03/17).
 - b. A mid-year (minimum) Treasury Management Strategy update report (Included in quarterly Finance/Performance Monitoring Report).
 - c. An annual review following the end of year describing the activity compared to the strategy (this report).
8. Regulations place responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
9. Treasury Management in this context is defined as:-

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control

of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

10. This annual report comments on the delivery of:-

- the Council's Treasury Management position as at 31st March, 2018;
- the strategy for 2017/18;
- the forecast and actual economic activity and interest rates;
- the borrowing activity for 2017/18;
- the investment activity for 2017/18;
- Compliance with treasury limits.

Treasury Portfolio Position

11. The debt and investment position at the beginning and end of the financial year were as follows:-

	As At 01.04.17	Average Interest Rate	As At 31.03.18	Average Interest Rate
	£'m	%	£'m	%
Fixed Rate	441.1		528.9	
Variable Rate	<u>0.0</u>		<u>0.0</u>	
Total Debt	<u>441.1</u>	4.02	<u>528.9</u>	3.66
Investment	28.5	0.67	57.8	0.61

2017/18 Economic Activity

Forecast

12. The treasury management strategy approved by Council in March 2017 contained a forecast that interest rates for 2017/18 anticipated low but rising Bank Rate (starting during 2019), and gradual rises in medium and longer term fixed borrowing rates during 2017/18. It was expected that the recovery for the global economy would be long and drawn out, with many bumps along the way, which was expected to keep interest rates at the same low levels for at least 12 months.

Outturn

13. The financial year 2017/18 continued the challenging investment environment of previous years, namely low investment returns, although levels of counterparty risk had subsided somewhat. In this scenario, the treasury strategy was to continue to postpone borrowing to avoid the cost of holding higher levels of investment and to reduce counterparty risk. In November the Bank of England increased bank base rate to 0.5% from 0.25%.

Borrowing Activity

Strategy

14. The amount of new borrowing for 2017/18 was estimated to be £44.4m, which included £17m of maturing loans which required refinancing. The primary strategy was for borrowing activity to be driven by cash flow and to minimise external debt

interest costs by borrowing over shorter terms. The forecast of gentle interest rate increases minimised the refinancing risk.

15. The Council was maintaining an under-borrowed position. This meant that the level of actual debt was below the Capital Financing Requirement (the amount the authority needs to borrow for Capital purposes) and therefore the Council had to use internal resources such as ear-marked reserves, unapplied grants and capital receipts, cash balances, etc. to fund some of its unfinanced capital expenditure.
16. This strategy was beneficial because external debt interest payments are minimised and funds available for investments are reduced at a time when investment returns are low and financial institution risk was moderately high.
17. This position cannot be sustained in the long term. At some point the reserves and balances will be needed and as a consequence the need to borrow will increase. This could be short-term or long-term borrowing. The Council have used short-term borrowing opportunities from other authorities as they have restricted lending lists which means they lend at rates much lower than market rates.

Outturn

18. During the 2017/18 financial year £101.5m in new external borrowing was taken, this was higher than the original estimate of £44.4m for the following reasons:-
 - £56.5m of additional borrowing was approved during the financial year, to generate additional savings for the Council by prepaying part of its pension liability at a discounted rate.
 - The Capital Programme borrowing requirement was rounded up to £45m to allow suitable loans to be taken.
19. The timing of borrowing was in line with the Councils cash flow.
20. Short term loans were taken from other local authorities at interest rates ranging from 0.4% to 1.1%.
21. The Pension Prepayment, decision reference, FCS 196, was forecast to save the Council £2.485m after interest costs of £1.105m. By using short term loans the interest costs have been reduced to £0.856m providing additional savings for the Council.

Debt Rescheduling

22. Debt rescheduling relates to the early repayment of loans in order to generate a revenue saving or change to the structure of the debt maturity profile.
23. On 1st November, 2007, the PWLB introduced a two tier rate system, which effectively made it more expensive for Councils to repay debt. This precluded any rescheduling opportunities being undertaken during the 2017/18 financial year, which was outlined and planned as part of the strategy; however this situation is constantly reviewed in conjunction with our external Treasury Advisers.

Investment Activity

Strategy

24. The Council's in-house managed funds are mainly cash flow derived such as grants and other income received to be spent later. Therefore investments will be made with reference to the balances and cash flow requirements and the outlook for interest rates.

Outturn

25. The result of the investment activity was as follows:-

Average investment balance throughout the year	£59.1m
Rate of return	0.61%
Benchmark Rate	0.34%
Investment balance as at 31/03/18	£57.8m

26. At £327k actual interest earned was £288k below target, due to minimising investment balances by delaying borrowing and by interest rates not increasing as previously forecast at budget setting.

27. The investment portfolio as at 31st March, 2018 is summarised in **Appendix 1**.

Compliance with Treasury Limits

28. During the year the Council operated within the limits set out in the Treasury Strategy, Policy and Practice statements and the Treasury Management Prudential Indicators included in **Appendix 1**.

RISKS

29. By its very nature the treasury management function can expose the Council to certain risks, whether these are with respect to the interest rate achievable on new borrowings, or the risk associated with placing an investment with a third party. The Council have in place policies and strategies in order to manage and mitigate these risks.

30. The primary overriding aims are the protection of capital investment sums, and the maintenance of a long term, low fixed rate debt portfolio. In achieving this, the Council abides by the Code of Practice, and, reviews procedures to ensure best practice is implemented at all times to control the risk and achieve the aims.

BUDGET

31. The Council's budget for 2017/18 included the revenue costs of the treasury management activities. The outturn compared with the budget is shown below:

	Budget 2017/18 £m	Actuals 2017/18 £m
External Borrowing	6.916	6.592
Other TM Costs	0.124	0.100
Total Cost	7.040	6.692
Income		
Investment Interest	-0.623	-0.275
Net Costs	6.417	6.417
HRA Borrowing		11.801

PRUDENTIAL INDICATORS 2017/18

	Estimate £'000s	Actual £'000's
Capital expenditure		
Non - HRA	85.572	54.870
HRA	33.600	33.083
Total	119.172	87.953
Capital Financing Requirement (CFR) as at 31/03/18		
Non-HRA	273.067	271.797
HRA	267.069	266.025
Total	540.136	537.822
Ratio of Financing Costs to net revenue stream		
Non-HRA	6.12%	6.00%
HRA	16.05%	15.87%
Authorised Limit for External Debt		
(this limit allows authorities to take borrowing In advance of need as required)	587.676	587.676
Operational Boundary for External Debt		
(this is a key management tool for in-year monitoring)	546.649	546.649
Actual External Debt as at 31st March 2018		
Upper Limit for Fixed Interest Rate Exposure	100%	100%
Upper Limit for Variable Rate Exposure	30%	0%

The following table shows the maturity profile of our existing external debt.

Doncaster Council Debt Portfolio and Maturity Profile as at 31 March 2018				
	Upper Limit %	Lower Limit %	Actual %	Actual £'M
Under 12 Months	30	0	17.15	90.687
12 to 24 Months	50	0	7.03	37.187
24 Months to 5 Years	50	0	8.61	45.560
5 Years to 10 Years	75	0	5.29	27.982
10 Years to 20 Years	95	10	10.21	53.988
20 Years to 30 Years			3.46	18.325
30 Years and above			48.25	255.180
Total			100	528.909

The following table shows the individual investments as at 31st March 2018

Doncaster Council Investment Portfolio as at 31st March 2018		
Institution Name	Maximum Limit £'M	Balance £'M
Lloyds Banking Group	40	10.0
RBS	30	24.8
Rabobank	30	3.0
Goldman Sachs	20	15.0
Svenska Handelsbanken	30	5.0
Total		57.8

Council investments are made with institutions on our approved list. This is almost exclusively other banks and major financial institutions. The money invested is usually quite short term (up to 1 year) and is placed in order to gain some interest whilst we may have excess funds, following receipt of income/grants etc. until we need to pay those sums out.

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