

## POLICY COMMITTEE

on Tuesday, 23 October 2018 at 6.30pm  
in the Belle Vue Suite at the Belle Vue Square Offices, Skipton

**Committee Members:** The Chairman (Councillor Foster) and Councillors Barrett, Brockbank, Dawson, Heseltine, Ireton, Jaquin, Lis, Madeley, Morrell, Mulligan, Myers, Place, Rose and Welch.

**Substitutes:** Conservatives – Councillors Graham, Thompson and Whitaker; Independents – Councillors Pighills, Solloway and Shuttleworth; Labour – Councillor Mercer.

## AGENDA

**Exclusion of the Public:** In accordance with the Council's Access to Information Procedure Rules, Members are recommended to exclude the public from the meeting during consideration of Item \$13 on the grounds that it is likely that if Members of the public were present there would be disclosure to them of exempt information as defined in Paragraph 3 (relates to the financial or business affairs of any person including the Authority holding the information) of those Rules and Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

1. **Apologies for absence and notification of substitutes**
2. **Confirmation of Minutes** – 11<sup>th</sup> September 2018.
3. **Public Participation** - In the event that any questions/statements are received or members of the public attend, the public participation session will proceed for a period of up to fifteen minutes.
4. **Declarations of Interest** – All Members are invited to declare at this point any interests they have in items appearing on this agenda, including the nature of those interests.

(Note: Declarations should be in the form of:

a “**disclosable pecuniary interest**” under Appendix A to the Council's Code of Conduct, or “**other interests**” under Appendix B or under Paragraph 15 where a matter arises at the meeting which relates to a financial interest of a friend, relative or close associate.

A Member of Council who has a disclosable pecuniary interest must leave the room and not take part in the discussion or vote. When declaring interests under Appendix B or Paragraph 15 of the Code, Members must move to the public seating area, not vote, and speak only if members of the public are also allowed to speak at the meeting.)

5. **Select Bereavement Services Review** – Report of the Select Committee. Available.
- Purpose of Report – To present to Members the Select Committee's review of Bereavement Services.
6. **Confirmation of the Council Tax Base – 2019/2020** – Report of the Chief Finance Officer. Attached.
- Purpose of Report – To approve the Council Tax Base for the 2019/20 financial year.
7. **Leeds Credit Union Partnership Arrangement – Project Update** – Report of the Director of Services. Attached.
- Purpose of Report – To update Members on the progress of the Craven District Council (CDC) and Leeds Credit Union (LCU) partnership arrangement.
8. **Implementing Energy Company Obligation Flexible Eligibility – Annual Update** – Report of the Director of Services. Attached.
- Purpose of Report – To update Members on the impact of setting a local criteria for energy company obligation (ECO) funding.
9. **The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018** – Report of the Director of Services. Attached.
- Purpose of Report – To ask Members to adopt the new Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 that came into force on 1<sup>st</sup> October 2018 and to agree fees and charges for new licensing under these regulations.
10. **Homes England: Accelerated Construction Fund** – Report of the Director of Services. Attached.
- Purpose of Report – To inform Members of an award of grant from the Accelerated Construction Fund and to request that Members accept the grant offer.
11. **Redeployment, Retraining, Redundancy and Retirement Agreement** – Report of the HR Manager. Attached.
- Purpose of Report – To seek approval to implement revised and updated Redeployment, Retraining, Redundancy and Retirement Agreement (4R's).
12. **Review of Governance Arrangements for Commercial Activity** – Report of the Solicitor to the Council. Attached.
- Purpose of Report – To propose an amendment to the Scheme of Delegation to Officers.

#### **Item Considered Exempt from Disclosure**

- \$13. **Shared Ownership Housing Development** – Report of the Director of Services. Attached
- Purpose of Report – To seek approval for the acquisition of a plot of land at Hallgarth, Airton with a supplementary capital estimate to develop the site for 4no. shared ownership homes.
14. **Items for Confirmation** – The Committee is asked to indicate whether any of the above items should be referred to Council for confirmation.

15. **Any other items** which the Chairman decides are urgent in accordance with Section 100B(4) of the Local Government Act 1972.

**Agenda Contact Officer:**

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15 October 2018

If you would like this agenda or any of the reports listed in a way which is better for you, please telephone (01756) 706494.

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- (ii) compliance with the Council's protocol on audio/visual recording and photography at meetings, a copy of which is available on request. Anyone wishing to record must contact the Agenda Contact Officer (details above) prior to the start of the meeting. Any recording must be conducted openly and not disrupt proceedings.

**Emergency Evacuation Procedure** - In case of an emergency or if the alarm sounds, leave the committee room and exit the building using the nearest available door. The assembly point is in the main square at the front entrance. An officer will take a roll call at that point. Please do not leave without telling the Chairman or the Democratic Services Section's representative.

## **POLICY COMMITTEE**

11<sup>th</sup> September 2018

**Present** – The Chairman (Foster) and Councillors Barrett, Heseltine, Jaquin, Lis, Madeley, Mulligan, Myers, Place, Rose and Whitaker (substitute for Dawson).

Also in Attendance – Councillor Hull.

**Officers** – Chief Executive, Director of Services, Chief Finance Officer, Solicitor to the Council and Committee Administrator.

Apologies for absence were received from Councillors Brockbank, Dawson, Ireton, Morrell and Welch.

Councillor Heseltine left the meeting at 7:12pm.

Start: 6.45pm

Finish: 7:40pm

The minutes of the Committee's meeting held on 24<sup>th</sup> July 2018 were confirmed and signed by the Chairman.

### **Beth Graham**

The Chairman opened the meeting by informing Members of the recent death of former Councillor Beth Graham who had served for 28 years as a ward member for Settle / Settle and Ribblesbanks Ward. Several Members paid tribute to Miss Graham.

### **Minutes for Report**

POL.938

### **REVENUE BUDGET MONITORING REPORT : QUARTER 1 2018/2019**

The Chief Finance Officer submitted a report informing Members of the revenue budget position of the Council based on the quarter 1 review of income and expenditure to the end of June 2018. At the meeting an amended summary of the forecast outturn was circulated.

The Council had approved its net revenue budget for 2018/19 at £6,788.689 which was subsequently increased from revenue budget slippage amounting to £21k and capital programme slippage of £621k.

The Council's overall performance against revenue budget was a projected underspend of £188k for the full financial year, however, because of the volatility of the Council's income streams as set out in 4.12 of the report now submitted, any reduction in the estimated income could reduce that surplus to a deficit.

The 2018/19 budget included contributions of £4k to parishes to assist them with the impact of the localisation of council tax; £98k from previous years council tax collection fund; £20k contribution to the business rates collection fund deficits; New Homes Bonus grant of £513k; net contributions to/from earmarked reserves of £431k; and a corporate contingency of £75k.

The general fund balance stood at £995k at 1<sup>st</sup> April 2018 and it was expected that this balance would remain during 2018/19.

The Council had £6,342k in earmarked reserves at 1<sup>st</sup> April 2018. Budgeted and in-year contributions of £553k, less £984k which would be utilised in 2018/19 and £921k had been committed for future use.

**Resolved** – (1) That the revenue budget position as at 30 June 2018 is noted.

(2) That, £2,780 of the savings achieved this quarter and identified as green in Appendix B to the report now submitted are noted and that these savings are to be transferred to an earmarked reserve for support to the 2019/20 budget and beyond.

(3) That, the Council's long term financial strategy be amended to take account of the 'green' savings in 2019/20 and beyond where these are not currently allowed for in the budget.

POL.939

### **PERFORMANCE MONITORING REPORT – QUARTER 1 – 2018/2019**

The Chief Finance Officer submitted a report presenting the Council's performance monitoring report for quarter 1 2018/2019 in accordance with arrangements set out in the Council's performance monitoring framework.

Monitoring against the Council Plan showed that good progress had been made with eleven actions being assessed as on target with three either not started or behind schedule.

**Resolved** – That, the progress and outcomes achieved are noted.

POL.940

### **CRAVEN GREEN APPLE AWARDS**

The Chief Executive submitted a report requesting approval for the implementation of the Craven District Council Green Apple Awards Scheme. The associated costs of the launching the programme in January 2019 were estimated at £2,000.

The Green Apple Awards were run by the Green Organisation, an independent non political and not for profit environment group dedicated to recognising, rewarding and promoting environmental best practice around the world.

By 'piggy backing' onto the established Green Apple programme, Craven's awards would promote and acknowledge the development of good practice across a range of businesses and voluntary organisations in the District.

Organisations would be invited to submit an application based on various Green Apple categories by the end of March 2019 and entries would be judged by a 'green panel' chaired by the Chairman of Council (currently Councillor Hull). Winners would be presented with their certificates at the Annual Council Meeting and subsequently submitted to the national Green Apple Awards Programme.

A donation would be made on behalf of the winners to the Dales Woodland Restoration Programme.

**Resolved** – (1) That, the implementation of the Green Apple Awards Scheme as set out in the report now submitted, is approved.

(2) That, a budget of up to £2,000 is allocated from underspends in identified services and that a growth proposal is included in the budget process for 2019/20.

### **Minutes for Decision**

POL.941

### **CAPITAL PROGRAMME MONITORING REPORT – QUARTER 1 2018/2019**

The Chief Finance Officer submitted a report informing Members of the Council's capital programme position, based on the quarter 1 review of income and expenditure to the end of June 2018.

The 2018/19 revised capital programme of £9,954k included £4,704k of slippage from 2017/18 previously approved projects.

At 30<sup>th</sup> June expenditure on the programme was £711k and the report summarised the programme and provided an update on the status of various projects. The forecasted outturn for 2018/19 was £8,955k.

Members were asked to authorise a supplementary estimate for the cremator project due to the inability to reclaim the VAT element of the project.

**RECOMMENDED** – (1) That, the capital budget position of the 2018/19 capital programme as at 30<sup>th</sup> June 2018 is noted.

(2) That, a supplementary estimate of £82k for the cremator replacement project, to fund the irrecoverable VAT element to be funded from the partial exemption reserve is approved.

(3) That, the 2018/2019 capital programme and the proposed funding, including the supplementary estimates for new projects in quarter one is noted.

POL.942

**APPLICATION TO THE DEPARTMENT FOR COMMUNITIES  
AND LOCAL GOVERNMENT FOR A NORTH YORKSHIRE 75%  
BUSINESS RATES RETENTION PILOT IN 2019/20**

The Chief Finance Officer submitted a report seeking Members' approval for Craven District Council to be part of an application to the Ministry of Housing, Communities and Local Government (MHCLG) for a North Yorkshire 75% Business Rates Retention Pilot in 2018/19.

Following an unsuccessful bid for a pilot in 2018/19 the North Yorkshire chief finance officers had decided to consider applying to be a Business Rates Pilot in 2019/20 should research show it was beneficial to do so. The pilot would be for one year only.

75% pilots would retain all locally collected business rates and as a minimum would forego revenue support grant and the rural services delivery grant. The pilots would be fiscally neutral at baseline, but authorities would gain from retaining 75% of any above base-line growth – Craven currently retained 50%.

It was important that the Government were made aware of the complications for the North Yorkshire Pool as a whole because of rating changes to certain businesses causing issues for one authority making it so far below its safety net.

**RECOMMENDED** – That, Craven District Council as a member of the North Yorkshire Business Rates Pool is part of a submission to the Ministry of Housing, Communities and Local Government to become a 75% Business Rates Pilot in 2019/20 and that delegated authority is given to the Chief Finance Officer (Section 151 Officer) to put Craven in the most beneficial scheme.

POL.943

**REVIEW OF THE BOUNDARIES OF LOCAL ENTERPRISE  
PARTNERSHIPS COVERING CRAVEN**

The Strategic Manager for Planning and Regeneration submitted a report informing Members about the current situation regarding the review of the boundaries of the Local Enterprise Partnerships (LEPs) that covered Craven.

Craven was currently covered by two LEPs (York, North Yorkshire and East Riding LEP and the Leeds City Region LEP) and had gained significantly from the scale of capacity of the Leeds City Region LEP which had provided superfast broadband, business start-up support and business grants. The York, North Yorkshire and East Riding LEP was much more focussed on the needs and opportunities for market towns and had funded the development of Skipton. It was clear from the Government's paper "Strengthened Local Enterprise Partnerships, July 2018" they would no longer allow the current arrangements to continue and that each local authority could only be in one LEP.

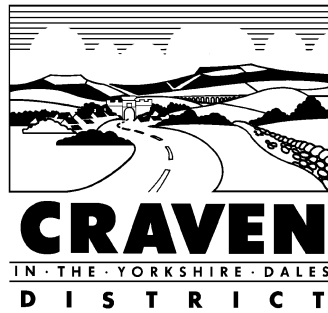
It was understood that the Government wanted the Humber LEP to continue so the East Riding of Yorkshire would have to leave the York, North Yorkshire and East Riding LEP. Also, because it was not possible for North Yorkshire County Council to be in two LEPs, Craven could not leave the York, North Yorkshire and East Riding LEP and join the Leeds City Region LEP.

Therefore, the two options for Craven were either being part of a reduced York and North Yorkshire area or a merged North and West Yorkshire area. The consensus was that a merger between the North and West Yorkshire areas provided the best opportunity to positively meet the requirements of the Government whilst creating a strong LEP that could deliver Craven's growth aspirations. The decision which LEP local authorities would join was ultimately the responsibility of the two LEPs who acted independently with the majority of each board coming from the private sector.

**RECOMMENDED** – (1) That the preferred option to create a North and West Yorkshire Local Enterprise Partnership is endorsed.

(2) That, authority is given to the Chief Executive in consultation with the Leader of the Council to negotiate and agree the option to merge the York, North Yorkshire and East Riding LEP and the Leeds City Region LEP.

Chairman



## **Bereavement Services – Review**

**Report of the Select Bereavement Services Working Group**

**For Presentation to Policy Committee  
23<sup>rd</sup> October 2018**



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## INTRODUCTION

In agreeing its work programme for 2016-17, the Select Committee included provision to examine whether the restructure and refocus of the Assets and Property Management Service was showing signs of delivering projects as envisaged by the restructure, including the shared ownership scheme, and maximising income as intended from discretionary services. To assist Members' understanding of the Service, the Director of Services, accompanied by the Assets and Commercial Services Manager, was invited to deliver a briefing, summarising

- how the Service was structured,
- the services it delivered,
- current / planned projects,
- operational and financial successes, and
- areas where there was considered to be room for improvement.

Having received the above presentation and, given the importance of the two areas in terms of income generation and delivery of other aspects of the Council Plan, Select Committee established working groups to consider the areas indicated below and report back to it in due course.

Shared Ownership Development : to examine the strategy for delivery of shared ownership properties so as to establish an understanding of the process involved and what lessons, if any, could be learned from the experience to date; and

Bereavement Services : bearing in mind the uplift in expenditure and assumed increase in income to be generated, to examine implementation of the new business model for Bereavement Services.

This report presents the findings of the Bereavement Services Working Group only, a report on the outcome of the Shared Ownership Review having been presented to Policy Committee in October 2017. In carrying out this review the Working Group was appreciative of the input provided by officers, in particular Hazel Smith, Business Services Manager and Clair Cooper, Development Manager.



Councillor David Staveley,  
Chairman, Bereavement Services Working Group.

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## 1 Background

The restructure and refocus of the Assets and Property Management Service announced in October 2015 had sought to improve project delivery and maximise income from discretionary services; building on the changes introduced, Policy Committee ( 13<sup>th</sup> December 2016 ) considered a report seeking approval to additional investment in the sum of £45,000 per annum in Bereavement Services. That report highlighted the fact that

- a. Faced with ongoing funding cuts the Council needed to save up to £1,000,000 over the period to 2018/19 and to continue to be innovative in finding savings and increasing income. In addition a cultural shift towards revenue growth through service delivery and creating income streams from services was a must, particularly within discretionary services.
- b. Bereavement Services showed reasonable levels of operating surpluses, perhaps enabling an assumption to be made that it was sufficiently resourced to deliver the Council's aspirations for income and savings growth. However, there were underlying strains which could impact on the ability to effectively deliver a high performing service, in turn undermining the potential to maximise output, and therefore income and savings, also jeopardising the potential to further develop income and savings generation in line with the Council's requirements. Resources therefore needed to be realigned to meet these demands.

Policy Committee accepted the need for the additional investment, the greater proportion of which would be met from additional income and savings, which it was estimated would result in net increases in income / savings of £6,900 and £14,900 in 2017/18 and 2018/19 respectively. As indicated in the introduction to this report the Select Committee felt it appropriate to examine implementation of the Service's new business model bearing in mind the uplift in expenditure and assumed increase in income to be generated.

## 2. National Overview

A policy briefing paper "Death, Dying and Devolution" published by the Institute of Policy Research at the University of Bath in September 2017 provides the following insight on cemeteries and crematoria

"The cremation sector is currently in a period of expansion that has not been experienced for decades. This expansion indicates that there are market opportunities available to service providers. Local authorities remain the single largest providers of crematoria across the UK, and as they continue to face financial restraint should be ideally placed and eager to take advantage of the commercial opportunities available to them. Failure to do so will not only cost them local market share but, as the sector evolves, could result in the decline of local authority dominance.

Despite their commercial potential, it is widely recognised that local authority crematoria remain low-profile services within most councils. As a result, they receive limited political support and lack financial investment, apart from that required to satisfy legislative requirements – for example compliance with the

Environmental Protection Act 1990. As a result, the culture and practice at many crematoria remains unchallenged, lacking innovation and being, on occasions, commercially naïve. At the same time the range and standard of facilities is often poor when compared with those being offered elsewhere. This is despite crematoria being significant net contributors to local authority finances. In marketing terms, the service could be seen as an excellent example of a 'cash cow'.

The development of the cremation sector, following World War Two and reaching a peak in the 1960s, was driven by municipal authorities seeking to introduce a less expensive alternative to their cemeteries. Since the 1980s the delivery of new facilities across the UK has been increasingly dominated by the private sector providing excellent new crematoria and entering into agreements to purchase/manage local authority buildings.

Between 1980 and 2010 the number of crematoria in the UK rose by 40, from 220 to 260. In the last six years the pace has accelerated with a further 21 sites opening. This has been an effective overall increase in cremation provision of almost 28%; during the same period the actual number of cremations only increased by 9%, from 420,717 to 459,6931. Significantly, of the last 15 crematoria to open in the UK, 13 have been built by the private sector.

Initially these new facilities were 'infilling' between existing crematoria, and thus had minimal impact on the market share and financial viability of the established local authority sites. However, the acceleration of crematoria construction will start to impact on existing facilities as provision increases beyond current demand. The disparity between demand and increasing provision is likely to continue as the market value continues to be driven by local authorities responding to austerity.

A substantial reduction in local authority funding by central government has led to a projected funding gap of £5.8 billion by 2019/23. As a result local authorities have had to adopt a range of cost-cutting and income-generating measures. These include substantial increases in cremation fees to generate additional income which will offset budget cuts elsewhere within their organisations. As the dominant provider in the sector these increases have provided 'headroom' for others to increase their fees. In the past decade the highest adult cremation fee rose 81% from £552 to £999, charged in 10 areas across the UK. Whilst increasing income for crematoria operators, the higher fees have had the unintended consequence of reducing the volume of cremations required to make a new crematorium financially viable. A site carrying out as few as 600 cremations per annum is now a realistic business proposition.

The financial viability of small sites raises the possibility of a 'local churchyard' model for crematoria going forward, an increase in the number of smaller sites operating within reduced catchment areas. Such a model has obvious advantages for the public: local facilities are better able to reflect the needs of their local communities, there is less distance to travel to reach a facility – and fewer 'funeral miles'.

The new model is supported by the introduction of smaller, second-generation environmental-compliant cremators and the decline in demand for gardens of

remembrance, with the continuing trend towards removing cremated remains from crematoria. In 2006, 61% of cremated remains are recorded as being removed, a figure which rises to 76% by 2016.

To take advantage of this new and evolving cremation market, it will be necessary for service providers to recognise commercial opportunities as they arise. Private operators experienced in this environment already have the flexibility and financial resources necessary to react quickly to capture opportunities and provide excellent facilities. If local authorities wish to remain, and even flourish, in the cremation sector, it will be necessary for senior politicians and officers to similarly equip their own cremation services. This will require providing them with the necessary capital finance, through measures such as 'spend to save', and the flexibility to intervene quickly where and when necessary. Should local authorities choose not to adapt to this new environment and grasp opportunities as they arise, it will be necessary for them to make provision for the decline in income as catchment areas of established council crematoria are lost to new facilities."

### **3. The Review**

**The Working Group met on five occasions in the period November 2017 to April 2018.**

**To assist Members understanding of the service and reasons behind the need for the additional investment therein, the Working Group received a presentation delivered by the Council's Director of Services, supported by the Assets and Commercial Services Manager and the Business Services Manager. In summary the Group heard that**

- between 900 and 1,000 cremations were carried out each year at Waltonwrays Crematorium and approximately 30 burials; very few burials were now carried out at Ingleton Cemetery. The majority of cremations for residents of North Craven were carried out at Lancaster, but the service was looking to provide more opportunities for people to be able to remember loved ones at Ingleton Cemetery.
- the revised structure had increased costs by £45,000 per annum; approved by Policy Committee in 2016. The re-structure's primary aims were business development and resilience.
- a new business plan was currently under development.
- the service was targeting a year on year increase in turnover of £50,000 per annum.
- the existing cremators were reaching the end of their working life, both would be replaced during the coming summer months and as one was being replaced the other could remain operational. The mercury filtration equipment to be installed when the cremators were replaced would mean the service would no longer have to purchase credits from other crematoria, an arrangement was currently in place with Harrogate BC.

- a cremator could handle six cremations a day, holdover arrangements were used, with a family's consent, under which a cremation could take place the following day. For example in circumstances where there was just one service taking place in a day, the actual cremation could take place the following day when there were one or more services taking place to enable a more efficient use of the cremator. In these circumstances a lower fee was charged.
- because the replacement cremators would comply with mercury abatement requirements any spare credits could be sold to non-compliant crematoria.
- the potential to diversify by purchasing an existing funeral directors business had been looked at but not in any depth as yet. It was acknowledged that this could place the Council in a position of being in competition with its customers.
- a limited number of Saturday services were already provided and although there may be scope to increase the availability, feedback from funeral directors suggested demand would be low. No decision had been taken at this time.
- although a number of memorial options were available and represented a potential source of revenue they had not been particularly well publicised, improving awareness of their availability may increase revenue.
- achieving a gold charter (industry) standard would help in promoting the service, the service currently held bronze standard. Note : For 2018 the service has achieved the Institute of Cemetery and Crematorium Management's gold and silver awards for Cremation and Burial respectively.
- the refurbishment of the book of remembrance chapel, including provision of toilet facilities, had been well received. Options for providing shelter for mourners, particularly from inclement weather, were to be examined.
- a change from 40 to 50 minute service slots had helped to reduce congestion in the cemetery and mitigated the risk of overrun. The change had improved the relationship with families and funeral directors. Favourable discussions had been held with the Highway Authority regarding the potential to provide a new vehicular access point to facilitate introduction of one way traffic flow within the Waltonwrays Cemetery with an "in and out arrangement".
- the service was improving which was important as funeral directors usually gave bereaved families options and recommendations as to where services could be held.
- to date an analysis of the impact of marketing had not been carried out but it was anticipated that going forward statistics would be available to help demonstrate the impact of service improvements.
- the level of surplus generated by the service fluctuated with rates of mortality and competition.
- the service was mindful of social, ecological and technological changes, addressing the mercury emissions was a part of that debate and the growth in popularity of woodland

burials was another. If looking to provide woodland burials the Council would need to consider where they could be provided ie within existing cemeteries or through opening a new cemetery. Waltonwrays Cemetery currently had sufficient burial space for approximately 30 years.

- consideration was being given to potential business opportunities both in-house and through letting space to existing, appropriate, businesses. Whilst it was thought insufficient potential existed for a florist, an opportunity may exist for a memorial mason. Waltonwrays Cemetery Lodge was currently let to a funeral director on a five year tenancy.

- grass within the cemeteries was mown under a contract with a private contractor, affordability may be an issue on re-tendering the contract.

- whilst not holding a fund specifically for use on the Service's buildings, plant and grounds, the Council had a building reserve to which a contribution was made.

**Having received the above presentation the Working Group concluded that it would take forward its review in two phases, as follows**

**Phase One : Finance and Structure : Business case regarding the restructure and financial position – income and expenditure.**

In responding to questions in December 2017 the Business Services Manager and Development Manager (Bereavement Services Manager) advised Members that

- a. 2016-17 had been a busier than average year; to date the current year was in line with the average for the number of services held. The working group had been provided with copies of the budget monitoring data for the first two quarters of 2017-18, but at this point it was not possible to provide an indication as to the picture in the third quarter as in-quarter budgetary information was not available.

- b. a number of factors were outside the Service's control, primarily birth and death rates and seasonal factors such as extremes of weather, this made estimating trends and income difficult.

- c. it was a little early to assess whether the re-structure and additional cost (£45,000) agreed by Policy Committee had been worthwhile in terms of income generation. The full benefit of the service restructure and implementation of growth opportunities may not be realised for two years.

- d. interest in woodland burial was growing with the private site in Skipton experiencing three times more burials than the Council's burial grounds.

- e. the main driver behind the re-structure was resilience, the service had experienced growth but the staff resource hadn't grown with it. In 2016/17 there had been a period when two long term absences had taken the service to the point where without assistance bought in from the Institute of Cemetery and Crematorium Management consideration would have been given to the possibility of temporarily closing the facility

or reducing service availability. The appointment of the Bereavement Services Manager and other changes had helped address resilience but an ongoing absence had required the Manager to cover operational matters and restricted her ability to some degree to progress opportunities for developing the service. A retirement in early 2017 (covered by agency staff) had only recently been filled.

f. growth potential in the business was more than just about seeking to increase funeral bookings, it was very much about secondary sales such as memorials and making bereaved families aware of what the service was able to provide. The Bereavement Services Manager had looked at the opportunities identified prior to her appointment as possible growth areas and concluded that some should not be pursued or weren't appropriate for the service in Craven, but had suggested alternative initiatives which may have potential. The service's business plan was therefore being reviewed to enable her input.

g. a key area for attention was marketing and making clear the services / options available. This area was being addressed but data protection requirements had to be adhered to so the ability to make direct contact with bereaved families was limited. The relationship with funeral directors and their awareness of what could be provided was key. Entering into a commission based arrangement with directors in respect of memorial sales and / or working with a director on this aspect of the service needed to be explored.

h. the majority of crematoria were still operated by local authorities, the crematorium could be sold if that was desired but the Council would still have to retain the burial rights within the cemetery and maintain closed cemeteries.

i. bereaved families sometimes gave feedback when calling at the Waltonwrays Office following a funeral, but for the most part feedback came from funeral directors. The relationship with funeral directors was central to the service's success. The Bereavement Services Manager indicated that in her relatively short time with the Council positive feedback had been received and that prior to her appointment she had been aware that Craven's bereavement service had a good reputation.

j. one of the biggest issues and one which could work against the service was the size of Waltonwrays Cemetery. Memorial trees and woodland burial was a key area going forward and the Bereavement Services Manager expressed the view that the Council should try to acquire land to enable diversification into woodland burial and memorial trees. A continental style ashes wall was also something she would wish to consider. Older persons continued in the main to prefer traditional funerals but the trend amongst younger generations was towards less traditional arrangements. Another trend in some parts of the country was to have a place to go to with some form of memorial.

k. older cremators cost more to maintain and were less efficient. Two cremators were needed, just one would experience a higher rate of wear, require more maintenance and need to be replaced earlier. The average life expectancy of a cremator was 20 years. The maximum number of service slots being worked to was nine per day. As a general rule mid-week may experience just two or three funerals a day with Mondays



and Fridays usually the busier days. In North Craven families tended to use Lancaster Crematorium rather than travel down to Skipton.

**In April 2018 the Business Services Manager accepted an invitation to present and discuss the Bereavement Services' budget monitoring report for 2017-18 showing the projected outturn as at 31<sup>st</sup> March 2018.**

In presenting the budget report the Business Services Manager pointed out that

l. There had been an underspend (£13,065) on employee costs, primarily attributable to long term absence, and similarly an underspend on premises (£47,486). Expenditure on supplies and services had also been less than originally estimated, £65,703 as compared to £83,030.

m. The underspend on premises wouldn't be replicated in 2018-19 as the Bereavement Services Manager would be better positioned to take forward and deliver annual and planned maintenance. Similarly the underspend on employee costs could not be viewed as an ongoing saving. As regards supplies and services to some degree those costs were linked to income, if income was higher, expenditure on supplies and services also tended to be higher.

n. Following the installation of the new cremators in the first half of the year, the service would cease to incur costs associated with mercury abatement and may be in a position to receive payments, from other authorities whose crematoria did not have the necessary equipment fitted, the scheme worked in a similar way to carbon trading. In 2017-18 the service had incurred expenditure in the sum of £17,523 for mercury abatement payments.

o. Total projected outturn on income as at 31<sup>st</sup> March 2018 had amounted to £703,625 (as compared to actual income in 2016-17 of £695,383 ). Total expenditure had amounted to £279,522, (as compared to £288,314 in 2016-17. Resulting in a projected surplus for the year of £223,714 (£222,678 in 2016-17) after recharges.

p. An area the service would be focusing on in the current year (2018/19) was secondary sales (memorials etc), if successful, this combined with the approved increase in fees and charges should enable the service to achieve, or be nearer to achieving its target for a year on year £50,000 increase in turnover.

**In responding to Members' comments and questions the Business Services Manager stated:-**

q. That the service was now better positioned in terms of resilience and the ability to deal with absences, trained casual staff could be called upon to operate the cremator and agency staff could be arranged through the Institute of Cemetery and Crematorium Management. At one point as previously reported resilience had been a problem at both operational and administrative levels. Given the nature of the work and licensing issues in respect of software, grouping the service with another in-house service to provide greater resilience would have been difficult.

r. All being well the underspend on maintenance in 2017-18 would not impact on the current year, although it was accepted that there was a need to catch up on some works, for example in connection with paths and the entrance to the cemetery.

s. In planning the budget officers took into account income and expenditure for the two previous financial years.

t. In maintaining closed churchyards the Council was only required to maintain them to the standard they were in at point of transfer. Following assessment no immediate need for maintenance works to closed churchyards had been identified.

## **Phase Two : The Business Plan and Opportunities : Optimisation of the business and implementation of projects, also future opportunities.**

Details of the Service's development proposals subdivided into the following categories were provided:-

- Those projects which had been delivered.
- Income generating projects in priority order.
- Maintenance / service / site improvement related projects in priority order which were not income generating.

The Group was informed that

- a. Proposals implemented to date were working well.
- b. Later service times and Saturday services had actually been introduced prior to the Bereavement Services Manager's appointment but there was very little demand from funeral directors and only a small number took place. The Service was busier in winter but lighting in the cemetery / around the crematorium for any late afternoon services was inadequate.
- c. Funeral directors were very appreciative of the ability to make bookings on-line.
- d. The metal recycling scheme was designed to benefit bereavement related charities only.
- e. The increased fees and charges for 2018/19 to be introduced in March 2018 would put the Council on a par with those charged by Bradford MDC.
- f. Contracts for the supply and installation of replacement cremators had been awarded, tenders had been under budget but the residual provision would be needed to meet the related cost of upgrading the incoming electricity supply and replacement of another piece of equipment. Consideration was to be given to establishing an earmarked reserve to fund future replacement.
- g. At one time grave tending had been very popular but that popularity had declined; with very little take up and small profit margins it was not considered to be an area to target for income growth.

h. At current burial rates Waltonwrays Cemetery had sufficient space for another 30 years. Acquisition of more land had not been looked into. There was a need to assess the life expectancy of operational churchyards in Skipton as once they were full and Waltonwrays was also full there clearly would be no graveyard in Skipton. A site close to Skipton was needed. It could take between three and four years to open a new cemetery.

i. Only a small number of burials took place each year at Waltonwrays and in the period since June 2017 there had been no Muslim burials at the cemetery. The Muslim burial area was in need of attention to make it more attractive and present it as a dedicated area. There was a need to understand the reason(s) behind the level of use.

j. No space was available at Waltonwrays to offer woodland burial, providing a woodland site was a revenue generating proposal and would also help the service achieve charter for the bereaved gold status. With the Tarn Moor Woodland Burial Ground already established, a site, if progressed, should ideally not be located in Skipton.

k. One of the common causes of negative feedback from funeral directors was problems associated with congestion and the movement of vehicles within the cemetery particularly on the occasion of well attended funerals, although there was no evidence that it resulted in lost business. Approximately two years ago a bid for capital funding to provide a new exit at Waltonwrays had been rejected on grounds that it would not generate income. A better service and customer satisfaction could lead to increased business, but it wasn't possible to quantify or estimate what increase could be expected. The service was also aware of concerns that funeral services taking place in the Chapel could be disturbed by noise from mourners arriving for the next service, funeral directors tried to manage the situation but it was difficult.

l. New remembrance books cost £10,000 each.

m. A full back up generator to provide power to the cremators for up to an hour would cost an estimated £20,000; a smaller generator for the music system and lights only would be £5,000. Although a power outage had not to date resulted in a cremation being stopped, a loss of lights and sound had been experienced.

n. Although a different licence and cremators were required, pet burials and cremations could be lucrative.

o. Although progress would be slow, release of the marketing brochure and leaflets was starting to show promise and improvements to the Council's website would hopefully make a difference.

p. There had been some delay with production of the marketing strategy because of the marketing officer's work commitments, but work was ongoing. The service needed to identify innovative ways of getting information across to bereaved families and a piece of work was being carried out looking at how the service could work jointly with Directors in respect of memorial sales. A lot of funeral directors sold their own memorials.

q. Some funeral directors were resistant to dealing with additional services to the norm and there had been some indication that they were reaching a point where they felt a little too much was being asked of them.

r. The higher Saturday cremation fee was attributable to staffing costs and weekday again was down to the need to work over for same day cremations; if the cremation was held over then overtime wasn't needed but the fee structure still included a charge for later service times irrespective of whether cremation was held over. For 2018/19 the charge had not been increased. Feedback had always been that it was the funeral directors who didn't want later service times.

s. If late afternoon services were to be promoted lighting within the cemetery would need to be improved for the winter months, providing the level of lighting required would be an expensive exercise.

t. Fees and charges were benchmarked against Bradford and Burnley; the Council's fees were on a par with those authorities and lower than the charges at Lancaster, operated by Dignity plc.

u. A tender had been accepted for the replacement cremators. Completion of the works would now be a little after September. Plans to acquire a backup generator for the cremators had been put on hold.

v. Employment of a gardener was an aspiration which if coming to fruition would help improve the cemetery's quality, its maintenance and appearance. Arrangements would still be needed for grass cutting either under a separate arrangement or as part of the Council's grounds maintenance contract.

w. The possibility of installing solar panels had been considered some time ago but an assessment had concluded that there were too many trees around the chapels and the roofs faced in the wrong direction.

x. The Tarn Moor woodland burial site had four times as many burials as Waltonwrays per annum, the site attracted customers from outside the Craven area. Ingleton Cemetery would not be suitable for use as a woodland site, additional land would need to be acquired. Woodland burial sites were more profitable than conventional cemeteries as the level of maintenance required was lower, and customers were attracted from a wider area.

y. With no electricity or running water, it would not be cost effective to bring the chapel building at Ingleton Cemetery back into use.

z. Although some progress had been achieved, and the introduction of the new post of Service Manager had helped, to bring the business case for improvement of the service presented to Policy Committee in December 2016 to fruition more investment and more time to deliver was needed.

## **4 Conclusion and Recommendations**

Without question Waltonwrays Cemetery and Crematorium is a valuable community facility and a commercial asset for the Council. On grounds of resilience alone the case for the restructure and uplift in expenditure agreed by Policy Committee in December 2016 is made. Temporary closure or a reduction in service availability, a position which had been considered, would have had an unacceptable reputational impact. However, within the

December 2016 Policy Committee report insufficient emphasis was placed on the resilience issue; the impression given, whilst stating resilience was an issue, was that the primary aim was to grow the business / income. The resilience issue should have been the central argument, no reference was made in that report to the creation of the position of Bereavement Services Manager; in itself the structure wasn't a matter for the Policy Committee, but more transparency should be encouraged in reporting.

During the course of this review the Group, bearing in mind the sensitivities associated with the service and its importance to the local community, has come to the view that depending on circumstances, income growth should not necessarily be the primary focus for investment in the service. Whilst clearly important given the ongoing financial pressures, care should be taken to avoid simply judging services on profit and accept that there is a cost to delivery of services which make a significant difference to local residents.

Given the nature of the service, income growth cannot be predicted with any certainty, climatic conditions, birth rates and death rates all have a significant impact, therefore caution needs to be exercised in estimating income growth and periods within which proposed growth will be realised.

Clearly some savings / improvements / initiatives had been introduced and would or could have taken place under the previous structure, for example, holding over, extension of hours, cremator replacement and savings that would accrue from that such as mercury abatement, energy efficiency and extension of the cemetery life. That said under the new structure much good work is being done, and credit is due to the whole team. Improvements have been made, as evidenced by progress against the Service's development plan, but a good level of return on the uplift in expenditure may require longer than perhaps originally envisaged. However, the Plan needs to be adequately funded to enable implementation of projects such as the provision of a front extension to the chapel, failure to deliver the plan in a timely manner risked holding back the business and / or giving mourners a negative impression of the facility.

In accepting that the crematorium is an important commercial asset, it is also important to recognise the increasingly competitive nature of the crematoria sector, and that to maintain its good reputation the service will need to continue to focus on delivering service excellence with ongoing investment in the service. A good relationship with funeral directors is key in seeking to retain and grow current levels of income. Whilst not a significant threat, a new privately run crematorium to be built in Whalley will potentially have a small negative impact on Waltonwreys as some residents in the Ribble Valley currently chose Skipton over Burnley, Accrington and Blackburn. A privately run crematorium opened at Beetham near Milnthorpe in South Lakeland in 2017 and consent is in place for a new crematorium on land off the A65 near Junction 36 (M6) at Crooklands, south of Kendal, whilst such developments may not have an impact on Waltonwreys, they do appear to support the findings of the Institute of Policy Research. Going forward realistic financial targets and care in setting fees and charges will be needed, and a view taken on whether investment in the facility should receive priority before surpluses are drawn off in support other services.

The most significant concern or barrier to taking forward the aspirations for development of the service is the lack of a cohesive strategy and investment plan for service improvement, and the possible creation of a reserve to fund future cremator replacement

as indicated by the Assets and Commercial Services Manager merits consideration. One of the biggest issues identified by the Service, and one which could work against it was the size of Waltonwrays Cemetery. Failure to follow trends within the service area risked decline, and the growth in popularity of woodland burials and memorial trees was one such trend, if a site could be identified, woodland burial and memorial trees was an area which the service could move into relatively quickly. For the longer term, burial space within the Skipton area and wider District needed to be addressed; it is understood Section 106 monies may be used in support of provision of new burial grounds, but it will be necessary to understand the process or evidence base to be put in place to justify monies being requested.

The business development plan includes a proposal to consider diversifying by acquiring an existing out of District funeral directors business. It is understood that officers have considered the potential but not in any depth, and acknowledged that such an acquisition could place the Council in a position of being in competition with local funeral directors who in some respects are key to the service's ongoing success. Notwithstanding the possible implications for the relationship with local directors, questions would also need to be addressed as to whether the Council has the skills to operate or oversee a commercial enterprise in what appears to be an increasingly competitive sector. Any decision to progress such an idea will need very careful consideration and perhaps should form part of any future wider debate regarding commercialisation.

Although something of a side issue, the Assets and Commercial Services Manager advised at the start of this review that grass within the Council's cemeteries was mown under a contract with a private contractor, and that affordability may be an issue on re-tendering the contract. With a number of parishes believed to struggle to find grass cutting contractors, bearing in mind the situation at the cemetery, there may be some merit in looking at the feasibility of establishing a grass cutting service.

**In reflecting on the information presented and conclusions drawn the Working Group has formed the following recommendations**

- a. Particular emphasis should be placed on the need for a clear business strategy with a costed and funded improvement and investment plan for the service; consideration should be given as to whether a reserve should be established and whether investment in the facility should receive priority before surpluses are drawn off in support of other services, it is acknowledged that this approach could present challenges for other service areas.**
- b. The service needs to be innovative and to be encouraged to be innovative but in so doing needs to be mindful of the need to maintain a quality core service which meets the needs and aspirations of its customers, and retains the support of funeral directors.**
- c. Memorial trees and woodland burial is seen as a key development area for the Service, if no suitable land is available within its portfolio the Council should endeavour to acquire land in a suitable location to enable diversification into**

**woodland burial and memorial trees. Care will be needed in the choice of location which in this Group's opinion should be within a rural, as opposed to urban, environment.**

- d. A significant longer term issue to be addressed by the Service is future burial space. A long term strategic plan is therefore needed as indicated in the business development plan; in preparing that strategic plan the Service will need to engage with the Planning Department / Planning Policy Team to enable it to understand what, if anything, would be required to facilitate support for that provision through the planning / planning policy process.**
- e. The crematorium should be operated in the most efficient and environmentally responsible way. Holding over enables such an approach and therefore it is suggested that consideration be given to establish a position whereby holding over becomes the default position, with the pricing structure revised, if necessary, in such a way as to encourage this approach.**
- f. Steps should be taken to ensure an uninterrupted power supply to the chapel to ensure services at Waltonwrays can continue in the event of a mains power failure.**
- g. There is a need to understand why the Muslim burial area isn't being used to the extent originally envisaged, the Leader should seek a meeting with the local Iman to explore with him the use of Waltonwrays Cemetery by the local Muslim community.**

## **5. Background Papers**

**The following papers were made available to, and taken into account by, the Working Group**

Copy of Policy Committee December 2016 Report re Supplementary Estimate / Changes to Bereavement Services.

The Service's budget outturn for the 2014/15, 2015/16 and 2016/17 financial years.

Budget information for the service for 2017-18 including projected outturn as at 31 March 2018.

Service Business Plan 2017-19

Service development proposals.

Details of the number of services held on average each day of the week based on January, August and December.

Press article and extract from University of Bath Policy Briefing: Death Dying and Devolution – Cemeteries and Crematoria : September 2017

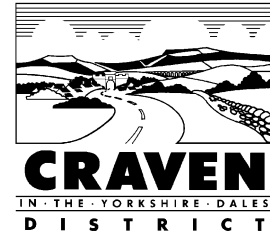
Dignity Plc : Trading Update and Market Positioning January 2018  
Cemetery and Crematoria Sector Briefing Note: Savills February 2016  
Sale of Whalley Cemetery: Press Article November 2012

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## Policy Committee – 23<sup>rd</sup> October 2018

### CONFIRMATION OF THE COUNCIL TAX BASE - 2019/20



Report of the Chief Finance Officer (s151 officer)

Lead Member: Financial Resilience – Councillor Mulligan

Ward(s) affected: All

1. **Purpose of Report** – To approve the Council Tax Base for the 2019/20 financial year.

2. **Recommendations**

Members recommend to Council:

2.1 That in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the amount calculated by Craven District Council as its tax base for the whole of the area for 2019/20 financial year is set at 22,525.

2.2 The amount calculated by Craven District Council as the tax base for each of its Parishes for the 2019/20 financial year is that as set out in Appendix A to this report.

3. **Report**

3.1 Council Tax Base figures are calculated annually in accordance with the Local Government Finance Act 1992 (as amended) and relevant regulations and are used by each billing and major precepting authority in the calculation of the basic amounts of Council Tax. The figures must be notified to all major precepting authorities (North Yorkshire County Council, North Yorkshire Police and Crime Commissioner, North Yorkshire Fire & Rescue Authority, levying bodies, and parishes) on request before 31<sup>st</sup> January 2019.

3.2 The Council Tax Base is a complex calculation requiring forward projections of a number of key variables, for example the number of new builds, properties demolished, and levels of council tax exemptions and discounts. The impact of the economic climate provides further challenge to the projections. Council Tax is accounted for in a separate fund, The Collection Fund, with any deficit or surplus being carried forward and accounted for in the next financial year.

3.3 The Council Tax Base is calculated as the sum of the relevant amounts for each valuation band multiplied by the billing authority's estimated collection rate for the year. For information, comparative tax bases for the current and previous financial years and the number of properties in the Craven District are shown in the table below.

Year	Total Number of Properties (CTB1)	Number of band D equivalent properties (CTB1)	Adjusted council tax base
2019/20	27,414	24,240	22,525*
2018/19	27,321	24,213	22,455*
2017/18	27,181	23,896	22,093*
2016/17	26,989	23,653	21,825*
2015/16	26,706	23,415	21,366.82
2014/15	26,597	22,558	21,179.96

***\*The final adjusted tax base reflects an adjustment for the cost of council tax reduction, discounts and exemptions and an estimated collection rate of 98.60 %.***

3.4 There are no parish boundary changes.

3.5 The formula used to calculate the tax base has been updated to take account of both the technical changes to council tax discounts and exemptions, and the change from council tax benefit to local council tax reduction schemes. The tax base recommended in this report reflects the decisions made at Full Council on 11<sup>th</sup> December 2012 to abolish the second home discount and 50% premium on properties empty in excess of 2 years and on 31<sup>st</sup> January 2017 to reduce the unoccupied and unfurnished discount from 3 months to 1 month.

#### 4. **Implications**

4.1 **Financial Implications** – The increase in the Council Tax Base from 22,455 to 22,525 equates to an increase of 70 Band D equivalent properties.

Before considering any council tax increase as part of the budget setting process and based on the average band D charge of £167.21 this will result in a total increase of £11,705 of Council tax income for the Council.

For every £1 of Council Tax levied the tax base, as proposed, will enable the Authority to meet £22,525 of expenditure in 2019/20 compared with £22,455 in the current financial year.

4.2 **Legal Implications** – The Council tax base is a measure of the Council's taxable capacity, for the setting of its council tax, and legislation sets out the formula for the calculation and the requirement that the tax base is formally approved.

The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 prescribes the formula for calculating the tax base. Section 84 of the Local Government Act 2003 allows the calculation or determination to be delegated to a committee or an officer of the Council.

4.3 **Contribution to Corporate Priorities** – None arising directly from this report.

4.4 **Risk Management** – There is a risk if the council tax base is set at a level that could result in a shortfall of income when council tax levels are set. A prudent allowance for non-collection is included in the calculation to minimise the risk.

4.5 **Equality Impact Assessment** –

The Council's Equality Impact Assessment Procedure **has not been** followed. Therefore neither an Initial Screening or an Equality Impact Assessment has been undertaken on the proposed policy, strategy, procedure or function to identify whether it has/does not have the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

5. **Consultations with Others** – Financial Services, Legal Services

6 **Access to Information : Background Documents** – Council Tax Valuation List and Council Tax records (report RRV708 and CTB1 return)

7. **Author of the Report** – Deborah Davies, Revenues and Benefits  
[ddavies@cravenc.gov.uk](mailto:ddavies@cravenc.gov.uk) tel 01756 706482

8 **Appendices** – Appendix A – Analysis of the Tax Base calculation by Parish

## APPENDIX A: PARISH SUMMARY

Parish	18/19	19/20
AIRTON	94.38	93.28
APPLETREEWICK	106.37	104.62
ARNCLIFFE	39.96	38.97
AUSTWICK	239.85	244.20
BANK NEWTON	28.16	27.35
BARDEN	31.3	31.16
BEAMSLEY	66.69	68.98
BENTHAM	1,246.35	1,244.27
BOLTON ABBEY	45.48	46.02
BORDLEY	6.66	6.67
BRADLEY	499.02	502.51
BROUGHTON	38.34	38.68
BUCKDEN	101.42	97.19
BURNSALL	55.75	57.17
BURTON IN LONSDALE	257.55	258.21
CALTON	28.54	27.35
CARLETON	450.02	449.91
CLAPHAM	297.22	298.42
CONISTON COLD	89.53	90.71
CONISTONE w KILNSEY	68.31	68.32
CONONLEY	473.42	470.69
COWLING	880.25	879.82
CRACOE	84.87	83.37
DRAUGHTON	131.49	130.15
ELSLACK	36.34	36.11

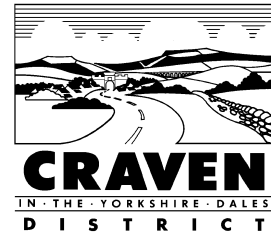
Parish	18/19	19/20
EMBSAY w EASTBY	794.14	797.69
ESHTON	41.1	40.02
FARNHILL	215.4	215.24
FLASBY w WINTERBURN	54.8	57.84
GARGRAVE	779.3	771.68
GIGGLESWICK	546.97	548.53
GLUSBURN	1,401.34	1,411.87
GRASSINGTON	563.81	559.77
HALTON EAST	45.48	46.59
HALTON GILL	26.07	25.82
HALTON WEST	28.92	28.01
HANLITH	18.65	18.67
HARTLINGTON	33.49	32.01
HAWKSWICK	34.63	34.40
HAZLEWOOD w STORITHS	40.34	40.11
HEBDEN	118.17	114.72
HELLIFIELD	538.69	540.72
HETTON	71.07	72.13
HORTON IN RIBBLESDALE	187.43	186.94
INGLETON	847.8	848.95
KETTLEWELL w STARBOTTON	198.27	194.75
KILDWICK	102.66	100.52
KIRKBY MALHAM	52.61	51.55
LANGCLIFFE	165.64	162.83
LAWKLAND	127.87	128.06

Parish	18/19	19/20
LINTON	77.44	77.46
LITTON	34.63	36.78
LONG PRESTON	317.68	321.09
LOTHERSDALE	253.93	252.97
MALHAM	67.26	67.94
MALHAM MOOR	20.55	20.20
MARTONS BOTH	139	143.87
NAPPA	4.76	4.76
OTTERBURN	21.88	22.49
RATHMELL	132.06	134.16
RYLSTONE	75.07	73.65
SCOSTHROP	35.68	36.40
SETTLE	1,121.33	1,124.12
SKIPTON	5,323.91	5,379.45
STAINFORTH	109.79	111.19
STIRTON w THORLBY	93.24	93.76
SUTTON	1,274.99	1,279.90
SWINDEN	9.42	8.96
THORNTON IN CRAVEN	202.84	205.04
THORNTON IN LONSDALE	151.08	151.69
THORPE	20.74	20.96
THRESHFIELD	401.21	398.65
WIGGLESWORTH	134.43	136.82
Total	22,454.84	22,525.86

All discounts, esemptions and CTR costs are apportioned based on the number of Band D equivalent properties within each parish. The estimated Council Tax collection rate is 98.6%

## Policy Committee – 23<sup>rd</sup> October 2018

# LEEDS CREDIT UNION PARTNERSHIP ARRANGEMENT PROJECT UPDATE



Report of the Director of Services

Lead Member: Richard Foster

Ward(s) affected: ALL

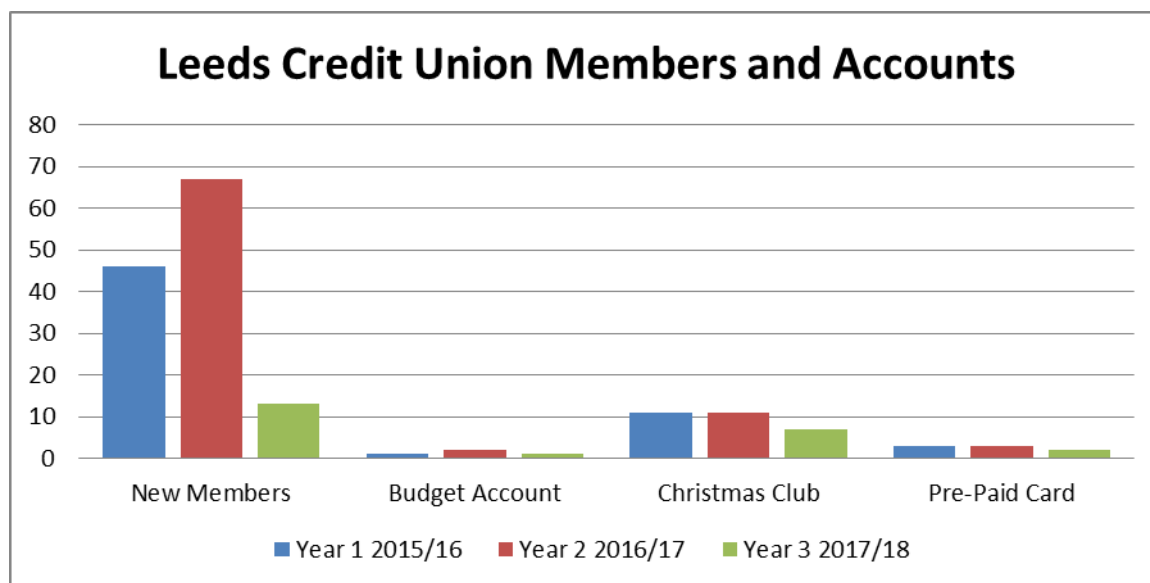
1. **Purpose of Report** – To update members on the progress of the Craven District Council (CDC) and Leeds Credit Union (LCU) Partnership arrangement.
2. **Recommendations** – to note the content of the report.
3. **Background**
  - 3.1 On 21st July 2015 Policy Committee (POL.677) recommended that:
    - a) The proposal to work in partnership with Leeds Credit Union to offer and promote their services to Craven residents and people who work in Craven be approved
    - b) A supplementary estimate of £10,000 per annum for three years from 2015/16 to 2017/18 to cover the financial costs for promotion and delivery to be funded from the Enabling Efficiencies Reserve be approved.
  - 3.2 Following procurement in September 2015, Horton Housing was successful in securing the contract to deliver the 3-year project which commenced on 1<sup>st</sup> October 2015 and ceased on 31<sup>st</sup> September 2018. This report includes outturns for the period Year 1 2015/16, Year 2 2016/17 and Year 3 2017/18.

#### 4. **Delivery of the Project:**

There are six key task areas included within the agreed Service Level Agreement:

##### 4.1 **Take up of Accounts & New Members:**

LCU Budget Accounts have proved popular, assisting members to control and pay all of their regular bills automatically, working closely with and receiving support from the Project worker. Marketing information has been produced and distributed within the Council Tax letters and is displayed in public access areas. A Payroll Deductions scheme has been introduced for Council employees with details included within the Council's Payslips. Christmas Club promotional events have been held in Jan/Feb 2017 and 2018. This has resulted in the following take up of accounts and new Members:



As at 1 Oct 2018 the total number of new members is 126 (**of which 9 are Craven District Council staff members**). In Year 2 there was a rise in new members – but this has reduced significantly in Year 3.

However, an additional 23 Craven residents have become LCU members by applying directly (i.e. not via the Project Worker) and generated £66,858.51 of low cost loans.

As at 1 Oct 2018 the total number of closed accounts is 12 – resulting in a total net figure of 137 accounts.

#### 4.2 Partnership working:

The Project worker has formed working relationships with local agencies including Citizens Advice, support providers and the Job Centre. This targeted approach has proved successful in terms of reaching clients unable to access high street affordable banking facilities.

Close partnership working with the Job Centre has been particularly useful following the roll out of Universal Credit in Craven – whereby benefit payments are made into a bank account as a single monthly payment (i.e. inclusive of the housing element) and clients are required to manage their own payments and pay rent direct to their landlord. Initially in Year 1 & 2 access to LCU banking arrangements were particularly useful when adverse financial impacts of Universal Credit were affecting clients who lacked personal budgeting skills and the new benefit was becoming established.

#### 4.3 Take up of Leeds Credit Union services – general

The LCU offers a range of products to suit individual financial circumstances. For example the Budget Account – helps members manage income received each month by ensuring that priority and agreed bills are paid and surplus cash can be withdrawn or loaded onto a Pre-paid card once agreed outgoings are met.

LCU have provided 126 Craven members with £64,635.27 worth of low cost loans. The partnership project has given Craven members access to a responsible lender

with low interest rates. If these members didn't have the option of a credit union, and had decided to use a "payday loan" company with high interest rates instead, they would have paid an extra £122,188.92 in interest alone (Based on a 1200% APR).

#### **4.4 School Accounts**

The project included a "Take-up" campaign for local schools to introduce young-saver accounts. Activities included:

- Promotion of service and money awareness in children
- Recruitment of community champions to take responsibility for collection

A take up campaign was completed but only 1 Craven school signed up to the LCU Programme. To set up a school account requires a significant investment of time and to be sustained post project – would require the firm commitment of volunteers. The time required to progress this aspect of works was not reflected in the 8 hour per week project time allowed.

The Project worker has concentrated primarily on adult accounts and has not had the capacity to progress further the introduction of school accounts across Craven.

However, Leeds Credit Union have undertaken a 2<sup>nd</sup> "take-up" campaign and contacted all primary schools at the beginning of the new term in September 2018.

#### **4.5 Volunteer Community Champions**

The Project worker has built up relationships with local agencies, North Yorkshire County Council health & adult services and Craven District Council's customer services and housing teams. However, individuals signing up to become a Volunteer Community Champion has not been successful. Whilst agencies and other teams are keen to raise awareness of LCU services they are reluctant to take on a more formal role.

This may be partly due to workload pressures as a result of an increased number and complexity of clients and their capacity to volunteer to take on new responsibilities. To become a champion requires a commitment to promote LCU services within their organisation.

However, these organisations have themselves been keen to refer and recommend LCU services to their clients and we receptive to refresher training as part of the exit strategy for the project.

#### **4.6 Surgeries and support**

The Project worker has provided support to customers on an individual basis – supporting them through the process of becoming a new member until they are comfortable in managing their own finances. The majority of clients supported have been new Universal Credit claimants and referrals have also been received from the Council's Revenue & Benefit, Housing Teams and the Job Centre.

#### **4.7 Summary**

The partnership arrangement has worked very well with positive outcomes for individuals – making a difference to their lives by increasing access to financial services and affordable/responsible borrowing. However, in Year 3 there has been

a significant reduction in new members and accounts. Primarily, the Project Worker attributes this to the increased supply of Personal Budgeting Support funded by the Department of Work and Pensions and the up-skilling of clients. Although the LCU is an option available to clients – the take-up has reduced as they become more self-reliant and are able to manage the payment arrangements of Universal Credit.

## 5. **The Way Forward**

The ability to promote and offer LCU services is a valuable tool within the Homelessness Prevention Toolkit for our Housing Options Team and for agencies supporting residents experiencing financial difficulties.

In September 2018, prior to the end of this project, the Project Worker provided refresher training to key agencies and Craven District Council staff to ensure that we can continue to offer LCU services to the residents and those working in, Craven.

The partnership will continue despite the end of the funding for a dedicated Project worker. Investment by the Council has established the partnership and embedded awareness of LCU services across CDC services and support agencies operating in Craven. This network of advisors and support workers will ensure that residents and those working in Craven will continue to benefit from accessible and affordable financial products.

A meeting with LCU is due in Oct/Nov to agree future contact arrangements so that up to date promotions material can be shared with agencies and Craven District Council teams. Although no further funding is available to pay for a dedicated worker or promotional material – through the network of our contacts at support agencies and colleagues within the council we shall be able to receive and disseminate information on behalf of our partners, LCU.

LCU products shall continue to be accessed on-line at [www.leedscreditunion.co.uk](http://www.leedscreditunion.co.uk) at home, work or Council Offices. Full on-line banking services are available 24/7 with telephone (0113) 242 3343 and email [services@leedscitycreditunion.co.uk](mailto:services@leedscitycreditunion.co.uk) support available during office hours.

We shall continue to monitor the number of accounts and loans opened/closed and this may result in a further report if necessary.

## 6. **Implications**

### 6.1 **Financial and Value for Money (vfm) Implications –**

Value for money considerations were addressed by the procurement process undertaken in 2015.

As the project commenced mid financial year 2015/16 – the agreed funding of £30,000 from within the Enabling Efficiencies Reserve spans the following financial years as follows:

	2015/16	2016/17	2017/18	2018/19
Funding	£6,390	£ 3,415	£13,452	£6,743



There are no future cost implications arising from this project.

6.2 **Legal Implications**

There are no legal implications arising from this report.

7. **Contribution to Council Priorities**  
**Working with Communities**

- a) By supporting local citizens to become more active through membership of a financial co-operative with the opportunity to become a LCU Champion promoting services throughout Craven.
- b) By offering the tools for residents to become more financially resilient and contribute towards their improved quality of life.

**Financial Resilience**

- a) By contributing to the prevention of financial indebtedness – including debt to the Council for Council Tax for example.

8. **Risk Management**

There are no risk management implications arising from this report.

9. **Equality Analysis**

The Council's Equality Impact Assessment Procedure **has been** followed and an Equality Analysis Form has been completed. **Stage 1- Initial Screening** of the Procedure identified that the proposed partnership working arrangement **does not have** the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

10. **Consultations with Others**

Chief Executive, Financial Services and Leeds Credit Union

11. **Access to Information : Background Documents**

None

12. **Author of the Report**

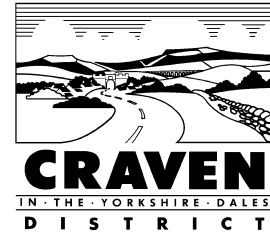
Nina Pinder - Housing Adaptations Manager

Tel: 01756 706392 [npinder@cravendc.gov.uk](mailto:npinder@cravendc.gov.uk)

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions

13. **Appendices**

None

**Policy Committee – 23<sup>rd</sup> October 2018****Implementing Energy Company  
Obligation Flexible Eligibility –  
ANNUAL UPDATE**

Report of the Director of Services

Lead Member: Richard Foster

Ward(s) affected: ALL

**1. Purpose of Report**

To update members on the impact of setting a local criteria for Energy Company Obligation (ECO) funding.

**2. Recommendation – to note the content of the report****3. Background**

3.1 On 18<sup>th</sup> July 2017 Policy Committee recommended:

- (1) That it is noted that the Energy Company Obligation (ECO) transition period allows local authorities to set criteria for fuel poor households, and households which are vulnerable to cold, to qualify for ECO funding from the “Big 7” energy suppliers<sup>1</sup> towards the cost of certain energy efficiency improvements to their homes.”
- (2) That publication of the Statement of Intent, as presented at the Appendix, setting out the criteria for Craven District Council is approved.
- (3) That the Director of Services is granted delegated authority, in consultation with the Lead Member, to make minor amendments and/or adjustments to the Statement of Intent to meet current or future requirements, and in order to facilitate responses to revised priorities and/or funding opportunities.
- (4) That a report is submitted to this Committee in July 2018 presenting details of where the Energy Company Obligation monies have been spent and whether the aims behind this initiative are being achieved.

**4. Context****4.1 Definition of Fuel Poverty<sup>2</sup>:**

A household is considered to be fuel poor if: they have required fuel costs that are above average (the national median level); and, were they to spend that amount, they would be left with a residual income below the official poverty line.

<sup>1</sup> Npower, British Gas, Scottish Southern Energy, Scottish Power, EON, EDF and OVO (providing 95% of Gas and Electricity to British homes)  
<sup>2</sup> Annual Fuel Poverty Statistics Report, 2018 (2016 Data) Department for Business, Energy & Industrial Strategy

## 4.2 Households in Fuel Poverty<sup>3</sup>:

Household with low incomes in Craven are at risk of being in fuel poverty. According to the Office of National Statistics Annual Survey of Hours and Earnings, lower quartile earnings in 2015 across the Craven District were £17,624 each year which compares with £18,998 for North Yorkshire and £19,719 for England.

High costs for fuel also impacts of the number of households in fuel poverty.

Both these factors have contributed towards the following estimated outturn of households in fuel poverty:

Region	Number of households	Number of households in fuel poverty	Proportion of households in fuel poverty (%)
England	22,996,229	22,996,229	11.4
North Yorkshire	263,016	26,576	10.1
Craven	25,184	2,611	10.4

## 4.3 Energy Efficiency and Dwelling Characteristics

The condition of the dwelling can also contribute towards the extent of fuel poverty within our district. Households in fuel poverty are more likely to live in properties which:

- Do not have insulated cavity walls or insulated solid walls
- Are older dwellings
- Are **not connected to the gas grid** – households who are not connected to the gas grid have an average fuel poverty gap almost twice as large as those households connected to the gas grid

These are all characteristics of housing stock in Craven. For example 38.7% of Craven's dwellings were built in the period before 1919 and it is estimated that 18.2% of dwelling stock fails to meet the minimum standard of decent homes criteria (compared with 11.9% nationally)<sup>4</sup>.

Craven			Fails decent homes criteria (estimate)				All dwellings	% dwellings
Dwelling age (EHS)	Dwelling age (VOA)	Non-decent	Minimum standard	Repair	Modern facilities and services	Thermal comfort		
pre-1919	pre-1919	4100	2932	1145	394	1219	10220	38.7
1919-44	1919-44	678	370	213	48	214	2820	10.7
1945-64	1945-64	446	213	98	52	153	2680	10.1
1965-80	1965-82	678	340	71	74	294	3880	14.7
1981-90	1983-1992	648	174	*	35	496	3680	13.9
post 1990	Post 1992	46	46	*	*	*	3160	12.0
<b>Total</b>		<b>6597</b>	<b>4075</b>	<b>1526</b>	<b>603</b>	<b>2376</b>	<b>26440</b>	<b>100.0</b>
<b>% of all stock</b>		<b>29.4</b>	<b>18.2</b>	<b>6.8</b>	<b>2.7</b>	<b>10.6</b>		
<b>National %</b>		<b>20.6</b>	<b>11.9</b>	<b>4.6</b>	<b>1.9</b>	<b>7.5</b>		

Cr

Craven Housing Market Assessment 2016, ARC 4: Source: English Housing Survey July 2016 data applied to Valuation Office Agency dwelling stock age profile 2016 data Note '\*' indicates sample size too small for reliable estimate

<sup>3</sup> Fuel poverty data measured as low income high costs (2016 data). Department for Business, Energy & Industrial Strategy

<sup>4</sup> Based on English Housing Survey data applied to the age profile of dwelling stock in the District.

#### 4.4 Characteristics of Fuel Poor Households

Multi-person households are the most severely impacted by fuel poverty and households with a single person under 60 have the smallest fuel poverty gap. The Department for Business, Energy & Industrial Strategy Annual report 2018 (based on 2016 data) reports household types as being fuel poor by the following amounts:



27.7% of Craven households are aged 65 and over;

18.1% of Craven households are couples with children and 5.2% are lone parents<sup>5</sup>.

#### 5. ECO Flexible Eligibility - Declarations

5.1 Since the introduction of our Statement of Intent, Craven District Council has been requested by York City Council (Better Homes Yorkshire partner) to provide "Declarations of Flexibility Eligibility" for 49 Better Homes Yorkshire Grant applicants.

5.2 Of the 49 households:

18% were a household living in fuel poverty and vulnerable to the effects of living in a cold home

82% were a household living in fuel poverty

#### 6. ECO Flexible Eligibility – Funding

6.1 Better Homes Yorkshire has then been able to claim Energy Company Obligation (ECO) Flexibility funding towards their grant funded work – thus reducing the amount of Better Homes Yorkshire grant funding required.

6.2 The amount of ECO Flexibility funding per property is calculated based on projected carbon savings and so varies according to the size, construction, and heating type of the property. For example:

<sup>5</sup> Craven Strategic Housing Market Assessment 2016, Arc 4

Example Property Type	Energy Efficiency Measure Installed	ECO funding
3 bed detached house with oil fired central heating	Loft insulation	£139.44
2 bed terrace house with electric night storage heaters	Loft insulation	£1,034.00
3 bed semi-detached house with gas central heating	Cavity wall insulation	£628.08

(ECO values from specific properties within the Better Homes programme)

6.3 The ECO Flexibility funding obtained is added to the Better Homes Yorkshire (BHY) funding pot to either subsidise client contributions under the BHY Grant Programme (landlords or households with total income of less than £35,000) or added to the BHY Grant budget available – thus increasing our capacity to assist more Craven households.

6.4 To date ECO Flexibility funding has been claimed and/or used on Better Homes Yorkshire grants works in the following areas:

Austwick	2	Grassington	1
Bentham	2	Hellifield	1
Burnsall	2	Lawkland	1
Burton In Lonsdale	1	Skipton	35
Cracoe	1	Sutton In Craven	1
Crosshills	2		

6.5 The Better Homes Yorkshire grant works has resulted in the provision of 49 loft, external wall insulation or boilers for homes in Craven – making them more energy efficient and affordable for households previously in fuel poverty.

6.6 The process for claiming ECO Flexibility Funding takes some time. To date we have received funding from 10 of the 49 Declarations resulting in £ 2,695.57 of additional funding which has been used to directly assist 4 households. The remaining funding with an expected value of £ 5,966.58, when received, is targeted to support between 20 - 31 households.

## 7. **Implications**

7.1 **Financial Implications:** - There are no financial implications for the Council from this report.

**7.2 Legal Implications:**

There is no specific requirement for the Council to publish a Statement of Intent and doing so is optional. Doing so does not commit the Council to any particular actions or responsibilities outside our contract with Better Homes Yorkshire requiring that all energy efficiency improvements be referred to Better Homes.

This contract was procured through the Leeds City Region and is relevant throughout the current ECO Transition period.

**7.3 Contribution to Corporate Priorities:****a) Craven District Council – Council Plan 2018 - 2021**

**Priority:** Resilient Communities

**Contribution:** **Improve quality of life** for vulnerable and low income households through provision of measures to insulate and make their homes energy efficient.

**b) Craven's Housing & Homelessness Integrated Action Plan 2018/19**

**Priority:** Maintain and improve the quality of existing housing

**Contribution:** Increasing the energy efficiency of housing - use of indirect financial assistance to improve the health and wellbeing of residents through making their homes warm, safe and energy efficient.

**7.4 Risk Management:**

The Statement of Intent is generally consistent with the nine Better Homes partnership Authorities' publications so as to optimise the opportunities offered by ECO Flexible Eligibility.

Not publishing a Statement of Intent would leave the Council open to criticism that is not implementing an initiative which helps vulnerable households.

**7.5 Equality Impact Assessment:**

The Council's Equality Impact Assessment Procedure **has been** followed. An Equality Impact Assessment **has not** been completed on the proposals as completion of **Stage 1- Initial Screening** of the Procedure identified that the proposed policy, strategy, procedure or function **does not have** the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

**8. Consultation with Others:**

a) Home Energy Project Manager (York Harrogate Craven and Selby)

**9. Access to Information : Background Documents:**

None

**10. Author of the Report:**

Nina Pinder, 01756 706392 email: npinder@cravendc.gov.uk

**11. Appendices:**

Appendix A – Craven District Council Flexible Eligibility Statement of Intent

## APPENDIX A

### Local Authority Flexible Eligibility Statement of Intent Craven District Council



Date of publication 21/07/2017

Publication on website : [www.cravencdc.gov/housingstandards/ecostatementofintent](http://www.cravencdc.gov/housingstandards/ecostatementofintent)

## 1. Introduction

Under the Energy Company Obligation Regulations 2017 -2018 (ECO2t) local authorities can set their own criteria for eligibility for funding for domestic energy efficiency measures. This funding is aimed at those within a local authority most likely to be in fuel poverty. Energy companies can spend up to a maximum of 10% of their full obligation within these criteria.

The Leeds City Region intends to adopt a city region wide approach to implementing the Flexible Eligibility policy initiative within the 2017/18 Energy Company Obligation regulations, through the Better Homes Yorkshire programme. The Craven District Council Statement of Intent fits within this framework.

The focus of the funding is to help those most vulnerable and to increase the uptake of energy efficiency improvements. These objectives are included within the following Council Plans and Strategies:

### Craven District Council – Council Plan 2017 - 2020

**Priority:** Resilient Communities

**Contribution:** Improve quality of life for vulnerable and low income households through provision of measures to insulate and make their homes energy efficient.

### Craven's Housing & Homelessness Integrated Action Plan 2017/18

**Priority:** Maintain and improve the quality of existing housing

**Contribution:** Increasing the energy efficiency of housing and improve the health and wellbeing of residents through making their homes warm, safe and energy efficient.

In addition Priority 3 of the Leeds City Region (LCR) Strategic Economic Plan (Clean Energy and Environmental Resilience) 2016-2036<sup>1</sup> sets out a long term ambition to become a resilient zero carbon energy economy underpinned by high quality infrastructure. Priority 3 particularly emphasises the ambition to:

- Deliver improvements that make homes across the LCR warmer and reduce fuel poverty;
- Develop partnership and funding models with the health sector to deliver collaborative interventions that reduce extreme cold and damp and improve health.

The policy approach is based on the following principles:

- Eligibility criteria are to be as streamlined, and simple, as possible
- Focus on attracting ECO funding to support Local Growth Fund schemes
- Early engagement with energy suppliers, local Members and partners
- Eligibility via 2 routes:
  - Geographical areas based on priority communities; and

<sup>1</sup> [http://www.investleedscityregion.com/system/files/uploaded\\_files/SEP-2016-FINAL.pdf](http://www.investleedscityregion.com/system/files/uploaded_files/SEP-2016-FINAL.pdf)

- Eligibility for funding due to individual circumstances (based on criteria developed and refined already for the Central Heating Fund programme).

This approach has been taken to maximise the potential for funding however fitting the criteria within the statement of intent does not guarantee that any individual household will benefit from energy saving improvements as the final decision on funding rests with energy suppliers and will depend on:

- The survey carried out and installation costs calculated;
- The energy savings that can be achieved for a property, and
- Whether suppliers have achieved their targets or require further measures to meet their ECO targets.

## 2. How Craven District Council intends to identify eligible households

### 2.1 Fuel Poverty

Households will be considered at risk of fuel poverty if they are determined to be a low income household, living in a high cost home in relation to energy use.

Households need to meet Stage 1 (Low Income) criteria and one of the Stage 2 (High Cost) criteria, based on March 2015 Government Fuel Poverty Strategy.

Stage	Criteria	Definition
Stage 1	Low Income	Gross household income of <£21,000
Stage 2	a) High Cost	Property EPC rating of E, F or G
	b) High Cost	Property EPC rating of D; <b>and</b> Living in a hard to treat home Property is primarily constructed with: <ul style="list-style-type: none"> <li>• Solid walls;</li> <li>• Non standard cavity walls;</li> <li>• System built walls;</li> <li>• No connection to mains gas;</li> <li>• No loft.</li> </ul>

**Households within the following areas are also identified as households in fuel poverty.**

Households located within the following Wards defined by Craven District Council as priority areas for action:

- |                 |                         |
|-----------------|-------------------------|
| • Skipton South | • Ingleton & Clapham    |
| • Skipton West  | • Barden Fell           |
| • West Craven   | • Settle & Ribblesbanks |

These areas have been identified in the Council's Private Sector Housing Stock Modelling report produced by the Building Research Establishment in January 2012.

### 2.2 Low Income and Vulnerability to Cold

Households will be considered a low Income household, and vulnerable to the effects of living in a cold home, if they meet Stage 1 (Low Income) criteria and someone in the household meets one of the Stage 2



(High Cost) criteria. These are based on NICE guideline NG6 on “Excess winter deaths and illness and the health risks associated with cold homes”.

Stage	Criteria	Definition
Stage 1	Low Income	Gross household income of <£21,000
Stage 2	a) High Cost and vulnerable to cold	Property EPC rating of D; and Has a health condition made worse by cold: Chronic respiratory, cardio vascular, or musculoskeletal illness, or mental health condition.
	b) High Cost and vulnerable to cold	Property EPC rating of D; and Has a vulnerable resident: Over 70 years of age Child under 16 resident in the household

All Leeds City Region Flexible Eligibility ECOs will be delivered by Better Homes Yorkshire. The Better Homes Yorkshire programme was procured at the end of December 2014, and was launched in March 2015, to respond to the challenge of cold homes and fuel poverty. The West Yorkshire Combined Authority (WYCA) and all 10 Leeds City Region Local Authorities contracted with Keepmoat and Fortem to deliver domestic energy efficiency measures, secure ECO and Green Deal funding (and their successors), up to 2022.

### 3. Governance

Local Authority Declarations will be valid when signed by the Director of Services, Craven District Council.

Approaches by suppliers (or organisations with ECO funding available) for Local Authority Declarations will be screened initially by the Home Energy Project Manager (York, Harrogate, Craven & Selby) before being considered for approval by the Director of Services.

### 4. Referrals

Referrals may be received from front line staff within the Council; health and social care sectors; and trusted partner agencies including AgeUK and Citizens’ Advice Bureau - Craven. Referrals will also be accepted from Better Homes Yorkshire.

### 5. Evidence, monitoring and reporting

Data will be reported on a project basis:

#### **Local Growth Fund Energy Efficiency Grant and Loan Scheme**

Declarations which form part of Local Growth Fund Energy Efficiency Grant and Loan Scheme (LGF) are subject to monthly and quarterly monitoring to track progress against forecast delivery and progress to achieving outputs. The project level district monitoring reports are completed by the district Project Manager and sent to the WYCA Tackling Fuel Poverty Programme Manager. A monitoring report for the Programme is completed by the Programme Manager and submitted to the WYCA Growth Deal monitoring team. The Growth Deal monitoring team meet regularly with colleagues at BEIS to discuss progress, risks and issues.

The WYCA Programme Manager also reports regularly to the Better Homes Yorkshire Programme Board which is made up of senior representatives from each participating Council, and is chaired by the City of Bradford Metropolitan District Council.

All LGF recipients provide evidence of their income and energy efficiency/property location which is scanned and retained by the Council

### **Schemes with Local Authority Declarations Proposed by Outside Organisations**

Where a scheme has been proposed by an organisation outside of the Better Homes Yorkshire partnership, progress will be monitored through the Better Homes Officers Group with reporting to the Better Homes Yorkshire Programme Board. Qualification evidence for such Declared schemes will be required by the Council for audit and anti-fraud purposes.

## **6. Signature**

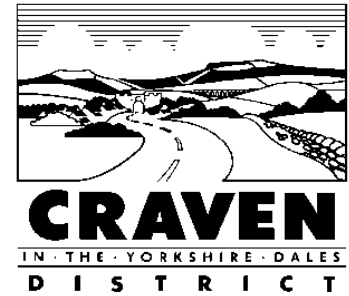
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**Paul Ellis**  
**Director of Services**  
**Craven District Council**

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**21/07/2018**  
**Date**

**NOTE:** The Statement of Intent should be signed by the Chief Executive Officer for the local authority or other senior officer nominated on their behalf who is at least at Director level.

**Policy Committee – 23<sup>rd</sup> October 2018****The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018****Report of the: Director of Services**

Ward(s) affected: ALL

**1. Purpose of Report**

The Committee is asked to consider adopting the new The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 that came force on 1<sup>st</sup> October 2018 and Agree fees and charges for new licensing under these regulations

**2. Recommendations – Members are recommended to:**

- 2.1 Adopt The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018.
- 2.2 Agree the proposed fees and charges as outlined in Appendix 1 of this report

**3. Background**

- 3.1 The Government has recently published updated legislation for animal businesses and confirmed that these changes will take effect from 1 October 2018. Under Section 13 of the Animal Welfare Act 2006, the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 replace some existing licensing regimes.
- 3.2 All current regulations relating to Animal boarding and welfare are being repealed and replaced by this new Regulation, which will over ride all conditions and enforcement requirements.
- 3.3 The Council have the ability to set fees and charges to reflect costs to the Council for enforcing and maintaining this requirement. Consequently, all existing Fees and Charges previously approved by members will be replaced, subject to this Committee's approval.
- 3.3 Under the new law, animal boarding businesses (including home boarders and day carers), dog breeders, and pet shops, keeping or training animals for exhibitions and riding establishments will be covered under a single type of licence from that date. It will be known as an 'animal activity licence', with new nationally-set licence conditions for businesses providing animal-related services. All existing Licenses will be replaced following inspection by authorised Officers and may require consultation with local a veterinary subject to the type of establishment.

- 3.4 The Department for Food, Environment and Rural Affairs (DEFRA) has published procedural guidance for local authorities in relation to the new regulations, along with guidance notes and conditions that will apply to licences issued to the different licensable activities. These conditions are mandatory to comply with and will require additional time during visits to confirm compliance with the conditions along with consultation with vets in some cases.
- 3.4 Each premise will also be assessed on compliance with both the Regulations and conditions set nationally. The benefit of this new regulation will reduce burden of inspection and cost for those who fully comply and give confidence to the public and users of these establishment in an open and transparent way with star rating made public.
- 3.5 Each site will be risk rated from 1 to 5 star based upon compliance. The star rating will offer the businesses the chance to reduced inspections and reduce costs of licence fee, those with low star rating of 1 or 2 star rating receiving annual inspection, those receiving 3 or 4 are only inspected every 2 years and 5 star premises receive a 3 year licence.
- 3.6 If the applicant is not satisfied with the decision, they can make improvements to address highlighted issues, and ask for a re-inspection or appeal to the Council or first tier tribunal.

#### **4. Implications**

- 4.1 Financial and Value for Money (vfm) Implications – Cost recovery of licensing and enforcement, all fees and charges will be approved by members initially and before changes.
- 4.2 The Council will be required to set the Fees and Charges to reflect the true cost for administration, Licence visits, Investigations into non-compliance. The cost will also include admin and management of web site for the ratings to be made available,
- 4.3 Legal fees due to possible appeals from Star rating.

#### **5. Legal Implications**

- 5.1 All Regulations and DEFRA guidance Documents will be followed. Authorisation issued to appropriate Staff and Documented Procedures put in place in addition to guidelines for appeals

#### **6. Contribution to Council Priorities**

Resilient Communities, Financial Sustainability

#### **7. Risk Management**

There are no strategic risk management issues arising from the report.

**8. Equality Analysis**

The Council's Equality Impact Assessment Procedure has been followed. The proposed policy does not have the potential to cause negative impact or discriminate against the protected characteristic groups in the community based on Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race, Religion and belief, Sex, Sexual orientation,

**9. Consultations with Others**

Director of Services, Strategic Manager Environmental Services and Housing Manager and Solicitor to the Council

**10. Access to Information : Background Documents**

Briefing document on new Regulations

**11. Appendices**

Appendix 1 Proposed fees and charges

**12. Author of the Report**

Richard Abdoollah Interim Environmental Health & Cleaner Neighbourhoods Team Leader

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**Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.**

**Regarding: The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018**

**Fees for approval**

Fees take into account, time, and appeals – to First-tier Tribunal

Suggested by IOL - £50 fee on application

**Inspection fee per inspection (And also an inspection fee for all re-visit per visit)**

Have regard to open for business: LGA guidance on locally set licence fees

Regard for BEIS Guidance for Business on the provision of Services Regulations

Regard principles in the Regulators' Code "Reasonable anticipated costs"

Fees on cost recovery including inspections (less if low risk and therefore less inspections)

**Main Changes**

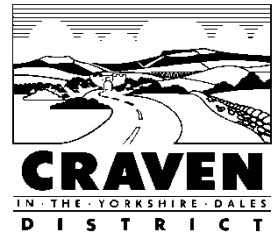
- One generic licence (not date specific)
- General and 'activity specific' licence conditions
- Risk rating scheme
- Reduce regulatory burden – inspections and admin
- Maintain or improve welfare standards
- Opportunity to operate to higher standards
- Greater enforcement options
- Procedural guidance (DEFRA) Application form to be provided by DEFRA. LA to develop inspection forms and scoring matrix

Fees and charges for approval

<b>Type of premises</b>	<b>Application Fee</b>	<b>Inspection Fee</b>	<b>Re-Visit Fee</b>
Pet shop	£60	£115.00	£60.00
Home Boarding	£60	£115.00	£60.00
Doggy Day Care	£60	£115.00	£60.00
Dog Boarding	£60	£175.00	£90.00
Cat Boarding	£60	£175.00	£90.00
Dog Breeding	£80 (inclusive of Vets letters)	£230.00+ vet fees	£115.00
Horse Riding Establishment	£80 (inclusive of Vet letters)	£230.00+ vet fees	£115.00

## Policy Committee – 23 October 2018

### Homes England: Accelerated Construction Fund



Report of the Director of Services

Lead Member Councillor Patrick Mulligan

Ward(s) affected: Skipton South Ward

#### 1. **Purpose of Report**

To inform Members of an award of grant from the Accelerated Construction Fund and to request that Members accept the grant offer.

#### 2. **Recommendations**

Members are recommended to:

- 2.1 Accept the Accelerated Construction Fund grant offer of £2,376,394 for remediation and infrastructure works to release land at Horse Close, Skipton for housing development.
- 2.2 Delegate authority to the Director of Services in discussion with the Monitoring Officer to enter into negotiation and contract with Homes England to secure the grant offer.
- 2.3 Approve that the Director of Services makes arrangements to deliver the infrastructure works in consultation with the Leader and Deputy Leader.
- 2.4 Request a report is brought to Policy Committee during the first quarter of 2019 setting out a proposed development scheme and financial appraisal.

#### 3. **Background**

- 3.1 At its meeting of 14 February 2017, Policy Committee approved the submission of an expression of interest to the Accelerated Construction Fund (ACF) to develop Council owned land at Horse Close Skipton. The ACF is designed to help local authorities overcome barriers to developing their own land. It offers a tailor made solution to housing delivery, aiming to deliver up to 15000 starts nationwide on surplus, public sector landholdings.
- 3.2 The Council bid to the ACF to help with capacity building and infrastructure costs at Horse Close, Skipton. This includes the construction and adoption of a new bridge over the canal at Cawder Road. Following bid submissions, Homes England has spent some 18 months carrying out due diligence and commissioning technical reports and feasibility studies on sites across the country. The Council has now been notified that an offer for funding for the infrastructure at Horse Close has been approved, with the next stage being to agree the scope of the funding offer and enter into contract with Homes England. This should be by December 2018.

# AGENDA ITEM 10

- 3.3 The ACF award is £2,376,394 and follows Home England's technical appraisals of the infrastructure needed to release the land for development. The award is now a grant not a loan however should the transfer value of the land exceed the estimated 'clean site' value of the land of £2,250,000, Homes England will claw back up to 96% of any surplus above that clean site value up to the level of grant.
- 3.4 Grant can also be used for technical reports, design works etc. There is no claw back if grant is spent and delivery does not happen. All infrastructure and enabling works funded must be completed and funding drawn down on a defrayed basis by March 2021.
- 3.5 Subject to Members approving the acceptance of the Homes England funding the Council, will work with its Joint Venture partner to deliver the infrastructure works. A development scheme for up to 88 housing units is being designed and will be brought to Policy Committee together with a financial appraisal for approval during the first quarter of 2019.
- 3.6 Accepting the grant will allow the Council to accelerate delivery of its land at Horse Close for Housing, delivering a number of benefits including effective and efficient use of Council's assets to provide much needed housing including affordable housing for our communities.

## **4 Financial Implications**

- 4.1 There are no financial implications arising directly from accepting the Accelerated Construction Fund.
- 4.2 The Council will need to ensure a development scheme is viable and the Council gets the best possible return from its asset. This analysis will form part of the financial development appraisal and be subject to a further report to Members.

## **5 Legal Implications**

- 5.1 Upon confirmation that the grant will be accepted the Council will enter into contract for payment of the funding. The agreement will detail the terms and conditions under which the Council's funding is made.

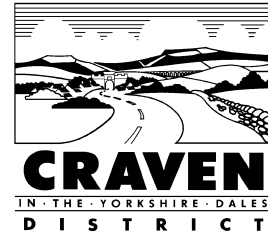
## **6 Contribution to Corporate Priorities**

Accepting the grant will allow the Council to accelerate delivery of its land at Horse Close, thus contributing towards the delivery of the Enterprising Craven priority, stimulating economic growth through the provision of housing.

## **7 Author of the Report**

Paul Ellis, Director of Services, telephone 01756 706413, email [pellis@cravendc.gov.uk](mailto:pellis@cravendc.gov.uk)





## POLICY COMMITTEE

### REDEPLOYMENT, RETRAINING, REDUNDANCY AND RETIREMENT AGREEMENT

#### Report of the HR Manager

Lead Member – Councillor Dawson

1. **Purpose of Report** – The purpose of this report is to seek approval to implement revised and updated Redeployment, Retraining, Redundancy and Retirement Agreement (4Rs).
2. **Recommendations** – Members are recommended to approve the implementation of the revised Redeployment, Retraining, Redundancy and Retirement Agreement, with effect from 1<sup>st</sup> November 2018.
3. **The Current Position**
  - 3.1 The Council's current 4Rs Agreement outlines the Council's intentions should any member of staff be placed under any element of the Agreement. The Agreement was last reviewed in April 2009.
  - 3.2 Consultation has taken place with the Trade Unions and Staff and agreement was reached at the Employees Consultative Group (ECG), meeting held on 14<sup>th</sup> May.
  - 3.3 Various amendments due to legislative change and other developments have been taken into consideration when reviewing the Agreement which are: -
    - **Equality Impact Assessment:** - There is nothing on this issue in the current Agreement and this now needs to be addressed in order to explain our legal duties. Failure to meet this requirement may result in the Council being exposed to costly, time consuming legal challenges. Page 2 of the draft Agreement now covers this.
    - **Consultation:** - We currently consult with employees for 45 days regardless of how many employees may be effected. ACAS guideline state that organisation's should try to achieve at least 30 days consultation before the first dismissal takes effect if 20 to 99 employees are to be made redundant at one establishment over a period of 90 days

# AGENDA ITEM 11

or less and at least 45 days before the first dismissal takes effect if 100 or more. Page 3 of the draft Agreement now reflects the ACAS guidelines. Also added to the draft Agreement is a paragraph on consulting with individuals and Trade Unions which is not in the current Agreement.

- **Notification to the Redundancy Payments Services (RPS):** - There is nothing in the current Agreement stating that we must inform the RPS when a certain number of staff are to be made redundant. This has been added in to the draft Agreement at the bottom of Page 3.
- **Redeployment:** - The current agreement states that an employee will be on the redeployment register for a period of 4 months. It was agreed at the ECG meeting that this was to be reduced to 2 months. Page 4 refers to this.
- **Redeployment – Pay Protection:** - The current Agreement states that pay protection will be up to a financial limit of £6,000 per annum for a maximum of 2 years. It was agreed at the ECG meeting that this was to be reduced to a financial limit of £4,000 per annum for a minimum period of 1 year. Page 5 – 5.2 refers to this.
- **Pensions:** - The current Agreement states that you are eligible from the age of 50 to access your pension. There was changed to the age limit which is now 55 from April 2010. Page 9 11.1 refers to this.
- **General:** - Throughout the current Agreement it refers to the Corporate Head (Business Support). This has now been replaced by the HR Manager.

## 4 Consultation.

- 4.1 A period of consultation commenced on 18<sup>th</sup> June 2018 until 6<sup>th</sup> July 2018, via email, with Trade Unions and staff. Paper copies were made available for staff that do not have access to email. All comments, views, etc. were collated and they were considered by the members of the ECG.
- 4.2 There was only 1 comment from a member of staff and this was addressed with the members of the ECG. The Trade Union fed back the information to their member and all amendments were agreed.

## 5 Implications

- 5.1 **Financial Implications:** - No direct financial implications at this stage.
- 5.2 **Legal Implications:-** It is good practice to have a policy so that all are aware of the legal requirement when implementing any part of the policy

## 6 Contribution to Corporate priorities -

- Ensure that Staff are supported at all stages

## AGENDA ITEM 11

- 7     **Risk Management** – None arising directly from this report.
- 8     **Equality Impact Assessment** - The Council's Equality Impact Assessment procedure is not required for this update
- 9     **Consultations with Others** – N/A.
- 10    **Access to Information: Background Documents** – None.
- 11    **Author of the report** – Jacquie Hodgson – HR Manager
- 12    **Appendices-**
  - Appendix 1   New Draft 4 R's Agreement



# **CRAVEN DISTRICT COUNCIL**

## **REDEPLOYMENT, RETRAINING REDUNDANCY AND RETIREMENT AGREEMENT**

**Draft 2018**

## **REDEPLOYMENT, RETRAINING, REDUNDANCY and RETIREMENT AGREEMENT**

This Agreement applies to all Council employees on both Joint National Committee (JNC) and National Joint Council (NJC) terms and conditions of employment, including those on temporary or fixed term employment contracts, who have a statutory entitlement to redundancy pay.

### **DEFINITIONS**

- |                         |               |  |
|-------------------------|---------------|--|
| “temporary employment”  | -             | staff not employed on a permanent basis and length of contract defined e.g. 6 weeks  |
| “fixed term employment  | -             | Staff employed for a defined period of time i.e. 2 years.  |
| “ring fenced”           | -             | when appropriate consideration will be given to restrict the vacancy to a specifically identified group of employees   |
| "potentially redundant" |               | an individual whose post has been identified as being considered for deletion from the establishment, the trigger being the point at which a formal decision is taken by the appropriate Panel/Committee but prior to the final decision of Full Council and issue of formal Statutory/Redundancy notice |
| “redeployment<br>Part A | register<br>- | a record of jobholders whose posts are potentially redundant   |
| Part B"                 | -             | a record of jobholders who have been served with a redundancy notice   |
| “appropriate training”  | -             | training not exceeding 6 months which would normally involve on the job training.  |

### **THE AGREEMENT AND THE COUNCIL’S COMMITMENT**

This Agreement is between Craven District Council (the Council) and the recognised Trade Unions representing those employees who come under the scope of Join Negotiating Committee for Chief Officers of Local Authorities, the National Joint Council for Local Government Services, the Joint Negotiating Committee for Local Authority Craft and Associated Employees, and locally determined conditions of service.

The Council confirms that it is committed to maintaining security of employment for its employees and will aim to avoid compulsory redundancy where possible and practicable.

Changes in the pattern or volume of work, in the organisation itself, in the method of working, or arising from budget constraints, may mean that, despite the Council’s best endeavours, posts still become redundant.

In order to avoid, or at least minimise, the impact of these changes, the Council will adopt the procedure outlined in this document. This Agreement provides a framework to enable the Council and Trade Unions to work jointly through necessary organisational changes, whilst providing a measure of employment security.

Throughout the application of this agreement close liaison is expected between the HR Manager, managers, employees and Unions.

## **1. EQUALITY IMPACT ASSESSMENT**

Under the equality legislation, public authorities have legal duties to pay due regard to eliminate discrimination and promote equality with regard to race, disability and gender, including gender reassignment, as well as to promote good race relations.

- 1.1 The equality duty enables the Council to demonstrate this it is make redundancy decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of their community. This is achieved by assessing the impact it could have on different equality groups.
- 1.2 When developing proposals for redundancies or reducing terms and condition it is recommended that the impact this will have on the protected group is assessed and consideration is given to whether there are any measures that can be taken which will mitigate it. Assessing the impact should be done by using the Council's Equality Impact Assessment Form.
- 1.3 The types of issues that may be considered when assessing and mitigating the impact are:-
  - The service area which will be affected
  - Steps that can be taken to prevent redundancies eg:- reducing hours rather than posts
  - The selection criteria to be used
  - Assistance with the processes involved
  - The redundancy package available
- 1.4 Completing the Equality Impact Assessment will:-
  - Ensure that the Council has a written record of the equality considerations taken into account
  - Ensure that decisions include a consideration of the actions that would help to avoid or mitigate any unfair impact on particular equality groups
  - Make decisions based on evidence
  - Make the decision-making process more transparent
  - Comply with the law
- 1.5 The requirement is to show that due regard has been given to equality issues. The duties do not prevent proposals being implemented if the assessment does show adverse effect, provided such disproportionate impact can be justified as it required by the Equality Act 2010, i.e. it is a proportionate means of achieving a legitimate aim.
- 1.6 Failure to meet the duties may result in the Council being exposed to costly, time-consuming and legal challenges.

## **2. CONSULTATION**

The Council will provide as early as possible, details of a potential redundancy situation. Consultation with the Trade Unions will take place as soon as possible to allow meaningful discussion on the avoidance of redundancy, the group(s) of employees at risk, and the appropriate selection criteria to be applied. All management proposals to review services that may result in redundancies must be made in writing which clearly sets out the rationale for the changes.

### **2.1 The Council will aim to achieve:-**

- at least 30 days before the first dismissal takes effect if 20 to 99 employees are to be made redundant at one establishment over a period of 90 days or less
- at least 45 days before the first dismissal takes effect if 100 or more employees are to be made redundant at one establishment over a period of 90 days or less.

### **2.2 Consultation with Individuals**

The Council will ensure that employees are made aware of any redundancy proposals and the details of the Redeployment, Retraining, Redundancy and Retirement Agreement and the opportunities available for consultation and making representation. There will be individual consultation with those employees directly affected by the proposals i.e. at risk

### **2.3. Consultation with Trade Unions**

The Council will consult with the trade unions about the proposed redundancy(ies) to enable the trade unions to participate in the consultation process at an early stage with reasonable timescales. Formal consultation will provide enough information about the proposals to enable the unions to take a useful and constructive part in the process.

### **2.4 Consultation will include:-**

- a) reasons for potential redundancy, likely numbers and service areas affected;
- b) ways of avoiding compulsory redundancy, e.g. redeployment or use of a targeted voluntary redundancy scheme;
- c) early retirement options if appropriate

## **3. NOTIFICATION TO THE REDUNDANCY PAYMENTS SERVICE (RPS)**

### **3.1 If twenty or more employees are to be made redundant, the RPS must be notified, using Form HR1.**

The notice required must be:

- at least 90 days in advance if 100 or more employees are to be made redundant over a 90 day period; or
- at least 30 days in advance if at least 20 but less than 100 due to be made redundant over a 30 day period.

## **4 REDEPLOYMENT**

4.1 It is recognised that redeployment represents the most effective means of avoiding compulsory redundancy. In order to enhance its ability to deal with redeployment, the Council will:-

- a) “ring fence” vacancies to make them available to employees on the redeployment register;
- b) provide appropriate retraining and access to counselling support to employees needing to make job changes.

A Redeployment Register will be maintained by the HR Team, recording the names of employees who fall into either of the two categories under the definition of the Redeployment Register on Page 1. It is not anticipated that the redeployee will be on the register for any more than 2 months.

4.2 All employees who are under notice of redundancy will be interviewed individually, by a member of the HR Team, to inform them of any available vacancies, to establish individual requirements, experience, skills and qualifications, and to consider their suitability for particular vacancies. It is acknowledged that due to the size of the Authority, the availability of suitable employment opportunities may be limited. In recognition of this, the Council will undertake to identify suitable alternative jobs at the earliest possible opportunity and will continue to do so throughout the employee’s contractual notice period. If this has not been possible during the notice period the redundancy will take place immediately.

4.3 In determining what vacancies may represent suitable alternative employment, the Council will have regard to the status, skills and experience of the post holder, compared to the requirements of the job; as well as the grade of the job; working hours and terms and conditions of employment, all in comparison to the employee’s former job and the level of responsibility, and any necessary requirements under the Equality Act 2010.

4.4 All employees will need to be considered for redeployment to alternative employment through an interview process and assessment against the job description and person specification for the job. However, where there is a bridgeable gap between the potential redeployee’s skills, abilities and experience, a trial placement may be offered up to a maximum of one month in order to assess their suitability to the post and what training is required to address the skills gap.

4.5 In the event that more than one redeployee is in competition for a post, the vacancy will be ring fenced specifically to them and usual selection procedures will apply.

4.6 Employees who are under notice of redundancy, and are redeployed to alternative employment, will be subject to a trial period (currently one month) in accordance with legislation. This trial period can be extended by written agreement, where retraining is involved, but should not normally exceed four months (subject to meeting training needs). Effective monitoring arrangements and review periods must be determined in a written plan before commencement of the trial period.

47 Where the trial period has been unsuccessful, the employee may be put back on the redeployment register until such time as the notice of redundancy expires and the post becomes redundant.

4.8 If during the trial period the employee decides that the job is unsuitable he/she may resign and claim the redundancy payment to which he/she would have been entitled



but for the trial period. The Council can withhold payment if it is considered that the employee resigned without reasonable justification.

- 4.9 It should be noted that separate arrangements arise where employees need to be redeployed from their substantive role on medical grounds.

## **5. REDEPLOYMENT - PAY PROTECTION**

- 5.1 Every effort will be made to redeploy employees into a job at their existing salary point or to a comparable salary subject to the skills and experience of the employee matching the needs of the new job or that retraining will enable the employee to gain the necessary skills within the trial period.

- 5.2 Pay Protection will be available, subject to 5.3, and this protection will be up to a financial limit of £4,000 per annum for a maximum 1 year period including trial periods. Pay protection calculations will be based on pay being protected to the top of the spinal column point of the redeployed post.

- 5.3 Only employees who are redeployed through redundancy/restructure or ill health/disability will be eligible for pay protection on the terms outlined at 5.2.

- 5.4 Pay Protection will cease where the new salary reaches or exceeds the old salary, or where the 1 year period has ended. Where the full period of pay protection is required then at the end of this, if necessary, the employee will revert to the top of the spinal column point of the new (redeployed) scale.

- 5.5 Subject to paragraph 5.6 below, where a member's pensionable pay in a continuous period of employment is reduced because the member chooses to be employed by the same employer at a lower grade or with less responsibility, the member may choose to have the final pay calculated as mentioned in paragraph 5.7 below.

- 5.6 Paragraph 5.5 above does not apply if the member's employment at a lower grade or with less responsibility:-

- (a) commences before the beginning of the period of ten years ending with his last day as an active member of the Pension Scheme; or
- (b) immediately follows a period in which he occupies a post on a temporary basis.

- 5.7 The calculation is made by dividing by three the member's annual pensionable pay in any three consecutive years of the member's choice ending with 31st March within the period of ten years ending with his last day as an active member, eg

Year 1 -       £xxxxx

Year 2 -       £xxxxx       Total of Year 1,2,3 divided by 3

Year 3 -       £xxxxx

- 5.8 Paragraph 5.5 applies to a member who has been the subject of a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply as if the transferor employer were the same employer as the transferee employer.

## **6 RETRAINING**

- 6.1 The Council is committed to providing appropriate retraining for persons accepting appropriate alternative employment and access to counselling support to employees whose posts have been designated being potentially redundant and who may be subject to redeployment.
- 6.2 Support will be provided in the following areas by the Chief Executive, Head of service and the HR Manager
- i) specific training (identified for bridgeable skills gaps) between the redeployee's skills, abilities and experience will need to be identified within the trial period ( first month of being appointed to the redeployed post, using the person specification for the post(s)
  - ii) support for general job search skills, such as interviewing skills, to give redeployees confidence when meeting managers to discuss new roles/trial periods.
  - iii) appropriate counselling support may be provided via a named contact by the HR Team.

## **7 REDUNDANCY**

### **GENERAL**

- 7.1 Employees who are at risk of redundancy will be released from work during their notice period, to search for alternative employment and attend interviews with prospective employers, without loss of pay. This also applies to time off to make arrangements for training for future employment.
- 7.2 Employees will be expected to work their periods of notice and only in exceptional circumstances will pay in lieu of notice be given. This will be determined by the Chief Executive, to ensure consistency of practice.
- 7.3 Where redundant employees obtain alternative employment, the Council, upon request, will make every effort to release them before expiry of the notice of termination/redundancy, without loss of entitlement to redundancy pay. Only in exceptional circumstances would an employees request be declined
- 7.4 Where the possibility of redundancy arises, the HR Manager will enter into consultations with the Council's recognised Trade Unions and employees affected as described above. Where employees are not members of a recognised trade union, there will be individual consultation.
- 7.5 Consideration will be given to the following criteria, with a view to avoiding or minimising compulsory redundancies:-
- i) staff surplus might be absorbed, limiting recruitment and managing vacancies where possible;
  - ii) reviewing the use of agency, casual and other temporary staff;
  - iii) reducing non-contractual overtime in affected work areas;

- iv) reviewing all contracted or sub-contracted work, where this action would help to avoid/reduce redundancies;
- v) making every effort to offer potentially redundant staff suitable alternative employment within the Council, in accordance with agreed redeployment procedures.

## **8. VOLUNTARY REDUNDANCY**

- 8.1 If the measures outlined in paragraph 7 above are insufficient to achieve necessary reductions in the labour force, the Council may consider applications from employees who volunteer to be made redundant. Alternatively in a budget crisis applications may be invited which would avoid the need for compulsion.
- 8.2 In determining whether to accept such applications, the Council must be satisfied that there is a sound business case to justify releasing the employee from his/her contract. The business case will take into account the cost of redundancy, the skills and experience of the individual and the potential impact of their departure on the organisation's ability to meet and maintain service delivery standards.

## **9. COMPULSORY REDUNDANCY**

- 9.1 The handling of compulsory redundancies where selection is involved requires a systematic approach, if any dismissals are to be judged as fair. There is also an expectation amongst trade unions that in the event of compulsory redundancies being necessary, the Council will adopt fair selection criteria. Further guidance for Managers relating to selection criteria are detailed within Appendix 1.
- 9.2 The personal circumstances of employees under notice of redundancy must not be taken into account at any stage of the selection process. At all stages the employees concerned should be given details of any records to be used.
- 9.3 Where selection criteria have been applied those selected must be notified as soon as possible and in a sensitive manner which fully recognises the difficulties faced by the employee. Those not selected should also be told of the decision as soon as possible.
- 9.4 If volunteers for redundancy can be found within the Council and the "at risk" employee could be capable (with appropriate training) of undertaking that job, consideration will be given to transferring the "at risk" employee – effectively resulting in the "bumping" of the redundancy.
- 9.5 After initially advising the employee verbally that they are at risk of redundancy the employee will be sent a letter setting out the reasons for the potential redundancy and the fact that their position is at risk of redundancy. The letter will invite the employee to discuss the matter and confirm the time, date and location of the meeting. It will also confirm the statutory right reasonably to request to be accompanied (see below). Any employee who has difficulty understanding such a letter should ask the HR team for an explanation.
- 9.6 Before the meeting the employee will be provided with all relevant information and given reasonable opportunity to consider, together with their representative, his or her response to that information. This will include, where appropriate, alternative vacancies.

- 9.7 All consultation meetings including appeals, will be held at a reasonable time and place. An employee who has been invited to attend a meeting must take all reasonable steps to attend the meeting.
- 9.8 Other than at the initial 'at risk' meeting, an employee has the statutory right reasonably to request to be accompanied by a fellow worker or accredited trade union official of his or her choice at all meetings including appeal meetings. The companion may address the meeting to put the employee's case, sum up his or her case or respond on the employee's behalf to any view expressed at consultation meetings. He or she may also confer with the employee during the meeting, but does not have the right to answer questions on his or her behalf, address the meeting if the employee does not want him or her to or prevent anyone, including the employee from making his or her contribution at the meeting.
- 9.9 The appropriate level of management and a member of the HR team will conduct meetings. At the individual consultation meeting, the role of all those attending will be explained. An explanation will be given of the reasons for their provisional selection for redundancy and will give the employee the opportunity to respond in full. All responses and representations made by the employee will be carefully considered. If an employee is selected for redundancy they will have the right to appeal.
- 9.10 Management will duly consider any representation put forward and advise the employee of the outcome of such considerations if necessary at a second or subsequent consultation meeting. However, statutory periods of consultation will apply in all cases.

## **10. REDUNDANCY AND COMPENSATION PAYMENTS**

### **10.1 The following statutory payments will apply:**

- All employees with a minimum of 2 years continuous service with the Council and related employers (local authorities and other specified public employers covered by the Redundancy Modifications Orders) will be entitled to receive a statutory redundancy payment if their employment is terminated on grounds of redundancy (compulsory or voluntary)
- Employees will receive the following entitlement:

Age	Entitlement
16-21	½ weeks pay for each completed year of continuous service over the age of 16 years.
22-40	1 weeks pay for each completed year of continuous service over the age of 22 years.
41 and above.	1½ weeks pay for each completed year of continuous service over the age of 41 years.

- A "weeks pay" is equivalent to the employee's actual level of contractual earnings. The total amount of service counted will be a maximum of 20 years.

10.2 Continuous Service is defined as follows:

	Who Qualifies	What Service Counts
1	Employees who are members of the North Yorkshire Pension Fund	Any service with the North Yorkshire Pension Fund including: service with the Council, any other service covered by the Redundancy Payments Modification Orders and service which has been transferred in from any public service pension scheme, up to a maximum of 20 years
2	Employees who are eligible to join the Pension fund but who have not joined	Any service with the council and any other service covered by the Redundancy Payments Modification Order, up to a maximum of 20 years.

10.3 The total amount of service counted will be up to a maximum of 20 years.

10.4 In addition to redundancy payments arrangements may be made to 'buy out' any untaken annual leave and compensation for any lump sum travelling allowance which would have been payable during the 'notice period'

## 11 PAYMENT OF PENSIONS

11.1 Any employee who is subject to these redundancy provisions, who is aged 55 at the date of termination and is a member of the pension scheme will be eligible to receive immediate payment of their pension.

## 12 COMMUNICATION

12.1 The Council will ensure:-

- that every effort is made to offer potentially redundant staff suitable alternative work within the Council as described above.
- that employees who are on the redeployment register will be supported by regular communication, support and counselling, and retraining where appropriate and possible.
- that the principles of fairness and equality are applied at all times, but, particularly in selecting employees who are at risk of redundancy.

## 13 EARLY RETIREMENT ON THE GROUNDS OF THE EFFICIENCY OF THE SERVICE

13.1 There may be instances where an employee and the Council reach a mutual agreement that there is benefit to both the employee and the Council in the employee leaving the Council's employ earlier than his/her ordinary date of retirement.

13.2 Early release of an employees pension will be considered where the employee is aged 55 and is a member of the North Yorkshire Pension Fund. In all cases the

service unit must be able to demonstrate that the retirement will result in efficiencies of the service. And there must be “benefit” to the council (which the Council will decide at its entire discretion)

- 13.3 Early retirement on the grounds of the efficiency is at the discretion of the Chief Executive.

**14. BENEFITS PAYABLE (OTHER THAN LGPS) FOR EARLY RETIREMENTS THE GROUNDS OF THE EFFICIENCY OF THE SERVICE**

- 14.1 If agreement is reached between the Council and an employee for early retirement using the interests of the efficiency of the service route, the Council will:-

- a) resolve that the employee be retired and receive an immediate pension, if applicable.
- b) give consideration to paying compensation for loss of office (if that is the wish of the employee) as an alternative to the employee working out/his her notice– this means the employee leaves immediately and receives a lump sum payment – free of deductions for tax, national insurance or superannuation – equal to the gross basic wages/salary that the employee would have earned had he/she worked out his/her notice period (the length of which depends on length of continuous service).
- c) ‘Buy out’ any untaken annual leave and compensation for any lump sum travelling allowance which would have been payable during the ‘notice period’

- 14.2 In situations where early retirement is granted on the grounds of efficiency of the service there will be no entitlement to redundancy pay as there is no redundancy. The employee may be entitled to the arrangements as outlined in 12.1 (b) and (c) above.

**15. EARLY RETIREMENT ON COMPASSIONATE OR EXCEPTIONAL CIRCUMSTANCES**

- 15.1 Early release of pension under regulation 30 of the pension scheme may be requested in certain circumstances by employees who are aged 55 but under 65. It is anticipated that the circumstances where permission is granted for early retirement in exceptional circumstances will be very limited
- 15.2 Sympathetic consideration will be given to early payment on compassionate grounds, e.g. where there is a need by an employee to provide long term care, which can be evidenced, to a dependant relative or partner. In such cases the full pension will be payable with no reduction for early release of pension. The additional pension costs will be paid by the service unit.
- 15.3 Requests for early retirement will be considered initially by the Director and will be approved by the Chief Executive.

**16. FLEXIBLE RETIREMENT**

- 16.1 There is provision under Regulation 18 of the pension scheme for employees who are members of the local government pension scheme to request flexible retirement. This would entail requesting a reduction in hours, or move to a lower graded post, and requesting immediate payment of their pension whilst continuing to work. This

would be subject to management request and will only be considered where there is a justifiable business case and the cost, if any, of early release of pension to be managed within the sections budget.

16.2 To be considered for this employees must:

- Be aged 55
- Work in a post or area of work where there are difficulties in recruiting; there are staff shortages or work of a particular nature which requires their skills
- Get authorisation for early release of their pension

16.3 Early release of pension before age 65 may mean pension benefits are reduced. Employees should therefore obtain information on their pensionable benefits which would apply in their circumstances before submitting a request

16.4 The decision to permit an employee to receive immediate payment of their pension under flexible retirement will be authorised by the Chief Executive.

## **17. APPEALS**

17.1 Any employee has a right of appeal, to the Chief Executive or his representative, against any decision relating to the employers discretion on pension provision. Such appeals will be lodged within 6 months of the occurrence. Appeals in respect of pension scheme issues should be sent to the North Yorkshire Pension Fund.

17.2 Employees also have the right of appeal against dismissal on the grounds of redundancy, termination of employment on grounds of early retirement; refusal to approve a request for flexible retirement. Any employee wishing to appeal should lodge their appeal within 10 working days of the letter notifying them of their dismissal to the HR Manager and will be heard by the Council's Appeals Panel.

## **18. VARIATION AND TERMINATION OF AGREEMENT**

18.1 This agreement may be varied as required to incorporate statutory/legislative amendments to ensure that the agreement complies to legislation.

18.2 All other variations will be subject to negotiation between the Council and recognised Trade Unions. Should there be a failure to agree a variation to the agreement between both parties, either party may give the other party 6 months written notice of termination of this Agreement. If notice of termination is given by either party, both parties will aim to work together to ensure that arrangements are made for appropriate mechanisms to be in place to manage Retraining, Redeployment, Redundancy and Retirement matters, before the expiry of the 6 month period.

18.3 This agreement may be reviewed annually if requested by either party.

**This Agreement does not affect Employees Statutory Employment Rights.**

<b>This Agreement is accepted as a Joint Agreement by Craven District Council and it's recognised Trade Unions (UNISON &amp; GMB).</b>		
<b>SIGNED</b>	<b>ON BEHALF OF</b>	<b>DATE</b>
<b>P Shevlin – Chief Executive</b> .....	<b>Craven District Council</b>	
<b>xxx – Regional Manager</b> .....	<b>UNISON</b>	
<b>xxx – Regional Officer</b> .....	<b>GMB</b>	



**COMPULSORY REDUNDANCY – SELECTION CRITERIA****MANAGERS GUIDELINES**

The purpose of these guidelines is to provide additional support and guidance to service managers who are faced with achieving employee reductions by selection for compulsory redundancy.

Any service faced with the problem of achieving employee reductions by selection for compulsory redundancy will have the principal objective of maintaining a balanced workforce after the redundancies are carried out, measured against the anticipated needs to the Authority. On this basis the approach to selection will be as follows: -

a) Service Unit Selection

The “service unit of selection” should be clearly defined – that is the area of work (based on geography, function and/or level) where reductions are necessary. The relevant trade unions and employees concerned will be made aware of the service unit of selection by the consultative stages required by this Agreement.

b) Selection Procedure

Wherever possible senior managers together with the Head of HR, with responsibility and/or knowledge of staff in the service unit of selection will then apply selection criteria in the following way:-

- i) Employees will be compared using any available benchmarks (such as PDR's) to measure performance and by a careful assessment of the skills, qualifications, experience and training record offered by the employees against the anticipated requirements of the service unit. Any current recorded disciplinary action on grounds of conduct or capability may be taken into account. *To assist them in this exercise the managers concerned should be given a factual summary of each member of staff affected in the unit of selection including qualifications, in-service training, job description, previous relevant experience, particular skills or responsibilities, and any recorded information on performance including appraisal or similar assessments.)*
- ii) If selection is still necessary the employees' absence records over the previous two years will be taken into account – restricted to the number of days uncertificated absence and any unauthorised absence. Absences related to pregnancy or industrial injury should be disregarded.
- iii) If selection is still necessary, timekeeping records will be considered. The frequency of and reasons for poor timekeeping will be taken into account.

If it has not been possible to select by iii) above every effort should be made to find any remaining objective criteria to differentiate those at risk when compared with the requirements of the service.

**NOTE - These guidelines do not form part of the Redeployment, Retraining, Redundancy and Retirement Agreement.**

## Policy Committee – 23<sup>rd</sup> October 2018

# REVIEW OF GOVERNANCE ARRANGEMENTS FOR COMMERCIAL ACTIVITY



Report of the Solicitor to the Council (Monitoring Officer)

Lead Member – Internal Services: Councillor Dawson

Ward(s) affected: All

1. **Purpose of Report** – To propose an amendment to the Scheme of Delegation to Officers.
2. **Recommendations** – Members are recommended to:
  - 2.1 Note the content of the report; and
  - 2.2 Recommend to Council that the Scheme of Delegation to Officers is amended to include the authority detailed at paragraph 3.11.

### 3. **Report**

#### **Introduction**

- 3.1 The Feedback Report presented by the Peer Review Team in late 2017, listed a number of key recommendations, including:

***‘Ensure that there is clear understanding of the impact of the current governance arrangements on commercial activity in future, to ensure that timely decisions can be made where necessary.’ (Recommendation 3)***

#### **Background**

- 3.2 The Scheme of Delegation to Officers authorises the Director of Services to *“approve the acquisition, granting, reviewing or relinquishing of easements, licences, leases (including their termination and forfeiture), rent reviews and variations and the management of the Council’s property interests within the same financial parameters as set out in the general delegation”*.
- 3.2 Therefore, the Director of Services may approve the acquisition of commercial or residential leasehold premises provided there is budget provision for the acquisition.

- 3.3 There is no similar provision for the acquisition of commercial or residential freehold premises.
- 3.4 Following a review by the Audit and Governance Committee in April 2016, the following general condition was inserted into the Scheme of Delegation to Officers:

*'No officer shall incur, nor commit the Council to, any expenditure for which there is no budget provision, or for which specific approval is required and has not been received, except in an emergency. In such circumstances, the agreement of the Leader of the Council, the Chief Executive and the Chief Finance Officer will first be obtained, and the circumstances subsequently reported to Policy Committee and/or Council.'*

Whilst the reason for the addition of this general condition was the settlement of employment tribunal and other court proceedings, it has on occasion, been used as an 'urgency procedure'.

- 3.5 In January 2016, the Director of Services presented a report to Policy Committee titled 'Acquisition, Regeneration and Investment Strategy'. The report asked members to *"decide whether to (i) give delegated authority to the Chief Executive/Director of Services in consultation with the Group Leaders, Lead Members for Financial Resilience and Enterprising Craven and the Council's Section 151 and Monitoring Officers to agree property acquisitions with the Scheme of Delegation amended accordingly or (ii) request all decisions to acquire assets be brought to a meeting of the Council's Policy Committee"*.
- 3.6 The report explained that delegating authority to a small group of Members and Officers would allow for a more focused and detailed consideration of acquisition opportunities whilst at the same time allow for a greater responsiveness to commercial agents and improved functioning of Council business.

If the delegated authority was not approved there was a risk that acquisition opportunities would be lost because the Council was unable to bring a report for decision to a meeting of its Policy Committee in a timescale required by commercial vendors.

- 3.7 After much debate, Members resolved that all decisions to acquire assets be brought to a meeting of the Council's Policy Committee (POL.726).

### Options

- 3.8 During the Peer Review, it was reported that *"decision-making amongst officers and politicians was slow, frustrating and burdensome"*. The Review Team stated that this *"was hampering the Council's ability to be agile, particularly around the commercial agenda"*. They continued that *"governance arrangements (the scheme of delegation from members to senior officers) can be adapted, with appropriate safeguards, in order to enable officers and executive [sic] members to act swiftly when investment opportunities present themselves"*.

- 3.9 The Council operates a modernised committee system under 'alternative arrangements' and this limits the options.
- 3.10 Under the current system there are two options; the first is to delegate to officers and the second is to approve by Committee (Council).
- 3.11 In order to enable the Council to respond quickly to commercial opportunities it is proposed that the Scheme of Delegation to Officers is amended to include:

Subject to consultation with the Leader and Deputy Leader of the Council; the Lead Members for Financial Resilience and Enterprising Craven and also the Chief Financial Officer, the Chief Executive is authorised to agree commercial acquisitions up to a monetary value of £3 million. Such decisions to be reported to the next meeting of Policy Committee.

The figure of £3 million pounds is in line with the decision of the Council when it approved the Acquisition, Regeneration and Investment Strategy in February 2016. The Strategy provides that up to £3 million, financed from borrowing, is made available to fund acquisitions and the Council's Treasury Management Strategy and Authorised and Operational Borrowing Limits were both increased by this figure to allow for this borrowing.

- 3.12 The Director of Services will take reasonable steps to obtain the views of the local ward member(s) before the Chief Executive consults with the Leader, Deputy Leader and the two Lead Officers and a decision made.

#### 4. **Implications**

- 4.1 **Financial and Value for Money (vfm) Implications** – With any acquisition three key issues will need to be satisfied; that is the Security of our investment, the liquidity of our investment and finally, yield expected from the investment. A fully worked up business case will be required for any proposal.
- 4.2 **Legal Implications** – Under section 120 (1) (b) of the Local Government Act 1972, the Council has the power to acquire property for the '*benefit, improvement or development of the area*'.

The 'general power of competence' contained in the Localism Act 2011 enables the Council to acquire property for investment. However, if the general power of competence is used for a commercial purpose, it must be done through a company.

- 4.3 **Contribution to Council Priorities** – The proposal is intended to support the Council priority of 'financial resilience' by ensuring the Council remains sustainable and can continue to deliver essential front line services.

- 5. **Consultations with Others** – Leadership Team and the Corporate Leadership Team.

- 6. **Access to Information : Background Documents** – Not applicable.

7. **Author of the Report** – Annette Moppett, Solicitor to the Council (Monitoring Officer); telephone 01756 706325; e-mail: amoppett@cravendc.gov.uk.

Note : Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

8. **Appendices** – None