

The Report of the Executive

The Executive met on 20 December 2011. Present: County Councillor John Weighell in the Chair. County Councillors Arthur Barker, Gareth Dadd, Carl Les, John Watson OBE, and Clare Wood.

Also in attendance: County Councillor Tony Hall.

The Executive met on 10 January 2012. Present: County Councillor John Weighell in the Chair. County Councillors Arthur Barker, Gareth Dadd, Carl Les, Chris Metcalfe, John Watson OBE, and Clare Wood.

Also in attendance: County Councillor Melva Steckles.

The Executive met on 17 January 2012. Present: County Councillor John Weighell in the Chair. County Councillors Arthur Barker, Gareth Dadd, Carl Les, Chris Metcalfe, John Watson OBE, and Clare Wood.

Also in attendance: County Councillors David Blades, Roger Harrison-Topham, Robert Heseltine and Melva Steckles.

The Executive met on 31 January 2012. Present: County Councillor John Weighell in the Chair. County Councillors Arthur Barker, Gareth Dadd, Carl Les, Chris Metcalfe, John Watson OBE, and Clare Wood.

Also in attendance: County Councillors David Ireton and Michael Knaggs.

1. The Council Plan. The Council Plan is a key component of the County Council's policy framework, setting out the Council's long-term corporate ambitions and priorities for action for the next year and how its resources are to be used to deliver those objectives. Ensuring the Council Plan is developed in a timely and robust manner is essential in order to drive forward the business of the Council and improve performance, including the Council's contribution to the delivery of the North Yorkshire Community Plan. The Council Plan is revised annually and the process is closely allied to the budget setting process, as this clearly demonstrates the golden thread running through the Council's objectives, priorities and allocation of resources.

As in previous years, a cross directorate project team was established to co-ordinate the development of the draft Council Plan. Executive Members have discussed priorities with their relevant Corporate Directors and helped to shape the Plan. The Corporate and Partnerships Overview and Scrutiny Committee also considered progress relating to the Plan and a draft was also circulated to all County Councillors just before Christmas and has been reviewed by the Management Board. Consultation with the public, partners and staff has been a key feature of the development process, although this has predominantly concentrated on the budget. Consultation processes have included the Citizens' Panel, consultation on the Council website, and through parish councils.

A document the size of the Council Plan cannot detail all that the Council does. Further information about the Council's detailed strategies and plans is published in other documents which are available on the Council website and the view has been taken that there is little merit in merely replicating elements of these strategies and plans. The plan concentrates on changes which will be seen and affect the public and the services they receive, whilst ensuring a broad overall picture of the full range of services provided. Business as usual is obviously important but concentrating on significant areas of change will help to make the plan focussed and current.

Each year efforts are made to refine and improve the plan and the process of producing it. The aim is to produce a concise, easy to read document yet with sufficient detail to be meaningful. The Council Plan has a number of audiences, including elected members, officers, partners, the public, and the Department of Communities and Local Government (DCLG). Efforts have been made to ensure that, as far as possible, the Council Plan is accessible, and of use, to all these audiences. The plan aims to be a public focussed, easy to read, concise document. An executive summary will be produced as a stand alone document. The plan will be published on the internet and publicised to the public through a range of media, including press releases and North Yorkshire Now, North Yorkshire County Council's email newsletter. On publication the plan will be accompanied internally by a covering note from the Chief Executive, setting out some of the key values and priorities for the future – e.g. delivering savings, focus on performance, focus on customer, innovation and a One Council approach.

The vision statement of the Council Plan is aligned to that of the North Yorkshire Community Plan and the core priority areas have been incorporated. This does not mean that the Council's objectives have changed or that other areas of work will not be progressed but that in these difficult times most effort must be focussed on a smaller number of vital service delivery areas. The Council Plan includes more detail on the Council's contribution to these core priorities, the key issues for North Yorkshire, the services the Council provides, and the major challenges faced by the Council over the next four years. It also details the Council's plans to achieve savings through efficiencies and organisational change, and how resources will be allocated to the Council Plan priorities through the Medium Term Financial Strategy (MTFS), revenue resources, and capital plan.

While some areas of external inspection have been scaled back, the Council's performance in many areas is still subject to a wide range of external assessments. These provide evidence of performance improvement and how the Council is performing compared to other councils in these areas. There is strong evidence that the Council's performance continues to improve. The Care Quality Commission (CQC) has recently focussed on how well the Council responded to people who sought adult social care support or advice for the first time. Overall the CQC awarded North Yorkshire the highest rating of "best performing". Areas that were seen as particular strengths were, the Customer Service Centre and how easily the Adult Social Care teams could meet people's care needs. In November 2011, Ofsted published the annual assessments of local authority children's services. The assessment indicated that North Yorkshire's children's services is rated as 'performs well', the second-highest category. The assessment judges that the large majority of provision is good or outstanding. Particular strengths identified include early years provision, the overall standard of primary, secondary and special schools, pupil referral services, children's homes and the adoption service. In addition, Ofsted explicitly acknowledges the significant improvements achieved in the timeliness of initial and core assessments in children's social care. In a report issued by Ofsted in October 2011, "Edging

away from Care-how services successfully prevent young people from entering care”, the multi-disciplinary approach of North Yorkshire was singled out for praise and highlighted as an example of good practice for other authorities to consider. North Yorkshire’s Registration Service was inspected by the General Register Office during September 2011. The report rates the service delivered as “excellent”, underpinned by effective strategic and operational planning and generally robust performance management systems.

There continue to be a number of major performance challenges facing all the Council’s directorates over the period of the MTFs. The Council has systematically reviewed its performance and will continue to do so, ensuring where risks of declining performance are identified that these are investigated fully. The Council has been consistently ranked as one of the top performing county councils in the country and will seek to retain this status. The severity of the public sector finances is, however, likely to be such that there will be areas where maintaining current levels of performance will be difficult, let alone improving performance. It should be noted however, that this will prove to be a challenge across the country and the Council is well placed, as a relatively high performance authority, to respond to this challenge. The Council has selected measures and targets so that progress towards the priorities in the Council Plan can be monitored. In particular the Council has ‘Key Performance Indicators (KPIs)’, which provide headlines on performance against particular activities. These are reported on a quarterly basis and scrutinised in detail to ensure our performance against the Council Plan priorities is effectively managed. It is intended that there is an on-going review of KPIs to ensure that they remain the most appropriate measures of performance.

Under equality legislation, the Council County must demonstrate that it pays due regard in its decision-making process to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations between people who share a protected characteristic and those who do not share it. Impact assessments have been undertaken in respect of all relevant proposals contained in the draft Council Plan and made available to the Executive and County Council as part of the budget setting process. An equality impact assessment has been carried out of the Plan as a whole and this is attached marked Appendix 1B. The Council Plan will have significant financial implications, as it outlines the key programmes of work that will be carried out, all of which have been identified during development of the MTFs, and it reflects the legal requirement on local authorities under Section 3 of the Local Government Act 1999 to secure continuous improvement in the way in which it exercises its functions.

The Executive RECOMMENDS:

That the draft Council Plan 2012/15, a copy of which is attached marked Appendix 1A, be approved and that the Chief Executive be authorised to make any necessary changes to the text, including reflecting decisions made by the Council on the Medium Term Financial Strategy and updated performance data.

2. Revenue Budget for 2012/13 and Medium Term Financial Strategy 2012/15. The detailed report considered by the Executive regarding the Medium Term Financial Strategy 2012/15 and Revenue Budget for 2012/13 has been copied to all Members of the

Council and forms Appendix 2 to this report. The key points relating to the Medium Term Financial Strategy (MTFS) and Revenue Budget 2012/13 are:

- (a) for the second consecutive year there is no increase proposed in the level of Council Tax – the Executive is recommending that the County Council accepts the Council Tax freeze grant offered for 2012/13, the value of which (approximately £6.2m) is equivalent to the income yield of a 2.5% increase in Council Tax
- (b) the savings package approved last year as part of the MTFS (2011/15) is retained – it targets £69m over 4 years as follows –

	£m
2011/12	-36.864
2012/13	-15.445
2013/14	-8.186
2014/15	-8.718
Total	<u>-69.213</u>

- (c) full details of how Directorates propose to achieve the savings referred to in (b) above is provided in the supplementary papers enclosed with the main report
- (d) an indicative Council Tax increase of 3.5% has been included in the MTFS for each of the years 2013/14 and 2014/15. Each 1% of Council Tax is worth approximately £2.5m
- (e) one of the principal effects of accepting the Council Tax freeze grant in 2012/13 is that, because it is for one year only, it effectively represents a £6.2m financial “cliff edge” in the following year 2013/14.

The main report shows how this, and a range of other + / – factors impact on the annual Revenue Budget for each of the 3 years covered by the updated MTFS. The summary position is that in 2013/14 there is a recurring shortfall of £2.744m, with a further shortfall in 2014/15 of £1.675m – a total, going into 2015/16, of £4.419m.

Notwithstanding the effect of possible changes to formula grant, etc, that the Government intend to introduce in 2013/14, there clearly will be a need to identify further recurring savings at some point before 2015/16

If the indicative Council Tax increases referred to in (d) above are reduced to say, 2.5%, this will significantly increase the shortfall figures in 2013/14 and 2014/15 referred to above.

The Executive RECOMMENDS:

- (a) That, in accordance with Section 42A of the Local Government Finance Act 1992, a net Council Tax requirement for 2012/13 of £246,555k be approved and that a Council Tax precept of this sum be issued to billing authorities in North Yorkshire
- (b) That, in accordance with Section 42B of the Local Government Finance Act 1992 a basic amount (Band D equivalent) of Council Tax of £1,057.48 be approved
- (c) That a net Revenue Budget for 2012/13 of £363,422k be approved and that the financial allocations to each Directorate, net of planned savings, be as detailed in Appendix D of the report to the Executive, a copy of which is attached marked Appendix 2, subject to the Corporate Director – Children and Young People’s Service being authorised, in consultation with Executive Members, to take the final decision in March 2012, on the allocation of the Schools Block
- (d) That the arrangements under which additional funds are allocated each year in respect of Adult Social Care and the Waste Strategy be reviewed at least annually
- (e) That the Pending Issues Provision as detailed in paragraph 10.16 of the report to the Executive be continued.
- (f) That the policy target for the minimum level of the General Working Balance be retained at 2% of the net Annual Revenue Budget
- (g) That the Medium Term Financial Strategy 2012/2015, and its caveats, as laid out in Section 7 and Appendix D, of the report to the Executive, a copy of which is attached marked Appendix 2, be adopted.
- (h) That the County Council notes:
 - (a) the Section 25 assurance statement (and its proviso) provided by the Corporate Director – Finance and Central Services regarding the robustness of the estimates and the adequacy of the reserves in paragraph 13.16 of the report to the Executive, a copy of which is attached marked Appendix 2, and
 - (b) the risk assessment of the MTFs detailed in paragraph 12.6 of the report to the Executive a copy of which is attached marked Appendix 2,
- (i) That the mileage rate to be paid to the Independent Members of the Education Appeals Panel shall be the HMRC rate of 45p per mile, with effect from 1 April 2012
- (j) That the draft Pay Policy Statement covering the period April 2012 to March 2013, as set out in Appendix G to the report to the Executive be approved.
- (k) that Chief Officer and other staff appointments shall be undertaken in accordance with the procedures and delegations in the Council’s Constitution and the determination of the remuneration and other terms and conditions which shall apply to a Chief Officer post on appointment must comply with the Pay Policy Statement, provided that if it is proposed to make an appointment on terms and conditions which do not comply, the matter shall be referred to full Council for consideration as

to whether the Pay Policy Statement should be amended prior to a final offer being made to any candidate.

- (l) that any amendments proposed to Chief Officer remuneration and other terms and conditions, which would comprise an amendment to the Pay Policy Statement shall be considered by the Chief Officers Appointments Committee, or in the case of Assistant Directors and Assistant Chief Execs by the Chief Executive, and recommended by them to full Council for approval
- (m) that the Constitution and particularly the Terms of Reference and Powers of the Chief Officers Appointments and Disciplinary Sub-Committee and the Staff Employment Procedure Rules be amended to reflect the requirements of the legislation in relation to the Pay Policy Statement and the recommendations at (j) to (l) above

3. Treasury Management. The County Council is required to adopt certain procedures in relation to Treasury Management, which is defined as “The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”. Primarily the County Council is expected to comply with the terms of the CIPFA Code of Practice on Treasury Management in the Public Services, which was adopted by the County Council on 17 February 2010.

This Code has, again, been updated, following recent developments in the market place and the introduction of the Localism Act. Where appropriate the changes are reflected in the Treasury Management Policy Statement attached as Appendix 3A and the Annual Treasury Management and Investment Strategy 2012/13, attached as Appendix 3B. Although these changes do not have a significant impact on the County Council’s day to day Treasury Management activities, the Executive recommends that the County Council adopts the revised Code issued in November 2011. In addition, the County Council must also comply with the CIPFA Prudential Code for Capital Finance in Local Authorities which impacts heavily on Treasury Management matters. This Code was also updated in November 2011. The recent changes to the Prudential Code are reflected in the Annual Treasury Management and Investment Strategy (Appendix 3B) and separate Prudential Indicators report.

The Local Government Act 2003 requires the County Council to have regard to the Prudential Code and set Prudential Indicators for the next three financial years to ensure that the County Council’s capital investment plans are affordable, prudent and sustainable. In addition to the two CIPFA codes referred to above, the Government issues statutory guidance on local government investments, revised with effect from 1 April 2010, and minimum revenue provision for debt repayment, revised with effect from 1 April 2012, to which the County Council must have regard. The combined effect of these Codes and other relevant Regulations is that the County Council has to have in place, by the start of the new financial year, an up to date Treasury Management Policy Statement and a combined Annual Treasury Management and Investment Strategy and Minimum Revenue Provision Policy. In addition to these statutory requirements, the County Council also agreed an additional local policy to cap Capital Financing costs as a proportion of the annual Net Revenue Budget. This is now incorporated into the Annual Treasury Management and

Investment Strategy.

The CIPFA Code of Practice on Treasury Management requires the County Council to approve a Treasury Management Policy Statement (TMPS) stating the County Council's policies, objectives and approach to risk management of its Treasury Management activities and a framework of suitable Treasury Management Practices (TMPs) setting out the manner in which the County Council will seek to achieve the policies and objectives and prescribing how it will manage and control those activities. The Code recommends 12 TMPs. These were originally submitted to Members in 2004 but have recently been redrafted to ensure that they are fully consistent with all subsequent changes – in particular the various updated Codes and Statutory Guidance. An updated set of TMPs will be submitted to Members via the Audit Committee in 2012/13.

One of the key requirements of the recently updated 2011 CIPFA Code of Practice on Treasury Management continues to be that an Annual Treasury Management Strategy (ATMS), which incorporates a set of Borrowing Limits and Requirements for the year, is considered and approved before the start of each financial year. The ATMS must also include reference to external debt levels, the Prudential Indicators as well as the Annual Investment Strategy (AIS) requirements. The proposed Annual Treasury Management Strategy for 2012/13, incorporating the Annual Investment Strategy, is attached as Appendix 3B to this report. The key elements of the Strategy are as follows:-

- (a) an authorised limit for external debt of £456.9m in 2012/13
- (b) an operational boundary for external debt of £436.9m in 2012/13
- (c) a borrowing limit on fixed interest rate exposure of 60% to 100% of outstanding principal sums and a limit on variable interest rate exposure of 0% to 40% of outstanding principal sums
- (d) borrowing from the money market for capital purposes is to be limited to 30% of external debt outstanding at any one point in time
- (e) an investment limit on fixed interest rate exposure of 0% to 30% of outstanding principal sums and a limit on variable interest rate exposure of 70% to 100% of outstanding principal sums
- (f) a limit of £12m of the total cash sums available for investment (both in house and externally managed) to be invested in Non Specified Investments over 364 days
- (g) an 11% cap on Capital Financing costs as a proportion of the annual Net Revenue Budget
- (h) a Minimum Revenue Provision (MRP) policy for debt repayment to be charged to the Revenue Budget in 2012/13
- (i) the Corporate Director – Finance and Central Services to report to the County Council if and when necessary during the year on any changes to this Strategy arising from the use of operational leasing, PFI or other innovative methods of funding not previously approved by the County Council

In Appendix 3B, reference is made to the long term debt position of the County Council and the attempts being made to reduce the consequential interest charge impact on the annual Revenue Budget. As previously reported to Members, the long term debt position of the County Council is related to the level of capital expenditure undertaken. The growth of

the County Council's long term outstanding debt is demonstrated below:

@ Year end		Debt Outstanding #	Year on Year variation		
		£m	£m		
31 March	2001 actual	147.3			
	2002 actual	148.9	+	1.6	
	2003 actual	180.2	+	31.3	
	2004 actual	215.1	+	34.9	
	2005 actual	231.7	+	16.6	
	2006 actual	274.4	+	42.7	
	2007 actual	299.0	+	24.6	
	2008 actual	328.2	+	29.2	
	2009 actual	329.7	+	1.5	*
	2010 actual	323.9	-	5.8	*
	2011 actual	390.1	+	77.6	*
	2012 forecast	391.2		+1.1	}
	2013 forecast	384.2		-7.0	
	2014 forecast	386.3		+2.1	
	2015 forecast	378.1		-8.2	

Excludes other long term liabilities such as PFI contracts and finance leases which are regarded as debt outstanding for Prudential Indicator purposes.

* Reflects the impact of premature repayment of external debt in 2008/09 and 2009/10 and its subsequent refinancing in 2009/10 and 2010/11, together with the capital borrowing requirement for 2009/10 being rolled forward into 2010/11.

The debt outstanding forecasts from 31 March 2012 in the table above and the Prudential Indicators relating to external debt are based on an assumption that the annual capital borrowing requirements for the years 2011/12 to 2014/15 are being taken externally each year. Consideration will be given, however, to delaying external borrowing throughout this period and funding annual borrowing requirements from revenue cash balances (ie running down investments). This has the potential for achieving short term revenue savings and also has the benefit of reducing investment exposure to credit risk. As the above table shows, the County Council's external debt increased by 265% between 2001 and 2011. Particularly noticeable is the increase in the years since 2002, which is primarily attributable to the increase in the value of annual Highways LTP allocations and the availability of Prudential Borrowing, which has been deliberately used by the County Council to boost the size of the Capital Plan and thereby invest in its asset infrastructure. The ratio of borrowing related to government borrowing approvals, as opposed to being locally determined under the prudential regime, has been approximately 80/20 in the period up to 31 March 2011.

A significant feature of the 2011/12 Local Government Finance Settlement, however, was that all Government capital approvals from 2011/12 are funded from capital grants, rather than the previous mix of grants and borrowing approvals. This reduces annual capital borrowing and debt levels by about £33m per annum, with a consequential impact on capital financing costs. The impact of this is reflected in the table above, with forecast debt outstanding levels after 31 March 2012 starting to reduce year on year. The change has had significant implications on the future Treasury Management operations and consequential

Prudential Indicators in terms of

- reduced annual borrowing requirement and consequential debt levels from 2011/12
- the potential for the annual Minimum Revenue Provision (MRP) for debt repayment exceeding the actual new borrowing requirement in the year resulting in a net debt repayment required with potential early repayment penalties (premiums)
- reduced capital financing costs (interest + MRP) which were built into the 2011/12 Revenue Budget/MTFS
- significant impact on many Prudential Indicators

After reflecting the factors referred to above, the revenue cost of servicing the debt which impacts directly on the Revenue Budget / Medium Term Financial Strategy will be about £31.7m in 2012/13; this consists of interest payments of £16m and a revenue provision for debt repayment of £15.7m. The debt outstanding levels of the County Council will, on the basis of the current Capital Plan, start to reduce each year from 2012/13. This assumes that the Government continues to fund future capital approvals through grants, rather than the previous mix of grant and supported borrowing approvals. These debt levels could be reduced further by

- (a) curtailing fresh capital investment and removing/reducing Capital Plan provisions that remain funded from external prudential borrowing
- (b) significantly increasing the Revenue Budget/MTFS provision for debt repayment above the agreed Prudential policy (about 4% of debt) that is currently made
- (c) removing Capital Plan schemes funded by capital receipts and using those receipts, together with future additional receipts and the current corporate capital pot, for debt repayment, rather than new capital investment
- (d) funding total annual borrowing requirements from internal cash balances and thus running down investments.
- (e) external debt could also be prematurely repaid from internal cash balances and thus also running down investments.

As previously reported to Members, this historical growth in debt is not unique to the County Council, as the reasons for the growth apply to most County and Unitary Councils throughout the country. Based on statistics available, the tables below demonstrate this debt growth of comparable County Councils, together with a comparison of capital financing costs as a percentage of Net Revenue Budgets.

External Debt Outstanding Levels

Year	Lowest	NYCC	Average	Highest
Actual Levels	£m	£m	£m	£m
31/03/09	164.4	329.7	373.5	1,042.4
31/03/10	142.6	323.9	382.4	1,042.4
growth in debt				
actual 5 year growth from 31/03/05 to 31/03/10	-10%	+40%	+76%	+173%

Capital financing costs (interest plus the required revenue provision for debt repayment) as a percentage of the Net Revenue Budget based on latest comparative figures.

Year	Lowest	NYCC	Average	Highest
	%	%	%	%
2010/11 estimates	5.8	9.4	9.5	13.8
2011/12 estimates	5.4	9.1	9.4	13.2

In relation to the above two tables

- (a) the County Council's absolute external debt level continues to be below the average of other Shire Counties
- (b) the County Council's historical debt growth over the last 5 years is significantly below the average of other Shire Counties
- (c) the County Council's capital financing costs (interest and principal) as a percentage of the Net Revenue Budget is slightly below the average of other County Councils
- (d) the range of debt levels and percentage of capital financing costs relative to the Net Revenue Budget can depend on a number of factors such as
 - historical borrowing levels and rates of interest on those borrowings
 - comparative levels of borrowing approvals issued by the Government
 - comparative levels of Prudential Borrowing
 - relative levels of internally financed capital borrowing
 - debt rescheduling activities which can reduce ongoing interest costs at the expense of accumulated repayment premiums which are written back to revenue over a period of years and result in lost interest earned.

- (e) because of the factors mentioned in (d) above the comparison of debt and financing costs between authorities will be increasingly meaningless as time progresses.

The age profile of the County Council's external debt as at 31 March 2011 is;

Length of Period	£m
up to 1 year	23.4
1 year to 2 years	26.7
2 years to 5 years	43.4
5 years to 10 years	80.6
10 to 25 years	37.5
25 to 40 years	72.3
above 40 years	106.2
Total external debt at 31 March 2011	390.1

- (a) there is no predetermined or model age profile and decisions to borrow have been taken each year in the light of current and forecast future interest rates together with the yield curve
- (b) new borrowing in recent years has focused on longer period fixed term loans due to their historically low interest rates
- (c) a period spread of the age profile is important to avoid having to refinance loans repaid within relatively short periods
- (d) the 2012/13 Borrowing Strategy will mean that the County Council should be able (in current and forecast market conditions) to undertake cost effective borrowing over markedly shorter periods than in previous years and so achieve a more even spread of the debt maturity profile. This is subject, of course, to the potential impact of delaying annual borrowing requirements to later years by utilising cash balances and running down investments. As covered elsewhere in this report, however, future new borrowing levels are significantly lower than in previous years.

The criteria for monitoring and assessing organisations (counterparties) to which the County Council may make investments are incorporated into the detailed Treasury Management Practices (TMPs) that support the Treasury Management Policy Statement (TMPS). Applying these criteria enables the County Council to produce an Approved Lending List of organisations in which it can make investments, together with specifying the maximum sum that at any time can be placed with each. The Approved Lending List is prepared, taking into account the advice of the County Council's Treasury Management Advisor, Sector. The credit rating criteria utilised in 2011/12 reflected the significantly enhanced criteria which have been developed, since 2008/09, as a result of unprecedented events in the financial markets, together with continuing volatility. This approach has reflected the following:

- (a) a system of scoring each organisation using Sector's enhanced creditworthiness service. This service which has been progressively developed uses a sophisticated modelling system that includes:
- credit ratings published by the three credit rating agencies (Fitch, Moodys and Standard and Poor) which reflect a combination of components (sovereign, long term, short term, individual and support)
 - credit watches and credit outlooks from the rating agencies
 - Credit Default Swaps (CDS) spreads to give early warnings of likely changes in credit ratings
 - sovereign ratings to select counterparties from only the most credit worthy countries
 - any known Central Government involvement or specific guarantees issued for an organisation
- (b) sole reliance is not placed on the information provided by Sector. The County Council also uses market data and information available from other sources such as the financial press and other agencies and organisations
- (c) in addition, the following measures also continue to be actively taken into consideration:
- institutions will be removed or temporarily suspended from the Approved Lending List if there is significant concern about their financial standing or stability
 - investment exposure will be concentrated with higher rated institutions wherever possible.

By collating and reviewing on an ongoing basis the above data, the County Council aims to ensure that the most up-to-date information is used to assist in the assessment of credit quality, which is seen as a practical response to the continuing money market instability and volatility. It is, therefore, proposed that the criteria adopted for 2011/12 continue to be utilised for 2012/13. These criteria are set out in full in the Annual Treasury Management and Investment Strategy 2012/13 and will enable the County Council to continue to monitor and control its money market risk exposure, whilst also ensuring that it can achieve a return that is consistent with market rates.

The Debt Management Office (DMO) Deposit Account is an investment facility, introduced several years ago by the Government, specifically for public authorities. This facility is AAA rated, as it is part of the HM Treasury Operations and can be regarded as lending to the Government. It is, therefore, a 100% safe house lending option with no upper investment limit. This investment option is included in the County Council's current Approved Lending List, with a current maximum investment of £100m. However the facility has not been used, to date, because of the vastly inferior interest rate on offer (currently 0.25%) which is between 0.6% and 1.1% below what could realistically be achieved elsewhere for similar short term flexible investments. Up until 2008/09, this facility had not been used by many local authorities, because of the low level of interest being paid. Following the turmoil and uncertainty in the financial markets, however, and the collapse of Icelandic banks in

early October 2008, more local authorities started to use the facility, even to the extent of all their investments being placed with the DMO. This is particularly the case for authorities who still have funds frozen in the collapsed Icelandic banks. As time progresses, use of the DMO is however reducing. Given the steps taken by the UK and other Governments to stabilise the position in the financial markets, it is not considered necessary for the County Council to utilise the DMO option at this stage. As a precaution, however, the current £100m maximum investment limit will be maintained and the option utilised should market conditions deteriorate.

The current Approved Lending List is attached as Schedule C to the Annual Treasury Management and Investment Strategy 2012/13. The List continues to be monitored on an ongoing basis and changes made as appropriate by the Corporate Director – Finance and Central Services to reflect credit rating downgrades/upgrades, mergers or market intelligence and rumours that impact on the credit 'score' and colour coding. The County Council evaluates an organisation's credit standing by using Sector's credit worthiness service. This service uses credit ratings and credit watch/outlook notices from all three principal market agencies overlaid by trends within the Credit Default Swap (CDS) market. All this information is then converted into a weighted credit score for each organisation and only those organisations with an appropriate score will fulfil the County Council's minimum credit criteria. The score is then converted into the end product of a colour code which is used to determine the maximum investment term for an organisation. Details of the assessment criteria are included in the Annual Treasury Management and Investment Strategy 2012/13. Utilising the assessment of credit quality, the criteria and investment limits for specified investments (a maximum of 364 days) are:

- institutions which are substantially owned by the UK Government, (Nationalised Banks), being limited to £60m
- other institutions achieving suitable credit scores and colour banding being limited to a maximum investment limit of between £20m and £50m (actual duration and investment limit dependant on final score/colour)
- all foreign bank transactions are in sterling and are undertaken with UK based offices

The criteria for Non Specified Investments (for periods of more than 364 days) are:

- investments over 1 year to a maximum of 2 years with institutions which have a suitable credit score
- the maximum amount for all non-specified investments is £5m with any one institution

Local Authorities will continue to be included on the Approved Lending List for 2013/14, although suitable investment opportunities with them are limited. Because of the way they are financed and their governance arrangements, Local Authorities are classed as having the highest credit rating.

The tables below details all the changes reflected in the latest Approved Lending List compared with that submitted for 2011/12 in February 2011. In considering the current list and changes since February 2011, it is important to bear in mind that both last year and the current list are a 'snapshot' at one point in time and do not, therefore, reflect further, in year changes that may not be evident in these 'snapshots'.

- (a) organisations included on the 2011/12 Approved Lending List which will NOT be included for 2012/13

Organisation	Reason
Intesa Sanapolo Spa (Italy)	Due to fall in Credit Rating in which bank is domiciled
Societe Generale (France)	Due to fall in credit Ratings and market uncertainty
Credit Agricole (France)	

- (b) organisation to remain in the 2012/13 Approved Lending List, but whose Maximum Investment Duration will be nil until Credit Ratings and market sentiment improve

Organisation	Reason
Clydesdale Bank (Trading as Yorkshire Bank)	Due to fall in Credit Ratings

- (c) increase in lending limits for a number of nationalised and high quality banks

Organisation	Original Investment Limit £m	Revised Investment Limit £m
Barclays	40.0	50.0
Bank of Scotland Lloyds TSB Bank	Lloyds Banking Group	60.0
The Royal Bank of Scotland National Westminster Bank Ulster Bank Ltd		
Svenska Handelsbanken	20.0	30.0

These increases were approved by the Corporate Director – Finance and Central Services under delegated powers on 1 December 2011.

The justification for the increase resulted from a further reduction in the number of organisations remaining on the Approved Lending List following the suspension of the Yorkshire/Clydesdale Bank after its credit rating was downgraded.

- (d) further changes were made during the year to increase and decrease the maximum investment term for some organisations. This was the result of market movements between the Credit Default Swap and iTraxx benchmark,

an early warning of likely changes to credit ratings in the future.

Because of the stringent credit rating criteria being adopted, there are relatively few organisations remaining on the County Council's Approved Lending List. The impact of future downgradings, mergers and other market intelligence could, therefore, reduce the list even further and present operational difficulties in placing investments. Under these circumstances, options that could be considered at some point in the future are as follows:-

- (a) running down investments through taking no new borrowing;
- (b) running down investments through repaying existing debt prematurely subject to debt repayment premium constraints;
- (c) considering the addition to the Approved Lending List of further high quality, highly rated foreign banks;
- (d) increasing the lending limits again for those high quality UK banks remaining on the Approved Lending List;
- (e) using the Government's DMO account, 'Triple A' rated Money Market funds or other potentially available mechanisms such as Treasury Bills;
- (f) actively looking to invest with other local authorities although demand is very spasmodic and interest rates being offered are relatively poor (marginally higher than the DMO account).

In its scrutiny role of the County Council's Treasury Management policies, strategies and day to day activities, the Audit Committee receives regular Treasury Management reports. These reports provide Audit Committee Members with details of the latest Treasury Management developments, both at a local and national level and enable them to review Treasury Management arrangements and consider whether they wish to make any recommendations to the Executive. In particular the Committee has expressed an ongoing interest in looking at the proposed use of any new financial instruments or changes in policy/strategy. As the County Council is required to approve an up to date Annual Treasury Management and Investment Strategy before the start of the new financial year, it is not realistic for the Audit Committee to review this document in advance of its submission to the County Council. As in recent years, it is therefore proposed that the updated Treasury Management Policy Statement and Annual Treasury Management and Investment Strategy for 2012/13 will be submitted for review by the Audit Committee on 8 March 2012. If any resulting proposals required a change to the Strategy document, a revised document could be submitted to the County Council in May.

Taking into account the matters referred to in this report, the monitoring and reporting arrangements in place relating to Treasury Management activities are now:

- (a) an annual report to Executive and County Council as part of the Budget process that sets out the County Council's Treasury Management Strategy and Policy for the forthcoming financial year;
- (b) an annual report to Executive and County Council as part of the Budget process that sets the various Prudential Indicators, together with a mid year update of these indicators as part of the Q1 Performance Monitoring report

submitted to the Executive;

- (c) annual outturn reports to the Executive for both Treasury Management and Prudential Indicators setting out full details of activities and performance during the preceding financial year;
- (d) a quarterly report on Treasury Management matters to Executive as part of the Quarterly Performance and Budget Monitoring report;
- (e) regular meetings between the Corporate Director – Finance and Central Services, the Corporate Affairs Portfolio Holder and the Deputy Leader to discuss issues arising from the day to day management of Treasury Management activities;
- (f) reports on proposed changes to the County Council's Treasury Management activities are submitted as required to the Audit Committee for consideration and comment.

The Executive RECOMMENDS:

- (a) That the Code of Practice for Treasury Management in the Public Service, as revised in November 2011, be adopted.
- (b) That the updated Treasury Management Policy Statement, a copy of which is attached marked Appendix 3A, be approved.
- (c) That the Annual Treasury Management and Investment Strategy for 2012/13, a copy of which is attached marked Appendix 3B, be approved and, in particular;
 - (i) an authorised limit for external debt of £456.9m in 2012/13;
 - (ii) an operational boundary for external debt of £436.9m in 2012/13;
 - (iii) a borrowing limit on fixed interest rate exposure of 60% to 100% of outstanding principal sums and a limit on variable interest rate exposure of 0% to 40% of outstanding principal sums;
 - (iv) borrowing from the money market for capital purposes is to be limited to 30% of external debt outstanding at any one point in time;
 - (v) an investment limit on fixed interest rate exposure of 0% to 30% of outstanding principal sums and a limit on variable interest rate exposure of 70% to 100% of outstanding principal sums;
 - (vi) a limit of £12m of the total cash sums available for investment (both in house and externally managed) to be invested in Non Specified Investments over 364 days;
 - (vii) an 11% cap on capital financing costs as a proportion of the annual Net Revenue Budget;

- (viii) a Minimum Revenue Provision (MRP) policy for debt repayment to be charged to Revenue in 2012/13 as set out in Appendix 3B;
 - (ix) the Corporate Director - Finance and Central Services to report to the County Council, if and when necessary during the year, on any changes to this Strategy arising from the use of operational leasing, PFI or other innovative methods of funding not previously approved by the County Council.
- (d) That the Audit Committee be invited to review Appendices 4A and 4B and submit any proposals to the Executive for consideration at the earliest opportunity.

4. Prudential Indicators. The Capital Finance system introduced in April 2004 is underpinned by the CIPFA Prudential Code for Capital Finance in Local Authorities which requires every local authority to set a range of Prudential Indicators as part of the Revenue Budget process, and before the start of the financial year to ensure that capital spending plans are affordable, prudent and sustainable.

The Prudential Indicators for 2011/12, covering the period up to 2013/14, were approved by the County Council on 16 February 2011. The Prudential Code also requires appropriate arrangements to be in place for the monitoring, reporting and revision of Prudential Indicators previously set. A full revision of all Indicators was considered and approved by County Council on 13 October 2011.

As part of the 2012/13 Budget process, a fresh set of Indicators for the MTF period up to 2014/15 now needs to be considered and approved. A revised Prudential Code was issued by CIPFA in November 2011 reflecting the consequential impact of an updated Treasury Management (TM) Code of Practice and changes relating to Housing Authority debt, which is not relevant to the County Council. The various Indicators, however, remain fundamentally unchanged.

The proposed updated Prudential Indicators, with the addition of a further year, 2014/15, are set out in Appendix 4, showing:

- (a) the current Indicators (to 2013/14) approved by County Council on 13 October 2011
- (b) a revised set of Indicators with the addition of 2014/15
- (c) comments on each Indicator including reasons for any significant variations

In general, the proposed Indicators reflect a number of common factors including

- (a) a revised Prudential Code and Treasury Management Code of Practice
- (b) the latest (Q2) Capital Plan approved by Executive on 22 November 2011
- (c) the level of Capital Allocations for the Highways LTP, Education schemes and Social Services approvals announced as part of the 2012/13 Provisional Local Government Finance Settlement

- (d) updated information (in advance of the Q3 Capital Plan update being submitted to Executive on 28 February 2012) in relation to a number of schemes/provisions and their phasing
- (e) updated financing of the Capital Plan reflecting (b) to (d) above, together with latest forecasts for capital receipts
- (f) updated capital financing costs reflecting (b) to (e) above.

All the Prudential Indicators relating to external debt are based on the assumption that annual capital borrowing requirements for the years 2011/12 to 2014/15 will be taken externally each year. Consideration will be given, however, to delaying external borrowing throughout this period and funding annual borrowing requirements from revenue cash balances, for example by running down investments. This has the potential for achieving short term revenue savings and also has the benefit of reducing investment exposure to credit risk. The County Council is asked to agree that the Authorised Limit for external debt for 2012/13 should be £456.9m, which will be the statutory limit determined under Section 3 (1) of the Local Government Act 2003, which requires a local authority to determine and keep under review how much money it can afford to borrow in a given financial year.

The Executive RECOMMENDS:

That the updated Prudential Indicators for 2012/13 to 2014/15, as set out in Appendix 4, be approved.

That an Authorised Limit for External Debt of £456.9m in 2012/13, under Section 3(1) of the Local Government Act 2003, be approved.

5. Equality and Diversity Policy Statement: The County Council's current equality policy statement was agreed in 2001 and needs revising because of changes in legislation, in particular the Equalities Act 2010, which requires the Council to comply with the General Equality Duty. This says that the Council must, in carrying out its functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The first arm of the duty (eliminate unlawful discrimination etc) also covers marriage and civil partnerships.

Regulations require the Council to publish information to demonstrate compliance with the General Equality Duty. This must be published not later than 31 January 2012 and subsequently at intervals of not greater than one year, beginning with the date of last publication. The Council must include information relating to persons who share a relevant

protected characteristic. As a public authority with 150 or more employees the Council must publish information about employees as well as about other persons affected by our policies and practices (ie service users and council tax payers). The Council must also prepare and publish one or more specific and measurable objectives which will help it meet one or more aims of the General Equality Duty. The objectives must be published by 6 April 2012 and then at intervals of not greater than four years beginning from the date of last publication and the information must be published in such a manner that the information is accessible to the public.

The aim has been to achieve a short and straightforward document, setting the overarching approach of the Council to meeting its obligations under equalities legislation. The detailed operational actions will be identified in directorate and service action plans and in the equality objectives which the Council is required to set by 6 April 2012.

Three month's public consultation on the draft policy statement ran from 1 August until 4 November 2011. The consultation was published on the Council's website and publicised to relevant organisations. In addition to the draft policy statement and four consultation questions, a contextual introduction and draft equality impact assessment were published. An easy read version of the policy statement and questions were also published online. Direct engagement was also made with some identified 'harder to reach' groups, including the Physical and Sensory Impairment Board and the Older People's Partnership Board. Unison and teaching unions were consulted about the draft policy statement, but did not request or suggest any amendments. Only eight responses were received from the consultation – six online and two resulting from attendance at face to face meetings. Although this was disappointing, it was not particularly surprising. Comments from respondents indicated that people find it quite hard to engage with high level policy statements of this kind and much easier to respond to consultations about operational plans, where any impacts upon individual lives or communities are clear to see. On a more positive note, there were responses from organisations representing various protected groups. These organisations included a network for issues of race, a social support and campaigning group on behalf of the lesbian, gay, bisexual and trans community and a rural locality health and social care group. In addition, the face to face meetings elicited feedback from representatives of older people and disabled people. The small return rate obviously means that undue weight should not be placed upon the responses received. 63% of those returning consultation forms felt, however, that the policy statement was clear or very clear about what the Council is trying to achieve and agreed that the actions under the heading 'Meeting our responsibilities' would help to ensure that the Council treats people fairly. Consideration has been given to some of the detailed comments received, both via the forms and from meetings, and changes were incorporated into the draft policy statement. An example of a change made was the inclusion of a specific reference to the statutory responsibility to make "reasonable adjustments" to enable disabled people to access services or to continue in or take up employment. One respondent felt that the policy statement should contain detailed information about particular groups and specific actions, but this is not the purpose of the policy statement. More detailed equality information is available on the website through, for example, STREAM, the Council's local information system, and in equality impact assessments and will be made more visible as the obligation to publish equality information and produce equality objectives in 2012 is met.

The final draft of the North Yorkshire County Council Equality and Diversity Policy Statement is attached marked Appendix 5A. An Easy Read version is attached as Appendix 5B. Once the policy statement has been agreed by full Council, it will be published on the internet. Once the policy statement has been agreed by full Council, it will be published on the internet. Existing systems will be used to make staff aware of the new policy statement, backed up by a new e-learning package.

The most effective way to deliver good outcomes for people with protected characteristics is to embed equalities into business as usual. The Council will continue to use the Equality Impact Assessment (EIA) process to support the collection of data and analysis of impacts. The completed EIA pro-forma supplied to decision-makers as part of the decision-making process provides a way of demonstrating “due regard”. Officers are also asked to include key implications from EIAs in the body of reports.

The Government Equalities Office has issued guidance about the publication of equalities information to meet the Public Sector Equality Duty, stating: “Publishing relevant equality information will make public bodies transparent about their decision making processes, and accountable to their service users. It will give the public the information they need to hold public bodies to account for their performance on equality.” The guidance acknowledges that authorities already publish equality information. The Council should consider whether this information provides sufficient evidence that it is meeting the GED. If gaps are identified the Council should plan to address them. Each authority must make its own decision about how it publishes equality information. There is encouragement to signpost to existing reports or other documents, rather than produce an annual equality report, equality scheme or action plan. It is anticipated that information will be published on the internet and be made available in alternative formats. No charge must be levied on the public to access this equality information. The guidance makes it clear that the Council does not need to ask employees or residents about every protected characteristic. If data can be obtained from other sources, such as the Census, then the Council should do so. The equality monitoring guidance for staff makes it clear that such questions should only be asked when it will help to deliver services more appropriately or understand the impacts of changes which are being considered. Customers always have a choice whether they give this information or not and not providing it is never a barrier to receiving a service. The guidance also provides officers with information to ensure that they remain within the parameters set by data protection legislation. The government guidance says that the Council should include information about how it has analysed information in its decision making. EIAs are the way the Council provides evidence of this process.

It is intended to publish the equalities information on the Council’s website, with copies made available on request in alternative formats. The information will include an overview statement linking, where possible, to existing published documents including material related to:

- The Council’s understanding of its communities (eg equality data and analysis)
- Community engagement and consultation
- Planning Council services
- Carrying out Equality Impact Assessments
- Examples of things that the Council has done or is doing which address equality concerns
- Meeting the Public Sector Equality Duty in relation to its workforce

By 6 April 2012 the Council needs to have prepared and published one or more specific and measurable objectives to progress the three aims of the General Equality Duty and must publish further objectives at least every four years. There is an expectation that larger public bodies will set more equality objectives than smaller bodies. The Council's equality objectives should address issues of major concern to the authority. Of the key priorities identified in the Council Plan 2011-2014 two are of particular relevance:

- protecting and supporting vulnerable people
- improving accessibility for all communities and supporting active communities

It is intended to build on the analysis of equality and other information already undertaken in drawing up service plans (for example the Children and Young People's Plan and similar work in Health and Adult Services) to identify some equality objectives focussing on service users. Rurality is a major challenge for the authority. The work being undertaken under the banner of Connecting North Yorkshire, to address the disadvantage endured by residents unable to participate in the digital world, will have a positive impact so consideration is being given to whether to identify an equality objective within this project. Equality objectives are also being developed in relation to the Council's role as an employer, linked to developing a workforce that is representative of the community that the Council serves, whilst ensuring that the principle of equality of opportunity in employment is maintained.

Adoption of the policy statement should not result in any additional costs to the authority. Individual equality objectives or other actions undertaken to meet legal obligations might have financial implications, but these will be considered as part of the normal decision making process. The policy statement is accompanied by an equalities impact assessment, which is attached as Appendix 5C. The assessment did not identify any adverse implications for people with protected characteristics. The draft policy statement sets out, in a straightforward and simple way, the Council's responsibilities under equality legislation and lists some of the key actions which will help it to meet its responsibilities. The draft policy statement sets out clearly that we will operate within equalities legislation and seek to provide all residents and employees with equal access to services and job opportunities. This will help us to make considered decisions which pay due regard to our responsibilities under the Equality Act 2010 and thereby minimise the risk of legal challenge and associated costs.

The Executive RECOMMENDS:

That the draft Equality and Diversity Policy Statement, a copy of which is attached as Appendix 5A, be approved.

6. Improvement and Integration Strategy for Special Educational Needs and Disability 2011-14. The Children's Trust has established a Change and Integration Programme for Special Educational Needs and Disability (SEND) which will deliver fundamental improvements in the quality of the services provided to children and young people and their families. A work strand within the programme is the development of a new strategy for SEND.

The document, a copy of which is attached marked Appendix 6, represents the local strategic response to the significant changing policy context, as set out in the Green Paper 'Support and Aspiration: A new approach to special educational needs and disability'. SEND is included as a priority area of work in the Children and Young People's Plan 2011-14 and will contribute to the County Council's priorities through helping all children and young people to develop their full potential and protecting and supporting vulnerable children and young people. The Council assumed the responsibilities previously held by the Learning and Skills Council, in April 2010, for education and employment for young people with learning difficulties and/or disabilities aged 16-25.

The strategy provides an Accountability and Performance Framework which sets out the respective accountabilities of schools and the County Council and includes a number of performance measures and indicators against which progress in delivering the strategy will be measured. Section 8 of the strategy provides details of the expenditure on services for SEND which amount, in total, to £42.7 million per annum, which is a combination of Dedicated Schools Grant, Local Authority expenditure and resources provided by the Young People's Learning Agency. The Medium Term Financial Strategy of the Children and Young People's Service has incorporated a savings target of £1,150k in relation to SEND. The service has delivered against its financial targets for 2010/11 and 2011/12, without impact on the front line. It has a remaining £450k to deliver by 2014/15, and the SEND strategy will play a significant part in achieving that. The reduced resource must also provide for any increase in demand.

The draft strategy for SEND is underpinned by the Green Paper 'Support and Aspiration: A new approach to special educational needs and disability' (2011), legislation, codes of practice and strategy guidance (see page 7 of the draft strategy). Careful regard has been had to these provisions ensuring the Council fulfils its statutory and responsibilities. Consultation was undertaken between 15th September 2011 and 12th December 2011. Local meetings were arranged with parents of children with special educational needs and disabilities. The consultation also included young people through the Flying High Group; Health commissioners and providers; Local Authority staff; Health and Adult Services; the Children's Trust Board and Professional Associations. The public consultation document was also posted on the Consultations Section of the Council's website. A report was made to the Young People Overview and Scrutiny Committee on progress with the consultation. 15 local consultation meetings were held for parents/carers during the autumn term. A total of 153 parents attended and, as well as contributing to the development of the strategy, the meetings also enabled parents and carers to raise individual and local concerns, which have been followed up. A digest of all consultation responses is appended, together with a commentary. The revised draft strategy has taken the consultation responses into account. The detailed action plans to deliver the major strands of work will also be informed by the responses. Notes of the meetings, together with the 17 written responses received, are also appended, together with an Equality Impact Assessment. A small number of responses have not been attached, in order to preserve the anonymity of children/young people referred to within the response.

The Executive RECOMMENDS:

That the Special Educational Needs and Disability Improvement and Integration Strategy 2011-2014, a copy of which is attached marked Appendix 6, be approved.

7. School Admission Arrangements for the Academic Year 2013/14. The admission arrangements for Community and Voluntary Controlled schools form part of the Policy Framework of the Council and therefore must be determined by the full County Council. Comments from the Admissions Forum on the proposed admission arrangements should be taken into account by the County Council in determining admission arrangements. The Admissions Forum was consulted on the proposed arrangements, at its meeting on 17 January 2012. Members of the Admission Forum supported the proposed admission arrangements.

The Local Authority is required to determine its admission arrangements, which includes admission policy and admission limits, by 15 April each year. In the case of admission arrangements for entry in 2011–12 and subsequent years, it must at present consult on these annually, unless the admission arrangements were consulted on in one or both of the two previous years and they are the same as the arrangements since the last consultation. This being so, currently, admission authorities need consult only once in every three years. It should be noted, however, that annual consultations have been commended as good practice by the Schools Adjudicator. Prescribed consultations must last for a period of not less than eight weeks between 1 November and 1 March each year, which means that schools are first consulted in Autumn Term each year for admissions nearly two years later. The process is, therefore, based to some degree on schools' best estimates of the numbers of requests for places informed by the Council's forecasting model, which takes into account the patterns of parental preference over the years.

In order to meet the deadline of the February County Council meeting, in order to comply with the statutory and corporate deadlines for the process, the consultation on admissions arrangements needs to launch early in November and be complete by the following January. This has been complicated this year by the government's arrangements for revisions to the rules governing school admissions. Two consultation documents, the draft School Admissions Code and the draft School Admissions Appeals Code were published for consultation by the DfE on Friday 27 May 2011. The consultation closed on Friday 19 August 2011. The purpose of the consultation documents was to seek views on changes which aim to simplify the Codes which are at the centre of proposed changes to the admissions system. In October 2011, in preparation for the 2013/14 admission arrangements consultation, the Department for Education was asked for an indication of the likely date for publication of the new Codes. The Council was advised that the Department were 'working through the revisions with Ministers and that the Codes would come into force in February 2012 with revised Codes published as soon as possible.' There was concern that it would be inappropriate to launch the Authority's 2013/14 admission arrangements consultations on the basis of what was still a draft Code and could, therefore, change both prior to and during the period of time in which it must be laid before Parliament. Additionally there was concern about whether a consultation carried out on the basis of a draft, unfinalised Code which was not due to come into force until February 2012 would be valid and withstand any challenge. There was no proposal to change the Authority's oversubscription for community and voluntary controlled schools for 2013/14, other than to ensure compliance with the final revised Codes. It was felt, therefore, that the better option would be to launch the consultation on the basis of the current 2010 School Admissions Code, with the opportunity to make any amendments required to ensure compliance with the new Code before the date of determination. If there had been delay in the coming into force of the Code until after the date of determination by the County Council, the associated School Admission Arrangements Regulations make provision to vary admission arrangements, in order to ensure compliance with the Code without the need for further consultation. Advice from Legal Services confirmed that, without a definite date for

publication of the Code, the consultation should be on the basis of the then current Code. If mandatory changes result from the new Code which affected admissions for 2013/14, the Regulations provide the appropriate mechanism to vary any determined admission arrangements in order to ensure compliance with the Code.

On 2 November 2011, the Secretary of State for Education published a revised set of draft School Admissions and Appeals Codes, together with the Department's response to the consultation. A note on the revised draft Codes stated that 'between the publication of the revised draft Code on 2 November and the laying of the Code before Parliament later in the year there may be minor changes to the text.' The Department noted that there are two important areas on which they did not consult but where they consider it important that changes be made. 'Firstly, that any looked after child who leaves care through adoption or who has become subject to a residence order or a special guardianship order will retain the highest priority in all state-funded schools for admissions purposes. Secondly, the Department intends to conduct a short consultation, alongside the regulations, on the introduction of a national offer day for primary school places. Subject to that consultation, the first Primary National Offer Day is to be 16 April 2014 and each year thereafter.' The outcome of the Department's consultation required changes to the Regulations which govern the admissions and appeals process. A further short consultation which focused solely on the regulations was launched by DfE on 10 November and closed on 5 December 2011. Following publication on 1 December of the revised Codes which are currently before Parliament, the advice from the DfE is that consultation and determination of 2013/14 admission arrangements must be on the basis of the Codes before Parliament.

This consultation by the Department on what are now the revised Codes has been difficult to manage, due to the lack of clear guidance from the Department in advance of the start of the consultation process. The late addition of the new proposals will require a change to be made to the Authority's oversubscription criteria for community and voluntary controlled schools and Harrogate High School for 2013/14 to extend the first oversubscription criterion to include previously looked after children. This is a change that all admission authorities will be required to make to their 2013/14 admission arrangements.

As part of the consultation on proposed admission arrangements for 2013/14, the Council's Co-ordinated Admission Arrangements Scheme (Appendix 7D) proposes, in line with the mandatory requirements of the 2010 School Admissions Code, the retention of in year co-ordination of admissions by the local authority. Under the revised School Admissions Code, the Council's role in co-ordination of the normal admissions round is to continue and all admission authorities must participate in co-ordination for the main round of admissions for September 2013, but there is no longer a mandatory requirement that local authorities undertake in year co-ordination on behalf of all schools within their area and in liaison with their neighbouring local authorities. There is concern that this may not best serve the interests of parents and children. As the number of "own admission authority" schools increases, parents may find it increasingly difficult to navigate a system which is fragmented in terms of numbers of admission authorities, proliferation of different admissions criteria and a lack of clarity about where accountability sits for securing their rights. In order for the scheme to operate effectively across all schools, including own admission authority schools within North Yorkshire, it will require the agreement of the governing body of each own admission authority school. It may be the case that some schools opt in, but others decline to do so. Officers' views are that, as the admission authority for community and voluntary controlled schools, the Council would want to retain responsibility for in year co-ordination within these schools and, in the interests of parents and children, will continue to deal with in

year admissions for all own admission authority schools which so request. If an academy trust would like the Council to undertake this function on their behalf it could be done as a chargeable service.

Last year, in North Yorkshire, 4007 in year admissions were dealt with. This level of demand for in year places has been replicated in local authorities nationally. The revised Code states that 'Admission authorities must, on receipt of an in year application, notify the local authority of both the application and its outcome, to allow the local authority to keep up to date figures on the availability of places in the area'. Experience to date would suggest that, in many cases, the Council will not automatically be given this information by own admission authority [OAA] schools. In the interests of parents and the safeguarding of children, the Council will need to have clear procedures in place to monitor applications to OAA's, both in terms of numbers and the time taken to secure a place.

The proposed admission policy for community and voluntary controlled schools (excluding Harrogate High School), the proposed admission policy for Harrogate High School and the proposed admission policy for nursery schools, schools with nursery and pre-reception classes are attached (Appendices 7A, 7C & 7B respectively). Because the consultation was based upon the 2010 Code, the oversubscription priorities within the proposed admission policy for community and voluntary controlled schools, and the proposed policy for Harrogate High School, remain unchanged from 2012/13 arrangements, as do the proposed oversubscription priorities for nursery schools and schools with nursery and pre-reception classes, but are subject to change as a consequence of any new mandatory proposals contained within the revised School Admissions Code. In order to ensure compliance with the revised Code, it is now proposed that the first oversubscription criterion within policies 7A and 7C and within the relevant nursery admission criterion be revised to include 'previously looked after children'

By the closing date of 16 January 2012, a total of 10 online responses had been received. Seven of the respondents agree with the proposed admission policy, three indicated that they disagreed though, in fact, their objection was not to the oversubscription policy, but related to proposed admission numbers. One of these respondents disagreed with the proposed admission number for their own school. This issue has now been resolved to the satisfaction of the school concerned. The remaining two objections about admission numbers relate to the proposed admission number of another school. Copies of all hard copy responses and a print out of the online responses have been left in each of the Group Rooms. Responses were submitted by two secondary schools in which they objected to the PAN's proposed for other local schools. In each case the proposed PAN is in line with the capacity calculation of the school in question. The proposed published admission numbers [PAN's] for 2013/14 are attached at appendices 7H & 7I. The County Council sets the admission limits of Community and Voluntary Controlled Schools in consultation with the governing body of the school.

For the academic year 2013/14 and subsequent years an own admission authority school (VA, Foundation, Trust Schools, Academies or Free Schools) is not required to include a proposal to increase or keep the same admission number in any consultation on admission arrangements. Conversely all admission authorities must consult if they propose a decrease in PAN. As the admission authority for a community or voluntary controlled school, the Council must consult the governing body of each school whether it proposes to increase, decrease or keep the same admission number. Community and voluntary controlled schools have the right to object to the Schools Adjudicator if the PAN set for them is lower than they would wish. The Authority has consulted with the governing bodies of all community and

voluntary controlled schools as part of this annual consultation process. Agreements have been reached with all schools and, where any school has requested an increase in PAN, the governing body has been advised that once increased, there is a presumption against future decreases.

The revised School Admission Code states that all schools that are popular with parents are to be free to increase their PAN without the need for local consultation, but they must notify their local authority of their intention to increase the school's PAN and reference to the change should be made on the school's website. DfE officials acknowledge that this will challenge the relationship between schools and local authorities and that 'freeing' up PAN's will impact upon the dynamics of schools within an area. Objections to the Schools Adjudicator about an increase in PAN [or the PAN remaining the same] may only be made by the governing body of a community or voluntary controlled school. The rationale behind this is to enable all schools to take advantage of some of the freedoms enjoyed by own admission authority schools. In respect of such an objection there will be a strong presumption in favour of increase unless it would lead to a clear threat to pupil safety. Unfortunately the Code is silent as to how such a threat would be evidenced. It is difficult to reconcile this with the local authority's strategic role in planning school places. Where a school does increase its PAN, it is likely to stay at the higher level, which will make for significant growth over time and may have an impact on the demands on capital funding, as well as creating surplus places elsewhere. Under the current Code, the advice has been that a change in PAN amounts to a material/significant change to admission arrangements, such that the admission authority would need to consult, even if it had consulted in the previous year. Under the revised Code, PAN's may be increased by own admission authority schools without the need to consult. This is likely to lead to objections from other schools, who will be concerned about the potential impact upon their own numbers. It could also lead to the expansion of selective places, which is clearly at odds with the policy which says there will be no expansion of selection. Changes to PAN have tended to be one of the most contentious aspects of the consultation process and have the potential to be directly relevant to other local schools. In an area such as Harrogate, for example, any changes in PAN will be of great significance and the Council is well placed to assess the likely impact of such changes. Current indications are that the small number of converter academies within North Yorkshire, do not propose to increase their PAN for 2013/14. Nevertheless this does not mean that they may not choose to do, prior to the determination of their admission arrangements or indeed subsequently. The revised Code provides that if, at any time following determination of the PAN, an admission authority decides that it is able to admit above its PAN, it must notify the local authority in good time, to allow the local authority to deliver its co-ordination responsibilities effectively. Admission authorities may also admit above PAN in year.

Negotiated agreements have been reached with the majority of community and voluntary controlled schools. The Governing Bodies of the three primary schools listed below have requested a PAN which is lower than the indicated admission limit [IAL] of the school, but is at the same level as determined in previous years, in order to enable the schools to comply with the Infant Class Size Duty. Approval is sought to the proposed PAN's:

School	IAL	Proposed PAN
Bishop Monkton CE Primary School	18	15
Coppice Valley CP School, Harrogate	34	30

Wheatcroft CP School, Scarborough

34

30

Of the 370 schools consulted (including the eight converter academies); there were no responses on the proposed co-ordinated admission arrangements, which include the In Year Fair Access Protocols (appendices 7D and 7E). Of our 13 neighbouring local authority's only one submitted a response. City of Bradford MDC noted that they would be unable to comply with the dates proposed within the County Council's co-ordination schemes for secondary and primary allocations for the exchange of data between neighbouring authorities. Bradford will provide the relevant details at the dates specified within their own co-ordination schemes. There were no responses from any other consultees.

The proposed co-ordinated admission arrangements for 2013/14 include the cross border in year co-ordinated admissions scheme. It is now clear that, under the revised School Admission Code, there is no requirement for local authorities to implement a scheme for in-year co-ordination. This does not mean that local authorities cannot propose to continue to do so within their own local area. Consultation and lack of any objections provide a mandate to implement the County Council's co-ordinated admissions scheme as proposed. It is therefore intended to do so within North Yorkshire, although other neighbouring authorities may take a different view. A number of neighbouring authorities have indicated that they propose to continue to co-ordinate in year applications across their local area. The new Code states that 'they (local authorities) must provide in the composite prospectus how in-year applications can be made and will be dealt with. Local authorities must, on request, provide information to a parent about the places still available in all schools within its area, and a suitable form for parents to complete when applying for a place for their child at any school for which they are not the admission authority'.

Because the new statutory codes on admissions and admission appeals are expected to come into force following the meeting of the Executive, but before the meeting of the Council, and because it is understood that Skipton Girls High School may decide to operate its own selection scheme, the Executive has authorised officers to make necessary consequential amendments to the appendices prior to the Council meeting.

The Executive RECOMMENDS:

That the proposed Admissions Policy for Community and Voluntary Controlled Schools, including Nursery Schools and Schools with Nursery or Pre reception classes for the academic year 2013/14, copies of which are attached marked Appendices 7A & 7B, be approved.

That the proposed Admissions Policy for Harrogate High School for 2013/14, a copy of which is attached marked Appendix 7C, be approved.

That the proposed Co-ordinated Admissions Schemes for Primary and Secondary schools, including the Fair Access Protocol, 2013/14, copies of which are attached marked Appendices 7E, 7A, 7B & 7C, be approved.

That the proposed Published Admission Numbers for Community and Voluntary Controlled schools 2013/14, copies of which are attached marked Appendices 7H & 7I, be approved and the limits for Voluntary Aided, Foundation and Trust schools 2013/14 as shown within those appendices, be noted.

8. Financial, Contract and Property Procedure Rules: One of the functions of the Audit Committee is to review and recommend to the Executive changes to the various Procedure Rules. That Committee having considered and recommended to the Executive a number of changes to those Rules,

The Executive RECOMMENDS:

That the changes to the Financial, Contract and Property Procedure Rules detailed in Appendix 8 to this report be adopted.

9. Appointments to Committees and Outside Bodies. The Executive sets out below recommendations relating to appointments to Committees, including the usual recommendation to allow political groups to put forward, at the meeting, nominations for appointments to seats on Committees, and other bodies, allocated to those groups and for the re-allocation of seats, if necessary, to achieve political proportionality. The Executive also recommends two changes to the list of bodies to which appointments are made in Schedule 5 of the Constitution.

The Executive RECOMMENDS:

That County Councillor Janet Sanderson be appointed as third named substitute for the Conservative Group on the Corporate and Partnerships Overview and Scrutiny Committee and that any proposals for the re-allocation of seats, if necessary to achieve political proportionality, or for changes to memberships or substitute memberships of committees, or other bodies to which the Council makes appointments, put forward by the relevant political group, prior to or at the meeting of the Council, be agreed.

JOHN WEIGHELL
Chairman

County Hall,
NORTHALLERTON.

7 February 2012

Draft Council Plan 2012 - 15

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Foreword

When we published the Council Plan for last year we talked about momentous changes and the impact this was having on the people of North Yorkshire and the County Council. The last 12 months have proved to be no less challenging. The economic position means that we now expect recovery to take longer, and households are continuing to feel the pinch. The County Council was well prepared for the period of austerity, but it is now clear that the finances of the Council, along with all public sector organisations, will be under pressure for longer than anticipated.

Difficult decisions have been taken and are being implemented but there will be more ahead of us, and the County Council has a four year plan to deal with the financial pressures. We are now approaching the end of the first year of the plan and we are pleased to report that we are on well on track to deliver the savings target. This is all the more impressive as half of the four years' savings must be made in this first year, and the majority of the savings have been made without impacting upon frontline services. There is further information in this document to tell you how we are planning to protect frontline services and, wherever possible, improve them. This does mean, however, that we must constantly re-evaluate the way in which we deliver our services. That is why we are exploring areas where communities can provide services, such as in some libraries, and how individuals can take greater control. This is shown by our work in helping older people to live independently for longer in their own homes.

In times of economic hardship it is often tempting to dwell on the difficulties, but it is important that we also celebrate successes. Economic recovery is vital and we are therefore pleased that we are working alongside businesses in North Yorkshire as part of a Local Enterprise Partnership. We hope that the combination of the County Council, businesses and other partners can make a real difference to the economy of North Yorkshire. Good progress is also being made in securing the funding for the roll out of broadband to North Yorkshire and we know just how valuable this is for both businesses and local communities. We are also improving how we work with local GPs and the

wider health service. Lastly, but by no means least, the services that we deliver on a daily basis to people continue to be amongst the best in the country. Examples are given on pages 4 and 5.

This Plan contains further detail on our achievements and our thinking for the future. I hope you find it useful and we are, as ever, grateful for your views and comments on this Plan and the services that the County Council provides.

John Weighell – Leader of the County Council
Richard Flinton – Chief Executive

Delivering services for North Yorkshire

North Yorkshire is a very beautiful and mostly rural county which, in general, offers good quality of life to those living and working here. As a County Council we aim to provide excellent services for residents of, and visitors to, our county. However, there are challenges to delivering these services in such a large and sparsely populated county.

North Yorkshire is England's largest county and covers 3,102 square miles, stretching from Scarborough on the North Sea coast to Bentham in the West, and from the edge of Teesside to south of the M62.

In addition, as previously mentioned, with a population of 599,700, it is sparsely populated, and in general this population is increasing and getting older. By 2021 the number of people who are 65 and over will increase from about 121,700 to an estimated 160,800. This group will then represent around 25% of the total population. By contrast, young people under 19 account for only 21% of the population. These changes mean that demands and pressures on our services are increasing, particularly in relation to services for older people, caring for the most vulnerable children and young people and dealing with the County's waste. This is particularly challenging at a time when our resources are reducing.

Despite these challenges and the difficulties of the current economic climate we remain committed to providing the best and most efficient level of service possible for our communities. We are also committed to playing our part in improving North Yorkshire's economy to benefit everyone who lives or works here.

North Yorkshire has a varied and diverse economy characterised by significantly high levels of self employment and very small businesses. There is a growing manufacturing sector especially in food and drink, a strong tourism, cultural and creative sector, a significant financial and business services sector, and an emerging green energy sector.

Although the County's economy has suffered recently its businesses have been resilient so it has sustained itself relatively well. However there are significant challenges including:

- coping with the reduction in public sector jobs, particularly in areas where 30% of all jobs are in this sector;
- addressing connectivity, including broadband, to remove barriers for growing rural businesses; and
- further developing the economy of North Yorkshire, particularly in areas of high unemployment and deprivation.

We recognise that all the different sections of our community have different needs and aspirations, which is reflected in how we provide services for them. The wide range of council services we provide includes:

- **schools** – over 380 schools serving nearly 80,000 children and young people;
- **children’s centres;**
- **children’s social care including adoption and fostering;**
- **adult social care services** – including services for 10,900 older people and 4,500 adults with disabilities to help them to live at home;
- **youth services;**
- **adult education;**
- **libraries;**
- **roads and public rights of way** – responsibility for approximately 5,592 miles of roads, 1600 highway bridges and over 6,214 miles of public rights of way;
- **heritage and countryside management;**
- **public transport;**
- **street lighting;**
- **trading standards and consumer advice;**
- **registration of births, deaths and marriages;**
- **disposal and recycling of household waste;** and
- **emergency planning.**

More information about the services we provide can be found here (*link to Council Services page of website*)

We serve our residents 24 hours a day, seven days a week, 365 days a year, and our 72 councillors (*link*), elected by the people of North Yorkshire, are active in their local communities responding to the needs of the public and addressing important local issues.

Providing these services is our contribution to the vision we and our partner organisations share of the future for North Yorkshire.

Our joint vision

We want North Yorkshire to be an even better place for everyone to live, work or visit.

We do not work in isolation and the North Yorkshire Community Plan ([link](#)) sets out the priorities on which all partners must work together to achieve our joint vision.

To achieve our contribution to this vision we must:

- ensure good access for all;
- help people to live in safe communities;
- help all children and young people to develop their full potential;
- promote a flourishing economy;
- maintain and enhance our environment and heritage; and
- improve health and wellbeing and give people effective support when they need it.

How are we working to achieve our vision?

Based on what you have told us, in our 2011-14 Council Plan we agreed the following priority areas within these objectives:

- Protecting and supporting vulnerable people
- Supporting economic growth and employment
- Improving accessibility for all and supporting active communities
- Managing our environment and promoting environmental sustainability

Achievements we have made towards these priorities in 2011 include the following examples:

- New Extra Care housing schemes were opened at Tadcaster in April and Richmond in early September. Extra Care housing gives older people the security and privacy of a home of their own and a range of facilities on the premises, with access to 24-hour care/support services available if they need them ([link](#)).
- 48 new No Cold Calling Zones were introduced. These are designated areas where all residents have agreed that they do not want tradespeople and others coming to their houses uninvited ([link](#)).
- The adoption service was rated as outstanding by Ofsted following an inspection in May ([link](#)).
- We have funded voluntary sector organisations to provide 8 new innovative community projects including a social enterprise in Nidderdale for people with a disability, support groups for people with autism and several schemes for older people to encourage healthy living ([link](#)).
- Our START (Short Term Assessment and Reablement Team) service has helped over 2000 older people in the county. The START service provides up to six weeks of intensive support to ensure that people, wherever possible, regain their independence in their own homes following a recent period of disability or illness. This service has proved to be very successful with about two-thirds of this group either no

longer needing our personal care at home service or moving to a reduced package of care.

- Our first Local Account – an in-depth look at the provision of services for adult social care – has been published. This describes how we have performed and details our priorities for adult social care (*link*).
- The Enterprise Partnership for York, North Yorkshire and East Riding has been formed and is working to support business growth and job creation in the area.
- Connecting North Yorkshire, a partnership project led by the County Council, has been set up to achieve high quality broadband to all businesses and citizens in North Yorkshire by 2017.
- An additional Government funded £6.5m programme of schemes aimed specifically at repairing winter road damage is being delivered (*link*).
- A new household waste recycling centre to serve West Harrogate has been built and opened to the public (*link*).
- A number of parish councils and town councils are able to deliver an improved level of snow clearing in their local area due to a partnership scheme with the County Council (*link*).
- A new highways maintenance contract for up to ten years starting in April 2012 was agreed, saving more money (*link*).
- A highway depot programme was completed which has significantly increased our covered storage for salt. This has helped with maintaining gritting across the county throughout the winter (*link*).
- Pupils' exam results at 16 and 18 improved again ahead of the national average, helping us to retain our high ranking nationally (*link*).
- The numbers of young people not in work, education or training between 16 and 19 remained amongst the lowest in the country (*link*).
- Ofsted highly praised our preventative work which helps vulnerable children and their families (*link*).

In common with other local authorities, we are also making significant savings – in our case £69 million over the next four years. We have a good track record of improving outcomes and delivering good value for money for local people. However we need to be even more certain that we are using our resources as effectively and efficiently as we can.

Our achievements in this area in 2011 include the following examples:

- Negotiating and implementing pay changes such as unpaid leave for staff, which secures annual savings of £2m. In addition County Councillors have agreed a freeze in their expenses. The total number of business miles driven is reducing and staff and Councillors have also agreed to a reduction in mileage rates.
- Delivering £35m of savings in year, the majority of which has come from savings in management, administration, contracting and other non-frontline services.
- Beginning a comprehensive 'One Council' change programme to pull together activities across the Council so that they are done in a

consistent and more cost effective manner delivering further non-frontline savings.

- Reducing the number of buildings we use to ensure best value for money, for example most Skipton based NYCC offices have moved to 1 Belle Vue Square, Skipton to share facilities and costs with Craven District Council (*link*).

However, even given our track record, increased efficiency alone is not sufficient to make the savings required. We have had to make changes to front line services, and will need to do so in future, but, while this is challenging, we are determined to see this as an opportunity not only to find new ways of doing things, but also to change our relationship with local communities. There are areas where we need to step back from service provision in order to allow communities to take on a more active role, making it easier for local people to volunteer, to take community ownership of council buildings and to support each other. A recent example has been the work to prepare for the transfer of some smaller libraries into community hands.

A recent survey of our Citizens' Panel showed that over 85% of respondents agreed with our approach to making our savings. We will continue to consult with the public on specific proposals for changes to services in line with our engagement promise (*link*)

We will also maintain rigorous corporate governance (*link*) and high ethical standards to ensure sound decision making.

Our priorities for service delivery in 2012

We are continuing to concentrate on the four priority areas previously identified on page 4, and we have pinpointed the following key actions we need to take this year:

- Support economic growth through the Enterprise Partnership (*link*).
- Award and manage the major Broadband UK (*link*) funded broadband infrastructure roll out (*link*) and support the development of community based broadband schemes.
- Manage and maintain the highways and transportation infrastructure with reduced resources in line with the Local Transport Plan 3 (*link*).
- Deliver the Waste Public Finance Initiative project (*link*).
- Develop new and innovative community projects such as community hubs and supported employment for older people and people with a disability (*link*).
- Modernise learning disability day services in line with the Adult Social Care Vision (*link*), including a significant capital programme in Scarborough, Selby and Skipton (*link*).
- Continue to reduce the need for residential care by supporting people to live independently in their own homes and increasing the provision of Extra Care Housing (*link*).

- Work closely with NHS organisations to improve social care services (*link*).
- Prepare for the transfer of Public Health responsibilities from the NHS to the County Council in 2013 (*link*).
- Maintain a strong partnership with schools to maximise their resources and performance (*link*).
- Improve our services for vulnerable teenagers through more integration and using best practice (*link*).
- Make access to services for disabled children and young people simpler, more local and more effective to make sure we support their transition to adult life (*link*).
- Increase community use and the number and range of volunteers that work with the library service
- Pilot new ways of working to give children and young people a good start in life in parts of the County where more help is needed.
- Ensure we protect those most at risk, and that outcomes improve for those in our care (*link*).
- Deliver savings as identified in our Medium Term Financial Strategy (*link*) and our 'One Council' change programme.

How will we know how well we are performing?

It is very important to us that we monitor how we are doing against our plan, to ensure that we are doing things right, as well as doing the right things.

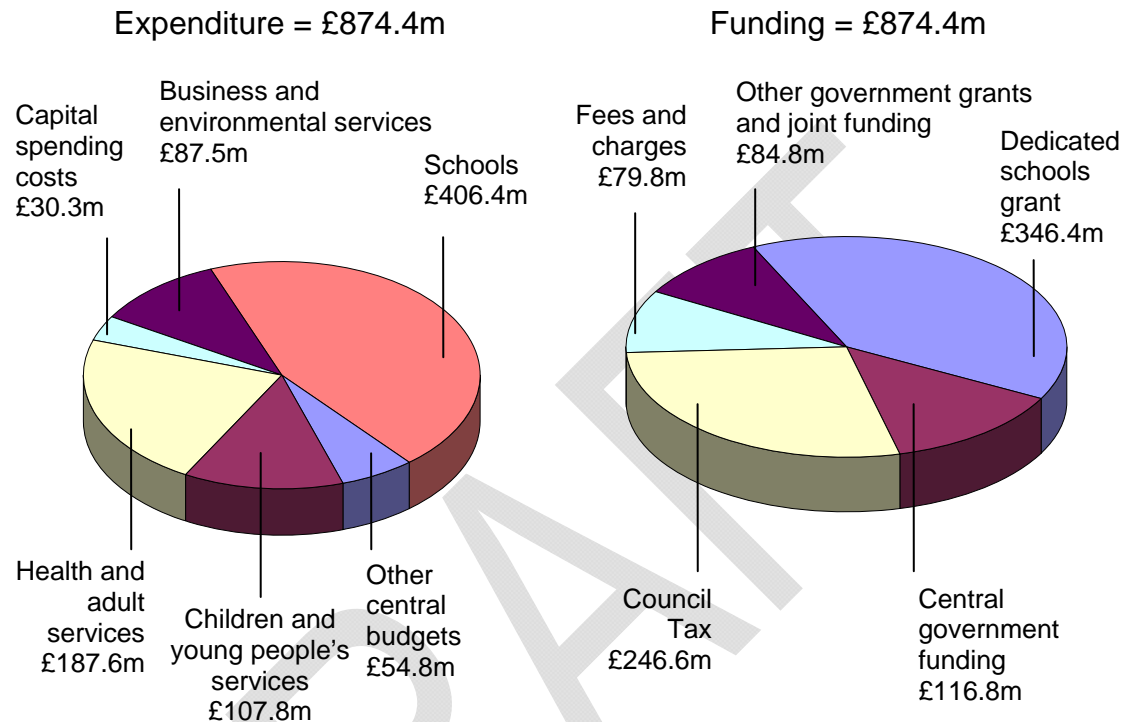
We will:

- talk to and consult with residents and users of our services, and listen to what they have to say, in line with our engagement promise (*link*);
- regularly monitor how well we are delivering services in our priority areas;
- compare our performance to that of other councils or areas, where appropriate, and use that information to help us manage our services;
- use the results of inspections by national bodies like Ofsted (*link*) (which inspects children's services) and the Care Quality Commission (*link*) (which inspects social care services for adults) to help us improve;
- regularly gather together information about our spend and performance as a whole Council, to be considered by our Executive Members;
- regularly review the performance of services, both internally within the County Council and in partnership with other councils, partners, and the wider community through our scrutiny committees (*link*);
- publish information about all the above on our website (*link*);
- treat people fairly, ensuring that no section of our community is disproportionately affected by our decisions; and
- tell you in our next year's Council plan about how we have done.

Our funding

Revenue spending

The total cost of services North Yorkshire County Council provides will amount to £874.4m in 2012/13. A breakdown into our services and how it is funded is as follows:



Council tax

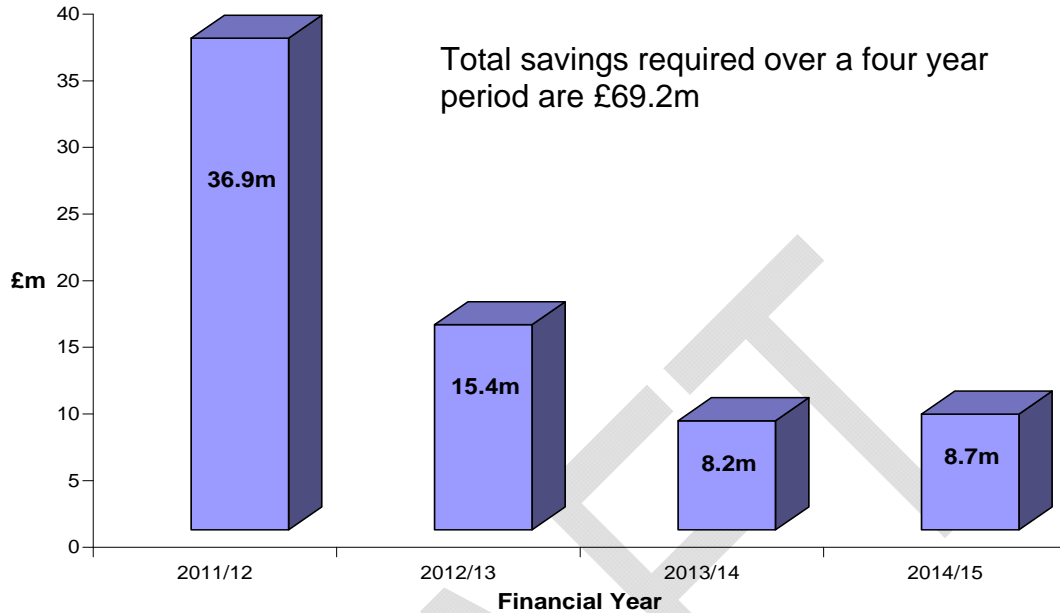
£246.6m of the revenue budget is met by council tax payers which results in a charge of £1057.48 in 2012/13 for a band D property. The actual sum paid however, depends on which valuation band individual properties fall into. There are eight valuation bands, A to H.

The charge for 2012/13 is at the same level as for 2011/12. This is because our proposed increase of 2.5%, which would have added £26.44 for a band D property, is being picked up by the government under a scheme, which effectively means that council tax rates can be frozen for a second year in 2012/13.

Savings and cost reductions to be found

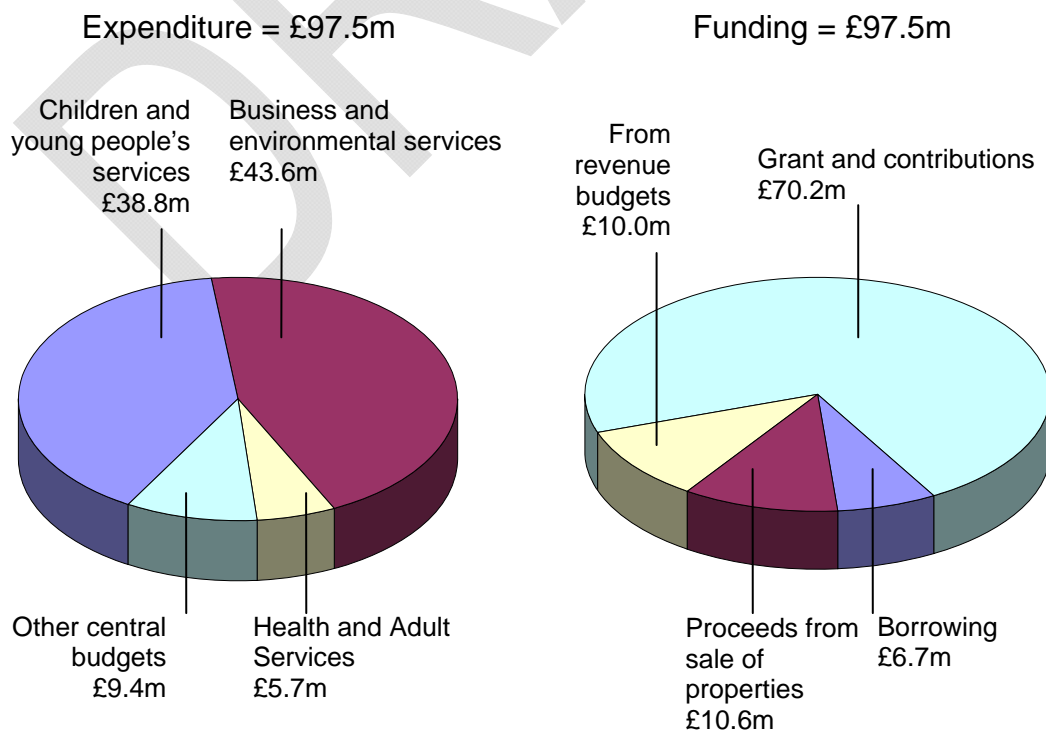
Funding provided to local authorities to deliver their services has been significantly reduced as part of the government's spending review. This presents a considerable challenge and the County Council faces difficult decisions on spending and service provision over the coming years.

To compensate for these significant reductions in government funding together with managing inflation, tax increases, growth in the demand for our services and other additional spending, a comprehensive package of savings and cost reductions is being implemented as follows:



Capital spending

In addition to the revenue budget, the County Council also plans to spend £97.5m on capital projects in 2012/13. A breakdown into our services and how it is funded is as follows:





Equality Impact Assessment Council Plan 2012 - 15

If you would like this information in another language or format such as Braille, large print or audio, please contact the Communications Unit on 01609 53 2013 or email communications@northyorks.gov.uk.

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।
如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。
اگر آپ کو معلومات کی دیگر زبان یا دیگر شکل میں درکار ہوں تو براہ مہربانی ہم سے پوچھیے۔



Name of the Directorate and Service Area	Chief Executive's Group		
Name of the service/policy being assessed	Council Plan 2012 – 15		
Is this the area being impact assessed a	Policy & its implementation?	✓	Service?
	Function		Initiative?
	Project?		Procedure & its implementation?
Is this an Equality Impact Assessment for a	Existing service or a policy and its implementation?		
(Note: the Equality Impact Assessment (EIA) is concerned with the policy itself, the procedures or guidelines which control its implementation and the impact on the users)	Proposed service or a policy and its implementation?		
	Change to an existing service or a policy and its implementation?		
	Service or Policy carried out by an organisation on behalf of NYCC?		
How will you undertake the EIA?	Project team		
Eg team meetings, working party, project team, individual Officer			
Names and roles of people carrying out the Impact Assessment	Deborah Hugill, Corporate Development Officer Neil Irving, Assistant Director (Policy and Partnerships)		
Lead Officer and contact details	Deborah Hugill, Corporate Development Officer 01609 532978 deborah.hugill@northyorks.gov.uk		
Date EIA started	30 November 2011		
Date EIA Completed			
Sign off by Service Head/ Business Unit Head	Neil Irving, Assistant Director (Policy and Partnerships)		
Sign off by Assistant Director (or equivalent)	Gary Fielding, Assistant Chief Executive (Policy, Performance and Partnerships)		
Date of Publication of EIA	A copy of the EIA will be included with the reports seeking approval of the Plan to be presented to Management Board on 17 January 2012, the Executive on 31 January 2012 and full Council on 15 February 2012; thereafter a summary of it will be published on the NYCC website.		

Monitoring and review process for EIA

This will be undertaken on an ongoing basis alongside the monitoring of the Plan itself.

1. Operating Context

Please consider issues around impacts (positive or negative) raised for **all protected characteristics** and show your evidence

1.1 Describe the service/policy

What does the service/policy do and how? How would you describe the policy to someone who knows very little about Council Services?

If there is a proposal to change the service or policy, describe what it looks like now and what it is intended to look like in the future. What are the drivers for this proposed change?

Who does it benefit? What are its intended outcomes? Who is affected by the policy? Who is intended to benefit from it and how? Who are the stakeholders? Identify those protected characteristics for which this service is likely to have an impact (positive or negative)

Are there any other policies or services which might be linked to this one? Have you reviewed the EIA for these policies/services? What do they tell you about the potential impact?

How will the policy be put into practice? Who is responsible for it?

The Council Plan is the County Council's overall high level strategic plan which translates the priorities of the NY Community Plan into the contributory actions needed by the County Council. These high level priorities are:

1. Protecting and supporting vulnerable people
2. Supporting economic growth and employment
3. Improving accessibility for all and supporting active communities
4. Managing our environment and promoting environmental sustainability

These were identified through consultation with the public and key stakeholders.

It is also the key strategic document which sets the performance framework for all Council services. As such the plan does not contain detailed information about specific service delivery. Detail at service level has been and/or will be impact assessed by directorate colleagues.

The budget and financial elements of the plan are also subject to specific and separate impact assessments as part of the budget decision making process. Members in agreeing the budget will also take into account compounding factors, such as the rural nature of the County, and the cumulative impact of proposals on different protected groups across a range of services.

The actions for 2012/13 listed in the Council Plan, flowing from the high level priority areas, are intended to benefit all residents in North

	<p>Yorkshire. These have been developed through service planning within directorates which will be subject to separate EIAs and consultation processes.</p>
<p>1.2 How do people use the policy/service?</p> <p>How is the policy/service delivered? How do people find out about the policy/service? Do they need specialist equipment or information in different formats? How do you meet customer needs through opening times/locations/facilities? Can customers contact your service in different ways? How do you demonstrate that your service/policy is welcoming to all groups within the community?</p> <p>Does the policy/service support customers to access other services? Do you charge for your services? Do these changes affect everyone equally? Do some customers incur greater costs or get 'less for their money'? Are there eligibility criteria for the service/policy?</p> <p>How do you ensure that staff/volunteers delivering the service follow the Council's equality policies? Does the Council deliver this policy in partnership or through contracts with other organisations? How do you monitor that external bodies comply with the Council's equality requirements?</p>	<p>The Council Plan will be provided on the NYCC website in plain English, text only, large print and Easy Read version. Copies can be printed off and supplied on request. Translation, audio and other formats can also be supplied on request.</p> <p>A press release will be sent and internal communications methods will be used to raise awareness amongst staff and members.</p> <p>Printed copies were very rarely requested by the public in the past so it is felt that the effect on access of providing the plan purely online is slight. Provision of the Plan in a range of formats should increase accessibility.</p> <p>The attention of County Council staff, volunteers and elected members will be drawn to the Plan during induction processes.</p>
<p><u>2. Understanding the Impact (using both qualitative and quantitative data)</u></p> <p>Please consider issues around impacts (positive or negative) raised for all protected characteristics and show your evidence</p>	
<p>2.1 What information do you use to make sure the service meets the needs of all customers?</p> <p>What data do we use now? Is it broken down across protected characteristics (and are these categories consistent across all data sets)? How current is the data? Where is it from? Is it relevant?</p>	<p>The County Council and our partners use data from the Office of National Statistics as well as data we collect about our citizens and service users to understand our customers. STREAM, our new local information system, pulls together a lot of useful data about our communities. As the Plan affects all people who live or work in North Yorkshire, we have considered county-wide data. Some groups and individuals will be service users of specific services and their needs</p>

What engagement work have you already done that can inform this impact assessment? Who did you talk to and how? What are the main findings? Can you analyse the results of this consultation across the protected characteristics? Are there differences in response between different groups? How has this changed the plans for the policy/service?

have been and/or will be considered as part of specific service impact assessments.

The priorities from the NY Community Plan which have been translated into the Council Plan were subject to a public consultation which ran from 1st July until 23rd September 2011. During this time, a range of communication mechanisms were used including press releases, consultation information on the NYCC and NYSP websites, articles on the NYCC staff intranet and North Yorkshire Now and consultation through the Citizens' Panel. There was also direct engagement with some identified 'harder to reach' groups including the Physical and Sensory Impairment Board and the Older People's Partnership Board.

Over 120 responses were received to this consultation, not including those also received via the NYCC Citizens' Panel. Almost 30% of these came from parish or town councils, over 50% came from members of the public and the remainder came from partner organisations and voluntary and community groups.

Broad agreement on the priorities was found across all the groups consulted with.

Initial development of the Council Plan started in the summer of 2011 when the project team proposed a format for the plan. This approach was endorsed by the Informal Executive. The Citizens' Panel carried out in November 2011 contained questions about approach to savings, council tax and other issues relating to budget which informed the plan. A public consultation was also held with these questions being asked on our website from 7 November 2011 to 13 January 2012. Parish councils were also consulted. Responses showed that most people agreed with the approach being taken by the County Council and there was support for not freezing council tax if this would mean having to find further savings in the future. Corporate and Partnerships Overview and Scrutiny Committee received regular updates and a copy of the draft plan was circulated to all county councillors on December 23 2011.

	<p>Engagement in relation to specific service areas will be included in service EIAs.</p>
<p>2.2 What does the information tell you?</p> <p>Are there any differences in outcome for different groups e.g. differences in take up rates or satisfaction levels across groups? Does it identify the level of take-up of services by different groups of people? Does it identify how potential changes in demand for services will be tracked over time, and the process for service change?</p> <p>Please include data and analysis as an appendix</p>	<p>North Yorkshire is the largest county in England, covering around 3,102 square miles stretching from Scarborough on the North Sea coast to Bentham in the West, and from the edge of Teesside to south of the M62. It includes the urban areas of Harrogate and Scarborough, the Yorkshire Dales and North York Moors National Parks, 28 market towns and many small villages and hamlets. 2010 mid-year population figures estimate that 599,700 people live in the County, and population density is low.</p> <p>23.6% of the population is over 65 (men) or over 60 (women) and this figure is expected to rise. As rates of disability increase with age we anticipate an increase in residents who are disabled and a resultant rise in the number of carers. 17.5% of residents are aged 0-15. 49.3% of residents are male and 50.8% female (statistics round hence slight discrepancy). The 2001 census only identified 1.1% of our residents as belonging to non-white ethnic groups. The white British residents numbered 552,039 and those from other white groups numbered 8,527. 1,613 residents were of Asian ethnicity and 665 of Black ethnicity. This can make it quite difficult for us to identify and support these residents, who may be isolated within the majority white population. Also in the 2001 census a majority of residents, 80.3%, identified as Christian. The second largest group was those with no religion, 11.96%, followed by those who did not state a religion, 6.97%. Muslims accounted for 0.18%, Buddhists 0.16%, Hindus 0.11%, Jews 0.1%, Sikhs 0.02%. Other religions accounted for 0.19%.</p> <p>In the 2008 Place Survey 74.3% of respondents believed that local public services treat all types of people fairly. Whilst this figure is above the national (70.8%) and regional (68.3%) responses there is room for improvement. In the same survey 79.6% of North Yorkshire respondents said that they had been treated with respect and consideration by their local public services in the last year. Again the figure was higher than the figure for England (72.4%) or for Yorkshire and Humber Region (70.9%). 80.7% said that their local area is a place</p>

	<p>where people of different backgrounds get on well together (76.4% England; 71.6% Yorkshire and Humber). However, 20.45 thought that there was a problem with people not treating each other with respect and consideration in their local area (31.2% England, 32.5% Yorkshire and Humber).</p> <p>The economy is very varied. Generally, unemployment is low, and labour market participation rates high. Small businesses dominate with 85% of businesses employing fewer than 10 people. There are high levels of self-employment. In the private sector, tourism (around 12% of the workforce) and agriculture (around 3%) are very significant - particularly in the rural uplands where they account for as much as 50% of the workforce. People in North Yorkshire are strongly in touch with the rural nature of the county. The largest segments of the population identified by the Personix Geo classification system are 'Country Pursuits', 'Wildlife and the Environment', 'Retired and Rural' and 'Rural Connections', all at around three times the proportions seen in the national population.</p> <p>We have limited data on the population by sexual orientation. We have tended to focus in the past on collecting data relating to age, disability and gender. Based on the estimate that 6% of the population are likely to be gay or lesbian we would assume the same level within our population. We have the facility to request equality information across all protected characteristics from respondents to consultations etc and guidance is available on our intranet to help staff decide what data is relevant to their service and therefore appropriate to collect.</p> <p>We have not collected information relating to gender reassignment to date and would wish to be careful about our approach to this topic given the small numbers of people within this group and the consequent risk of data being used to identify them. As above, our first stages will be to draw conclusions from national data.</p>
<p>2.3 Are there areas where we need more information? How could we get this information?</p> <p>What data is available? Do other directorates, partners or other organisations hold relevant information? Is there relevant information held corporately e.g. compliments and complaints? Are there national datasets that would be useful? Is there relevant census data? Do you need to collect more data? How could you do this?</p> <p>Do you need to do more engagement work to inform this impact assessment? Have you identified information in other sections of this EIA that you need to assess the impact on different groups of people? What do you want to find out? Which existing mechanisms can you use to get this information?</p> <p>Please refer to the Community Engagement toolkit on the NYCC intranet</p>	
<p>2.4 How will you monitor progress on your policy/service, or take-</p>	<p>The Council Plan is reviewed annually in a process involving relevant</p>

<p>up of your service?</p> <p>What monitoring techniques would be most effective? What performance indicators or targets would be used to monitor the effectiveness of the policy/service? How often does the policy/service need to be reviewed? Who would be responsible for this?</p>	<p>officers, Management Board, the Executive and full County Council.</p> <p>Monitoring of the Council's performance is undertaken against an agreed set of agreed key performance indicators, reported to the Executive on a quarterly basis.</p>
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<p><u>3. Assessing the Impact</u></p> <p>Please consider issues around impacts (positive or negative) raised for all protected characteristics and show your evidence.</p>	
<p>3.1 Has an adverse impact been identified for one or more groups?</p> <p>Has this assessment shown anything in the policy, plan or service that results in (or has the potential for) disadvantage or discrimination towards people of different groups? Which groups?</p> <p>Do some needs/ priorities 'miss out' because they are a minority not the majority? Is there a better way to provide the service to all sections of the community?</p>	<p>No adverse impact was identified through this assessment or the public consultation. The Plan envisages an improved quality of services for some groups (eg older people, disabled people, children, and people who live in rural areas not currently served by broadband).</p>
<p>3.2 How could the policy be changed to remove the impact?</p> <p>Which options have been considered? What option has been chosen?</p> <p>3.3 Can any adverse impact be justified?</p> <p>If the adverse impact will remain, can this be justified in relation to the wider aims of the policy or on the grounds of promoting equality of opportunity for one target group?</p> <p>Please seek legal advice on whether this can be justified.</p>	<p>If any adverse impacts are identified through the development or implementation of the individual priorities, the relevant directorates will work to find options to mitigate impacts.</p> <p>Not applicable.</p>
<p>3.4 Are you planning to consult people on the outcome of this impact assessment?</p>	
<p>The Citizens' Panel carried out in November 2011 contained questions about approach to savings, council tax and other issues relating to</p>	

<p>When and how will you do this? How will you incorporate your findings into the policy?</p>	<p>budget which informed the plan. A public consultation was also held with these questions being asked on our website from 7 November 2011 to 13 January 2012. Parish councils were also consulted. This EIA will accompany the draft Plan when it goes to the County Council's Management Board, Executive and full Council for approval.</p>
<p>3.5 How does the service/policy promote equality of opportunity and outcome?</p> <p>Does the new/revised policy/service improve access to services? Are resources focused on addressing differences in outcomes?</p>	<p>The Plan identifies the actions which the County Council will take to contribute to the priority areas in the NY Community Plan. These have been identified as being most critical to the wellbeing of all the county's communities over the next three years and which require partnership efforts to be tackled effectively: protecting and supporting vulnerable people, supporting economic growth and employment, and enabling stronger local communities.</p>

NORTH YORKSHIRE COUNTY COUNCIL

EXECUTIVE

31 January 2012

REVENUE BUDGET 2012/13 AND
MEDIUM TERM FINANCIAL STRATEGY FOR 2012/15Joint Report of the Chief Executive
and the Corporate Director – Finance and Central Services

EXECUTIVE SUMMARY

1. The purpose of the accompanying detailed report on this Agenda is to enable the Executive to make a recommendation to the County Council on 15 February 2012 regarding the Medium Term Financial Strategy 2012/15 and Revenue Budget for 2012/13 incorporating the level of Council Tax.
2. The key points relating to the Medium Term Financial Strategy (MTFS) and Revenue Budget 2012/13 are as follows –
 - (a) for the second consecutive year there is no increase proposed in the level of Council Tax – the Executive is recommending that the County Council accepts the Council Tax freeze grant offered for 2012/13, the value of which (approximately £6.2m) is equivalent to the income yield of a 2.5% increase in Council Tax
 - (b) the savings package approved last year as part of the MTFS (2011/15) is retained – it targets £69m over 4 years as follows –

	£m
2011/12	-36.864
2012/13	-15.445
2013/14	-8.186
2014/15	-8.718
Total	<u>-69.213</u>

- (c) full details of how Directorates propose to achieve the savings referred to in (b) above is provided in the **Supplementary Papers** enclosed with the main report
- (d) an indicative Council Tax increase of 3.5% has been included in the MTFS for each of the years 2013/14 and 2014/15. Each 1% of Council Tax is worth approximately £2.5m

- (e) one of the principal effects of accepting the Council Tax freeze grant in 2012/13 is that because it is for one year only, it effectively represents a £6.2m financial “cliff edge” in the following year 2013/14.

The main report shows how this, and a range of other + / – factors impact on the annual Revenue Budget for each of the 3 years covered by the updated MTFS. The Summary position is that in 2013/14 there is a recurring shortfall of £2.744m with a further shortfall in 2014/15 of £1.675m – a total, going into 2015/16, of £4.419m.

Notwithstanding the effect of possible changes to formula grant, etc, that the Government intend to introduce in 2013/14, there clearly will be a need to identify further recurring savings at some point before 2015/16

If the indicative Council Tax increases referred to in (d) above are reduced to say, 2.5%, this will significantly increase the shortfall figures in 2013/14 and 2014/15 referred to above.

3. The full Recommendations for the Budget / MTFS are contained at the end of the main report.

RICHARD FLINTON
Chief Executive

JOHN MOORE
Corporate Director – Finance and Central Services

County Hall
Northallerton

26 January 2012

NORTH YORKSHIRE COUNTY COUNCIL

EXECUTIVE

31 January 2012

REVENUE BUDGET FOR 2012/13 AND MEDIUM TERM FINANCIAL STRATEGY 2012/15

Joint Report of the Chief Executive and the Corporate Director – Finance and Central Services

1.0 PURPOSE OF REPORT

- 1.1 For the Executive to make recommendations to the County Council regarding the Revenue Budget 2012/13 and the Medium Term Financial Strategy 2012/15.

2.0 CONTEXT

- 2.1 The context for the 2012/13 Budget can be most usefully considered under three headings –

- the Government's Strategy for Local Government funding
- the County Council's savings programme, and
- the wider economic conditions for the UK

Government's Strategy for Local Government Funding

- 2.2 Last year the Government announced its Comprehensive Spending Review (CSR) setting out its spending proposals for Local Government over a four year period. These contained significant reductions in Government grant to local authorities and provided the basis for the Government subsequently announcing a two year grant Settlement for local Councils (for the years 2011/12 and 2012/13).
- 2.3 In response, the approach that was adopted by the County Council a year ago was to use this information to set out a 4 year Strategy (MTFS) for the County Council to reduce its own spending and to plan in more detail the two years covered by the grant Settlement.
- 2.4 In December 2011, the Government confirmed provisionally that the County Council's grant Settlement figure for the next financial year (2012/13) would be largely in line with its previous announcements.

Savings programme

- 2.5 As part of the Budget process for 2011/12, the County Council established a £69m savings programme spread over the 4 years of the MTFS. The approach that was taken in relation to this programme was to protect frontline services as far as

possible, to reduce internal bureaucracy and to increase the efficiency of the County Council. In line with this approach, a large proportion of this figure, an estimated £33m (approximately 50%), will be achieved through non-frontline budget reductions and efficiency measures. In addition, the County Council has had to take difficult decisions relating to service reductions in order for it to operate within the resources available. The County Council is on course to deliver all of the savings required in 2011/12 and the prospect of delivering the required savings for next year are also strong. This positive position is a reflection of the considerable efforts made across the County Council to address the financial challenges that lie ahead.

Wider economic conditions

- 2.6 The wider economic situation for the UK still remains very challenging, levels of growth within the UK economy are at best flat and as a consequence the Chancellor announced in his Autumn 2011 Statement that it will take longer to reduce the Government's budget deficit. The economic prospects of the country affect the County Council in a number of ways ranging from inflation levels, ability to achieve income targets, through to future funding settlements. Given the challenging economic situation, it is likely that the constraints that have been applied hitherto to public sector funding will continue for a longer period than was previously expected.
- 2.7 The Government has also announced its intention to make significant changes to the way in which Local Government is funded, and this, alongside the continuing expected pressures on public finances mean that it is difficult to forecast with any confidence what the grant position will be for the County Council over future years and whether the Government will be able to adhere to its spending plans set out in last year's Comprehensive Spending Review.
- 2.8 It can be seen from the above that 2011/12 has been a challenging year for the finances of the County Council, and these challenges are not likely to lessen over the years ahead. Over the last year the County Council has risen to these challenges. This can be evidenced by the progress that has been made in relation to achieving the savings target but also in relation to maintaining service performance.
- 2.9 There is a danger that when the County Council has placed so much focus on developing and implementing necessary savings plans that there is less focus on ongoing performance, and ensuring that the remaining resources are used effectively. However, the County Council has continued to perform strongly and there are a number of examples for this, including
- Ofsted have assessed the Children's Services as "performs well"; the assessment identified that the large majority of provision is either good or outstanding
 - the annual assessment of Adult Social Care by CQC graded the service as "excellent"
 - the report by Ofsted entitled "Edging away from care - how services successfully prevent young people from entering care" singled out the County Council as an example of excellent practice for its multi disciplinary approach which successfully prevent many young people from entering the care system

- an Ofsted inspection into the Adoption Service judged the service to be “outstanding”
- a CQC Inspection of the first point of contact with people seeking Adult Social Care support awarded the County Council the highest rating of “best performing”; the review included a number of mystery shopper calls into the Customer Services Centre
- the Archive System was rated in the highest category of four stars
- the Registration Service was inspected by the General Register Office during the year and rated in the highest category of “excellent”
- the IT Service Desk won this year’s industry award for this type of service from across a range of public and private sector entries
- Business and Environmental Services have successfully concluded a three year process of awarding a major highways contract for the next ten years
- the Highways Service have successfully delivered a major programme of highways repairs following the last two severe winters and including the delivery of an additional £6.5m repair programme funded from Central Government

2.10 It has been pointed out above that the Government has announced a Provisional Grant Settlement for 2012/13 largely in line with expectations. However, there has been an additional announcement that potentially effects the County Council’s financial position in subsequent years, and that is the Chancellor’s announcement of a grant equivalent to 2½% of a potential Council Tax rise for all Councils who freeze the level of their Council Tax for 2012/13. The grant that has been offered is for one year only and the consequences of this are considered within the report. It is for the County Council to consider whether to accept this grant offer from Government.

2.11 In summary therefore, the Government has provided a grant settlement for 2012/13 in line with expectations, the County Council is meeting its challenging financial targets in line with expectations however, predicting the future beyond 2012/13 looks to be more challenging.

3.0 **BACKGROUND TO REVENUE BUDGET AND MTFS**

3.1 In addition to providing a spending plan for the financial year, the preparation of an annual **Revenue Budget** is a legal requirement in order to set a Council Tax precept.

3.2 A **Medium Term Financial Strategy** (MTFS) is not a legal requirement, but in circumstances such as those that have faced the County Council in recent years, and will certainly be challenging the County Council in future years, it provides a means by which the County Council can

- ➔ identify the resources available to achieve corporate objectives over the medium / longer term
- ➔ link the Revenue Budget, Capital Plan and Treasury Management Strategy to each other

and thereby

- enable forward planning of services to take place with reference to levels of sustainable resources

3.3 The objectives of the MTFS, as established by the County Council are as follows:

- to support the **achievement of the vision and corporate objectives** expressed in the Council Plan
- to meet and **respond to the perceived needs and priorities of local people**
- to **maintain and improve service quality** and the Council's improvement planning priorities so as to secure high performance which is sustainable over the medium term

Given the future financial scenario this objective will be the real challenge over the next 3 / 5 years

- to **manage and minimise the risks** to local services and customers
- to achieve **effective use of all land and property assets**
- to **maintain unallocated revenue balances** equivalent to 2% of the net Revenue Budget
- to **contain any rise in the Council Tax to a reasonable level**

4.0 BUDGET CYCLE 2012/13

Introduction

4.1 The Medium Term Financial Strategy (MTFS) 2012/15 proposed in this report is designed to ensure that resources are both available and effectively deployed in order to provide County Council services to communities across North Yorkshire in line with the Council Plan and in the face of the financial challenge referred to in **Section 2**. Through the detailed expenditure plans reflected in the Revenue Budget for 2012/13, and the MTFS for subsequent years, the County Council will seek to improve efficiency, provide some necessary investment to manage or reduce identified risks, and to meet ongoing performance objectives. The Revenue Budget for 2012/13 represents a follow through of the financial plans put in place a year ago. The ongoing economic situation of the country will continue to create pressures in the spending levels of all local authorities, and the possible consequences of this for the County Council are examined in this report.

MTFS 2011/15

4.2 When the MTFS for 2011/15 was approved by the County Council a year ago, a set of assumptions were made. Critically, these included

- (a) accepting the Council Tax grant in 2011/12 (equivalent to the yield of a 2.5% increase in Council Tax itself)
- (b) year on year Council Tax increases thereafter of 2.5%
- (c) using the figures for grants (both specific and general) provided by the Government for 2011/12 and 2012/13 with a further year on year loss of grant assumed at the rate of 3% per annum for 2013/14 and 2014/15
- (d) total savings of £69m to be identified over the 4 years
- (e) the County Council's policy regarding a 2% minimum level of the General Working Balance would be retained

Provisional Local Government Finance Settlement (December 2011)

- 4.3 The Comprehensive Spending Review (CSR) announced in October 2010 set out the Government's public sector spending plans and ambitions for the four year period 2011/12 to 2014/15.
- 4.4 This was followed by the 2011/12 Local Government Finance Settlement in January 2011 which provided firm grant allocations to individual local authorities for 2011/12 and indicative allocations for 2012/13.
- 4.5 A second two year Settlement covering the latter two years of the CSR period 2013/14 and 2014/15 is expected to follow in late 2012. Based on proposals already announced by the Government as part of its Local Government Resource Review (initiated in March 2011), the distribution arrangements for grant in future is likely to be very different.
- 4.6 The 2010 CSR, 2011/12 Local Government Finance Settlement and Resource Review announcements have been followed by a series of Government consultation papers and proposals that will impact on the financial position of all local authorities in future years.
- 4.7 Following the indicative figures for 2012/13 announced as part of last year's settlement, the DCLG released details of the 2012/13 Provisional Local Government Settlement on 8 December 2011. These allocations are subject to a period of consultation which ends on 16 January 2012 with final figures expected to be confirmed in late January/early February 2012.
- 4.8 **The headline total formula grant allocation for the County Council for 2012/13 is £116.788m but this now includes continuation of the 2011/12 Council Tax Freeze grant (£6.149m) which was paid as a separate grant in 2011/12. The remaining £110.639m is exactly the same as notified as part of the 2011/12 Settlement so there is no further consequential impact to reflect in the current 2012/13 Budget/MTFS process.**
- 4.9 A summary analysis of this headline grant figure of £116.788m for 2012/13 is as follows:

Item	December 2011 Announcement
	£000
Actual grant in 2011/12	122,252
DCLG base adjustment for academies top slicing	-1,668
Adjusted base per DCLG	120,584
Reduction in grant funding	-9,945
Total general formula grant before Council Tax freeze grant	110,639
+ Council Tax freeze grant rolled over from 2011/12	6,149
= total formula grant for 2012/13	116,788
% reduction above } excluding Council Tax freeze grant	-8.2
% reduction before damping }	-2.9

- 4.10 A full analysis of the Provisional Settlement for 2012/13 was submitted to the Executive on 20 December 2011. As reported at the time, it was anticipated that the Final Settlement would have been notified by the time of preparing this report. According to the Government, the Final Settlement figures are now due to be released in late January / early February 2012 (ie too late to be included in this report). However, because it is not anticipated that the figures will change materially, if at all, the proposals in this report are based on the figures from the Provisional Settlement.
- 4.11 For the convenience of Members, a copy of the report to the Executive on 20 December 2011 is attached as **Appendix A**.
- 4.12 If the Final Settlement figures do require a change to the Recommendations contained in this report, supplementary details will be submitted directly to the County Council on 15 February 2012.
- 4.13 One of the key features of the Provisional Settlement was the offer of a further Council Tax freeze grant. This is considered in more detail in **Section 5** below.
- 4.14 The Provisional Settlement announcement also introduced the concept of a Council Tax referendum if a local authority was minded to increase its Council Tax year on year by more than a specified percentage. For County Councils this figure is 3.5%.
- 4.15 As the proposal in this report (see **paragraph 5.9** below) is to accept the further Council Tax freeze grant there is no further consideration of the referendum issue. For reference, however, summary details are provided in **paragraphs 7.8 / 7.12** of **Appendix A**).

Involvement of Members

- 4.16 In addition to reports to the Executive, Members have -
- (a) been briefed at workshops held on -
 - 19 October 2011
 - 2 November 2011
 - 6 December 2011- with a further Workshop scheduled for 8 February 2012
 - (b) received reports at Overview and Scrutiny Committees considering the savings proposed by the respective Directorates
- 4.17 Although the Workshop on 8 February 2012 will give Members the opportunity to consider the proposals in this report before they are submitted to the County Council on 15 February 2012, **a copy of this detailed report will be circulated to all Members as part of the papers for the County Council meeting to be held on 15 February 2012.**
- 5.0 **COUNCIL TAX**
- 5.1 For 2011/12, the Government introduced a Council Tax freeze grant that was offered on the basis that if a local authority agreed to set a nil increase in its Council Tax in 2011/12, then the Government would provide a grant equivalent to the yield of a 2.5% increase in that Council Tax. The Government indicated that this grant would be funded for at least the duration of the current CSR period (ie up to and including 2014/15).
- 5.2 The County Council accepted this grant and therefore there was no increase in Council Tax in 2011/12. The current MTFs then assumed Council Tax increases of 2.5% in each of the subsequent 3 years to 2014/15.
- 5.3 In October 2011 the Government announced details of additional grant funding to local authorities who agree to freeze their Council Tax for a second year in 2012/13 - see **Appendix 6 of Appendix A.**
- 5.4 This Council Tax freeze grant for 2012/13 will be equivalent to a 2.5% increase in Council Tax for local authorities, 3% for Police and Fire authorities and 2.75% for the City of London. The higher rate of grant being offered to Police and Fire authorities reflects the Government's commitment to protecting these front line emergency services.
- 5.5 To fund this new grant offer (as for 2011/12 this scheme will be voluntary), the Government has identified £805m (£675m for England) from efficiency savings and underspends by other Government departments.

- 5.6 The arrangements for funding the 2011/12 Council Tax freeze are unaffected by this new offer. However, a very important difference between the two years is that the grant for 2012/13 is payable for one year only. Thus it will not be built into the baseline for subsequent years; therefore local authorities taking up the grant offer will have to manage the 'cliff edge' impact in 2013/14 of the grant being a 'one off' payment in 2012/13.
- 5.7 The offer to the County Council is worth about £6.2m for 2012/13. Acceptance of the grant will have a significant impact on future years and require 'remedial' action involving one or more of the following:
- (a) identify further recurring savings
 - (b) increase Council Tax in 2013/14 (and subsequent years) by more than the 2.5% planned in the current MTFs to catch up from the recurring Council Tax yield loss of 2.5% in 2012/13
 - (c) use of the Reserves (eg General Working Balance or Pending Issues Provision) to bridge any timing gap arising from (a) and (b) above.
- 5.8 In terms of the impact on individual Council Tax payers, a freeze in 2012/13 would be worth £26 for the average Band D household in relation to the County Council's element of the overall Council Tax bill. A freeze by all authorities reflected in overall Council Tax bills (NYCC, District, Police and Fire) would be worth about £37 for a Band D household.
- 5.9 **It is recommended that there should be no increase in the level of Council Tax set by the County Council for 2012/13, but indicative increases of 3.5% will be included in the MTFs for 2013/14 and 2014/15. These indicative increases will be reviewed in the Budget cycles for these years alongside the impact of any further changes to the levels of grant funding, etc, that may be announced by the Government in due course. The 3.5% will, of course, be subject to any changes the Government may announce for later years in respect of the specified limit for a referendum (see paragraph 4.15 below).**

6.0 CONSULTATION

- 6.1 Each year consultation has taken place on the Budget / MTFs in order to test a range of views on priorities. The MTFs as approved by the County Council last year included a 4 year MTFs underpinned by a 2 year government funding Settlement. As a result, the Budget strategy for 2012/13 was largely determined last year. Nevertheless, consultation has been carried out again to check the views of people on the proposed approach to savings.
- 6.2 The following were invited to offer their views:-
- Citizens' Panel (a response from a representative sample of members of the public across North Yorkshire)
 - General public (via the web site and North Yorkshire Now e-mail shot)
 - Staff (via Key Messages and team meetings)

- Parish and Town Councils (direct invitation)
- Members (via Members Seminars, Member's budget briefings, Overview and Scrutiny Committee sessions on the budget and individual briefings)

In addition, certain voluntary / community and independent organisations have been included in specific discussions, particularly in HAS and CYPS. This has also included some hard to reach groups.

- 6.3 The Citizen's Panel provides a consistent method of testing attitudes towards proposals. The large majority of all respondents (87%) agreed with the County Council's approach to making savings; 18% 'strongly agree' with this approach and 69% 'agree'. When asked for priority areas in the future the most mentioned service areas were 'care for the elderly / disabled / vulnerable' (31% of the overall sample); 'highways/ roads (and road safety) / footways' (28%), and 'education / schools' (21%). These were followed by 'public transport / buses / bus passes' (16%); 'refuse collection / recycling / waste / litter' (13%); and 'policing / law and order' and /other emergency services' (total 15%, including 10% on 'policing').
- 6.4 When asked about whether or not the County Council should take the Council Tax grant for 2012/13 or increase Council Tax by an equivalent amount (ie 2.5%) 61% of the Citizens' Panel supported increasing Council Tax. This figure reduces to 53% when responses from the Parish and Town Councils are considered.
- 6.5 Views on future priorities were sought in recognition of a number of future financial uncertainties. This information will therefore help to inform any future strategy and further more detailed consultation will follow. It should also be noted that there will be more specific consultation on individual savings proposals and / or service changes in line with implementation plans.

7.0 RECONCILIATION OF FUNDING AVAILABLE TO SPENDING NEEDS

- 7.1 The detailed calculation of the funding available in each of the three years of the proposed MTFS is provided in **Appendix B**. The calculation takes into account the following -
- (a) loss of formula and specific grants. For 2012/13 this information is derived from the Provisional Settlement (see **paragraph 4.3 et seq** above). For the subsequent two years (ie 2013/14 and 2014/15) a further loss of year on year formula grant has been assumed at the rate of 1.3% in 2013/14, and 5.6% in 2014/15 (figures based on latest information relating to details within the CSR for those two years)
 - (b) accepting the Council Tax freeze grant in 2012/13 which is equivalent to a 2.5% increase in the level of Council Tax. Unlike the 2011/12 grant, this will not recur in subsequent years
 - (c) Council Tax increases of 3.5% in each of the subsequent years (ie 2013/14 and 2014/15)
 - (d) any variations in Council Tax yield due arising from Collection Fund surpluses / deficits notified by the Districts and related tax base variations

7.2 Based on **Appendix B**, the ‘available to spend’ figures for the County Council can be summarised as follows:

Year	Available to Spend £000s
2011/12	368,670
+ net decrease	- 5,248
= 2012/13	363,422
+ net increase	+ 6,914
= 2013/14	370,336
+ net increase	+ 2,132
= 2014/15	372,468

7.3 The calculation of aggregate spending requirement in each of the MTFS years is summarised in **Appendix C**. It starts with the current Base Budget and then adds, year by year, -

- (a) inflation for pay and prices
- (b) commitments / adjustments carried forward from last year’s MTFS
- (c) the necessary provisions included in the Corporate Miscellaneous budget for the financing of the Capital Plan, interest earned on balances, etc

7.4 Key assumptions/factors used in the preparation of **Appendix C** include

- (a) no provision for pay awards in 2012/13 but an allowance of 1% for 2013/14 and 2014/15 in line with “expectations” expressed by the Chancellor
- (b) due to the current low interest rate returns on cash investments, the continuing use of internal borrowing to finance the Capital Plan. This policy cannot be sustained indefinitely, but the current value of cash balances allied to the prospect of a continuing low Bank Rate, make this a cost effective approach for the majority of the MTFS period
- (c) the savings matrix put in place last year (totalling £69m) over the period 2011/15 is retained – see **Section 8** below for further details
- (d) as reported to Executive in the Quarter 2 Performance and Budget Monitoring report, there are additional savings arising from -

- (i) **BES** – base budget provision provided in 2011/12 for concessionary fares not required (£1m)
 - (ii) **CYPS** – accelerated matrix savings (£2.007m) – this is non-recurring cash released in 2012/13 but will assist the General Working Balance (see **paragraph 10.1** below)
- (e) the allocation of annual base budget increases of £3m to HAS for the year on year impact of demographic based demand is retained. When this allocation was introduced in last year’s MTFS, it was subject to annual review. This review has been complicated by recent organisational developments in the Health sector and the associated transfer of funds - for further details see **paragraph 9.14** below. The allocation of the additional £3m to HAS is therefore confirmed for 2012/13 but will be reviewed for 2013/14 et seq once the position with Health has stabilised

7.5 If the two sets of figures are brought together, they cast a net position for each of the years. Thus -

Item	2012/13 £000s	2013/14 £000s	2014/15 £000s
Funding (paragraph 7.2)	363,422	370,336	372,468
- Spending requirement	- 360,921	375,581	374,143
+ Council Tax grant			
Appendix C line (i)			
= Surplus (+) / Deficit (-) pa	+ 2,501	- 5,245	- 1,675
Cumulative year on year	+ 2,501	- 2,744	- 4,419

7.6 A year by year exemplification of the above, analysed by Directorate and reflecting the savings proposals explained in **Section 8** that follows is provided in **Appendix D**.

7.7 The conclusions to be drawn from the table in **paragraph 7.5** above are as follows:

- (a) in **2012/13** there is a forecast SURPLUS of £2.501m. Using the variance analysis provided in **columns (i) – (iii) of Appendix C**, it is clear that this is primarily due to a combination of ‘helpful’ factors eg no pay award, additional savings by BES and CYPS. The Council Tax freeze grant also matches the 2.5% Council Tax increase assumed for 2012/13 in last year’s MTFS.
- (b) the position changes in **2013/14** where there is a forecast in year DEFICIT of £5.245m. If this is offset by the 2012/13 surplus of £2.501m the recurring shortfall is reduced to £2.744m.

This shortfall is almost wholly attributable to the ‘cliff edge’ effect of taking the Council Tax freeze grant in 2012/13 – the grant does not recur so a £6.2m gap immediately appears in 2013/14.

Given that a number of other funding issues may affect the financial position in 2013/14 (**paragraphs 4.5 / 4.6** above refer), it is proposed at this stage that this in-year cash shortfall is funded from the General Working Balance.

- (c) notwithstanding any additional funding issues in **2014/15**, there is a further in-year forecast DEFICIT of £1.675m – this is in addition to the recurring shortfall of £2.744m at the end of 2013/14 explained in **paragraph (b)** above. Therefore, unless further savings are identified that will impact by 2015/16, the forecast accumulated annual recurring shortfall will be £4.419m. As is shown in **paragraph 13.13** below, the General Working Balance will be unable to ‘write-off’ this shortfall in 2014/15 without breaking the 2% minimum target set by the County Council.

7.8 Whilst the figures for 2013/14 and 2014/15 contain a range of assumptions that may, or may not, materialise the underlying conclusion is that additional savings will be required to be identified at some stage in the period 2013 – 2015.

8.0 SAVINGS MATRIX

8.1 Members will be aware that as part of the MTFS for 2011/15 approved a year ago, the County Council committed itself to savings totalling £69m.

8.2 These savings analysed, by year and by Directorate, are summarised below –

Directorate	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	Total £000
BES	-10320	-1400	1310	-1860	-12270
CYPS	-9150	-2960	-1340	-2400	-15850
HAS	-8951	-9170	-3260	-160	-21541
CEG (inc libraries)	-2299	-1000	-700	-50	-4049
F&CS	-1500	-100	-300	-200	-2100
Corp Misc	-4644	-815	-300	0	-5759
SUB-TOTAL	-36864	-15445	-4590	-4670	-61569
+ ONE COUNCIL	NIL	NIL	-3596	-4048	-7644
= REQUIREMENT	-36864	-15445	-8186	-8718	-69213

8.3 Progress with the savings is monitored regularly by the Management Board and reported to Members via the Quarterly Performance and Budget Monitoring Report.

- 8.4 The year on year pattern of required savings shown in **paragraph 8.2** above has been retained in the calculation of spending need referred to in **paragraph 7.3** above - thus although an individual Directorate may be able to accelerate the achievement of some of its savings (and hence produce a non-recurring cash windfall for the General Working Balance – see reference to CYPS in **paragraph 7.4(d)** above) or may suffer delays (the in year impact of which is effectively absorbed by the General Working Balance) the focus on achieving the overall target of £69m by the end of 2014/15 must be retained.

Directorate Savings

- 8.5 Details of the recurring savings approved for each Directorate are contained in the **Supplementary Papers** attached to this report.

Corporate Miscellaneous

- 8.6 In addition to the year on year adjustments to the various technical budgets that came under this heading, there are a number of specific issues relating to savings that warrant attention

(a) **Effect of change in Government approvals for Capital from borrowing to capital grant**

The full year impact of all Government capital approvals from 2011/12 being funded by grant rather than the previous mix of borrowing approvals and grant, is to reduce the annual borrowing requirement by about £33m. The consequential reduction in capital financing changes that have been built into the MTFS are about £0.8m in 2011/12. and £2.8m per annum thereafter (year on year increases)

(b) **Use of Internal borrowing**

The separate Treasury Management report indicates that consideration will be given to delaying external borrowing throughout the MTFS period, and funding annual borrowing requirements from revenue cash balances (ie running down investments). Based on the current and forecast differential between short term investment returns and longer term borrowing rates, this has the potential for achieving short term revenue savings as well as reducing investment exposure to credit risk. This internal borrowing option is reflected in the updated MTFS up to 2013/14 with consequential net savings of about £0.6m each year, up to and including 2013/14

(c) **Employee Terms and Conditions**

Changes to terms and conditions were negotiated with recognised unions for 2011/12 and 2012/13. They will save an estimated £2m pa by the end of 2012/13. Some of these changes took effect from April 2011 (notably 40p mileage rate) and further changes, including 2 days unpaid leave and the removal of overtime pay, will be implemented with effect from April 2012

One Council

8.7 The County Council initiated the One Council Organisational Change Programme in June 2010. The rationale of the Programme was to reduce costs within the organisation by a combination of:

- simplifying current processes
- standardising functions, systems and approaches, and
- sharing functions, systems and approaches

across the County Council

8.8 In the MTFs 2011/15 a provisional savings target for One Council was set at £7.6m (see **paragraph 8.2** above).

8.9 A progress report was submitted to the Executive on 29 November 2011 which identified 'savings expectations' for each of the nine workstreams; these are summarised below:

Potential	Workstream	Financial Saving Expectation £000s
High (£1m +)	Procurement and Contract Management	2,500
	Business Support and administration	1,750
	Management and Supervision	1,750
Medium (£250k to £1m)	Customer Access	700
	HR, Training and Workforce Planning	700
Low (£0 to £250k)	Property Management	250
	Systems and Data	175
	Financial Management	175
n/a	Strategic Support	0
		8,000

8.10 Work is currently in progress to establish how and when these 'expectations' might be achieved by each of the workstreams – the year by year targets (from **paragraph 8.2**) are:

	£000
2013/14	3,596
2014/15	4,048
	<u>£7,644</u>

- 8.11 It is already apparent that some workstreams will be able to generate savings in advance of 2013/14 – if so these will be a useful addition to the General Working Balance in advance of the problem years 2013/14 and 2014/15.

Equality Implications

- 8.12 The County Council must demonstrate that it pays due regard in its decision-making process to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities, with regard to the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex (gender) and sexual orientation. Members must consider compounding factors, such as the rural nature of the country, and the cumulative impact of proposals on groups with protected characteristics across the range of services. The impact of decisions on the County Council's activities as a service provider and an employer must also be considered.
- 8.13 The County Council continues to use the Equality Impact Assessment (EIA) process to support the collection of data and analysis of impacts. The EIAs, supplied to decision-makers as part of the decision-making process, provide a way of demonstrating "due regard".
- 8.14 There are no significant new savings proposals in this report, compared to the comparable report last year. EIAs were undertaken and provided to decision makers in respect of all significant proposals in the comparable report last year and are still available online at www3.northyorks.gov.uk/n3cabinet_cc/reports_/20110216_/06executiverepo/06executiverepo.pdf.
- 8.15 Some of the proposals outlined last year are undergoing further development and, where appropriate, the EIAs will be revised and provided to decision makers, for example as part of the relevant report to the Executive. Where the potential for adverse impact has been identified, services are seeking to mitigate this in a number of ways including developing new models of service delivery, partnership working and by helping people to develop a greater degree of independent living.

9.0 SERVICE MATTERS

- 9.1 When preparing the 2012/13 Revenue Budget (and updated MTFS) many of the principles and issues are effectively 'carried through' from the Budget/MTFS approved a year ago.
- 9.2 At a service level however there are developing issues which need to be recognised and/or addressed in this report.

Children and Young People's Services

Dedicated Schools Grant (DSG)

- 9.3 The DSG funds all Schools Block spending. This consists of delegated school budgets and some non-delegated central services including Special Educational Needs (SEN), Behaviour Support, Admissions and Early Years.
- 9.4 Since 2011/12, the DSG has included grants formally allocated for specific purposes. As a result the baseline DSG increased to £378.6m, compared with a 2010/11 allocation of £328m.
- 9.5 The baseline DSG is then reduced by two amounts to cover Academy funding:
- (a) the first of these is for Academy delegated budgets and reflects the amounts which would have in any case been delegated under the LMS formula arrangements to the individual schools
 - (b) the second amount, to cover LACSEG (Local Authority Central Spend Equivalent Grant) which is an amount in lieu of services funded by the non-delegated DSG and which Academies do not receive from the LA (although in some cases they can buy the service from the County Council).
- 9.6 These two deductions are reflected in the table below which shows an expected final DSG in 2011/12 of £353.5m. This may change, subject to any further Academy conversions before 31 March 2012.

Item	£000
Baseline DSG	378,601
Expected deductions for Academies	
- Academy delegated budgets	-25,039
- Academy LACSEG (to fund central services)	-92
Revised DSG	353,470

- 9.7 Overall the DSG for the County Council is expected to reduce due to continuing falling pupil numbers, but this will only be confirmed after the January 2012 pupil count. On 13 December 2011, the Government announced that for 2012/13 the individual GUF (Guaranteed level of funding per pupil) for each LA will continue to be held for a further year at the 2010/11 level. Therefore there will be a real terms cost pressure for schools and services funded from the DSG once inflation is taken into account.
- 9.8 The latest projection from schools suggests a decrease in pupil numbers in the secondary sector by around £2.8m. This is partly offset by increases in the Early Years and Primary sectors, leaving an overall decrease of around £1.2m. However, although these figures show the expected direction, they may change in the next few weeks when the final DSG is calculated. Based on these estimates therefore, the projected base DSG (before deduction for Academies) would reduce by around £1.2m to £377.4m. The final adjusted DSG for 2012/13, after taking into account the full year impact of Academies and proposed changes to the calculation by the

government, is likely to be around £346m, although, as stated above this figure will be confirmed after the January 2012 pupil count. Any additional Academy conversions would reduce the figure further, although the vast majority of this reduction would have been paid to the school anyway and therefore there is no effective impact on the Schools Block. The LACSEG deduction will increase slightly to take account of the full year effect of Academies and some changes proposed by government in the methodology but this will have only a marginal impact on the Schools Block and will not be known until the end of March 2012.

- 9.9 Within this figure there will be a real terms pressure for schools and services funded from the DSG once inflation is taken into account. As an illustration, for every 1% on inflation in the Schools Block, there would be an unfunded pressure of around £3.5m.

Pupil Premium

- 9.10 In addition to funding allocated from the DSG, schools were allocated £488 per pupil on Free School Meals or for children who were Looked After, and £200 for children from service families in 2011/12. This Pupil Premium therefore distributed £3.6m to schools in North Yorkshire in addition to the DSG. In 2012/13, the national amount available is set to double, from £625m to £1,250m next year, rising further to £2.5bn by 2014/15 and the Government has now published details of the 2012/13 multiplier. This has risen from £488 to £600 and from £200 to £250 (for service children). As the number of pupils being counted has also increased, the Government's "illustrative" figures for North Yorkshire indicate an overall increase from £3.6m to £7.8m. However these figures have not yet been verified by CYPS.
- 9.11 The total paid to schools will be based on numbers from the January 2012 pupil count and, by its nature, is not allocated in proportion to the overall budget of each school.

Summary

- 9.12 Although the settlement for schools in 2012/13 has been considerably better than for the rest of the County Council's services, and cash levels have been protected for a further year, cost pressures remain within the DSG. Work will continue to assess the impact of the final figures and further details will be available after the January 2012 pupil count.

Directorate Pressures

- 9.13 The Directorate faces a number of cost pressures arising principally from increased Regulatory requirements from central government and from the transfer to local government of responsibilities from central government for which there is anticipated to be a funding shortfall. Consistent with the approach reported to the Executive in the Quarter 2 Performance and Budget Monitoring report, these are to be funded within CYPS by further savings and the re-allocation of resources within the Directorate.

Health and Adult Services

- 9.14 As part of trying to improve the interface between health and social care the Department of Health (DoH) are making funds available via the PCTs for transfer to local authorities. The use of this funding locally will be on the basis of joint agreements between Health bodies and the County Council.
- 9.15 The detailed allocation of local funding in later years (following the demise of PCTs) remains uncertain but the DoH has confirmed that the overall national levels of resourcing will be maintained for the period of the CSR. On this basis it is estimated that HAS will receive total funding to the scale of £27m over the period 2011/12 to 2014/15. In addition negotiations continue with the PCT regarding the transfer of re-ablement monies from 2012/13.
- 9.16 It is intended that this funding will be used to secure the re-ablement function, develop out of hours support and improve hospital-to-home services together with targeted local initiatives designed to reduce hospital re-admissions and improve the interface between hospital discharges and social care.
- 9.16 The availability of this funding from Health will be factored into the annual review of additional local funding for HAS (see **paragraph 7.4(e)** above).

10.0 RELATED ISSUES THAT IMPACT ON THE MTFS

General Working Balance

- 10.1 The County Council has a policy of maintaining its General Working Balance (GWB) to a minimum level equivalent to 2% of the annual net Revenue Budget. The value of the GWB is, of course, impacted by in-year under / over spends. Based on the Q2 Performance and Budget Monitoring Report (submitted to the Executive on 22 November 2011) and reflecting on the likely position at Q3 (due to be submitted to the Executive on 28 February 2012) there is a projected net in year underspend of £1.7m. This is primarily due to the in year impact in 2011/12 of BES Concessionary Fares and accelerated CYPS matrix savings referred to in **paragraph 7.4(d)** above.
- 10.2 The forecast GWB position at 31 March 2012 is therefore as follows -

Item	£000
Balance brought forward @ 31 March 2011	8,836
+ projected net underspend	1,706
= forecast balance at 31/3/12	10,542

Note	Minimum 2% target at 31/3/12	7,373
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- 10.3 There is, of course, always the uncertainty attached to the Winter Maintenance budget. Although this winter has been relatively mild to date there are still two months to go before the year end. Any prolonged spells of bad weather would overspend the Winter Maintenance budget and require a “top-up” contribution from the GWB. Further details relating to the position of the GWB during the overall MTFS period are provided in **paragraph 13.11 et seq.**

Waste Strategy

- 10.4 The provision of additional funds for the Waste Strategy has been a feature of the MTFS for several Budget cycles. Based on a detailed financial model that has been developed with BES to reflect all aspects of the overall Waste Strategy, and therefore takes into account inflation, the annual increase in Landfill Tax, the increasing costs over time of recycling, waste treatment (as delivered by the PFI scheme) and residual waste disposal, the long term recurring costs are now estimated as follows -

Financial Year	Year on Year Drawdown £000	Base Budget £000	% increase	
			Year on Year	Cumulative
MTFS period	2011/12	24,623		
	2012/13	+ 2,102	+ 8.5	+ 8.5
	2013/14	+ 1,825	+ 6.8	+ 15.9
	2014/15	+ 3,240	+ 11.3	+ 29.1
Sub Total	+ 7,167			
	2015/16	+ 8,100	+ 25.5	+ 62.0
	2016/17	+ 3,545	+ 8.8	+ 76.4
Total Increase	2011/12 to 2016/17	+ 18,812		

- 10.5 Notwithstanding the additional funds applied to the Waste Strategy to date, the above table shows that by the end of the 3 year period covered by the updated MTFS, the estimated additional funding requirement is £7.167m (+ 29.1%) whilst over the extended 5 year period to 2016/17 it is £18.812m (+ 76.4%). The overall cost of the Waste Strategy over this extended period has not fundamentally changed, but the pattern of year on year funding requirements has changed to reflect the latest timetable for the PFI scheme.
- 10.6 The figures shown in **paragraph 10.4** extend beyond the period of the new MTFS. Thus the difference (£11.645m) between the total projected additional cost (£18.812m) and that falling in the MTFS period (£7.167m) is effectively the forecast cost of a known liability which could place additional pressure on the annual Budget of the County Council for the period to 2016/17, when the PFI Scheme is scheduled to be fully operational. Therefore, without preparatory financial planning, the extent of that pressure would necessarily have an adverse effect on the ability of the County Council to maintain its other key services to the performance standard being

delivered at the time because additional funds would have to be reallocated to the waste budget.

- 10.7 The preparatory financial planning referred to relates to the Pending Issues Provision (PIP). The County Council established this accumulating Provision as part of the 2008/09 Budget cycle. See **paragraph 10.8** below for details of how the PIP is used to fund the Waste Strategy.

Pending Issues Provision

- 10.8 To develop a financial strategy as part of the MTFS process that would ensure sufficient recurring funds are available in future years to meet the predicted year on year additional costs relating to the Waste Strategy (see **paragraph 10.4** above), an element of the funds available to the County Council since 2008/09, has been put aside in a Pending Issues Provision (PIP) (see **Appendix E**).
- 10.9 The Provision has accumulated in base Budget terms as follows -

Year	2008/09 £000	2009/10 £000	2010/11 £000
2008/09	3,314	3,314	3,314
2009/10		5,191	5,191
2010/11			5,889
Total available	3,314	8,505	14,394

- 10.10 However, as the table in **paragraph 10.4** shows, this accumulated recurring base budget provision of £14.394m would not be sufficient of itself to fund the anticipated future costs of the Waste Strategy.
- 10.11 The missing component is the element of inflation (including Landfill Tax increases) that is included in the financial model for the Waste Strategy (as referred to in **paragraph 10.4** above), but which is normally addressed as a separate item in the overall MTFS model.
- 10.12 To avoid possible duplication, a fixed sum of £1.25m pa was therefore added into the MTFS in 2010/11 to reflect averaged inflation and Landfill Tax arising from the Waste Strategy; this sum has been “re-priced” to £1.5m from 2013/14 to reflect inflation drift on waste costs since 2010/11. Whilst “charged” to the MTFS on an annual basis, this fixed sum is “paid into” the PIP annually (initially leaving BES with no inflation provision) but the draw-down from the PIP back into the BES budget is then a single all-inclusive figure calculated using the latest Waste Strategy financial model.
- 10.13 This approach keeps the cost control of the Waste Strategy in a single place, and can be readily adjusted (via the PIP) if the figures produced by the Waste model subsequently change, over the period to 2016/17, when the PFI facility is now expected to be fully operational.

10.14 The annual drawdowns necessary from the PIP for the Waste Strategy are clearly shown in the table in **paragraph 10.4** and are replicated (on an equal and opposite basis) in **Appendix E**.

10.15 In addition, to providing long-term funding for the Waste Strategy the cash paid into the PIP but not yet required by the Waste Strategy is available to fund non-recurring items. As **Appendix E** shows, significant allocations have been made to date from the PIP by the Executive. In particular, the PIP has been used recently to fund

- the introduction of re-ablement in HAS
- BrightOffice schemes in Craven, Harrogate, etc
- the transition of ICT systems to a Microsoft infrastructure
- redundancy fund

and Executive recently approved (17 January 2012) top-up funding for the Bedale Bypass.

10.16 The overall projected funding position of the PIP is shown in **Appendix E**. Taking into account the fact that the funds effectively shown as “paid in” for years 2012/13 et seq do not actually exist until these years **Appendix E** shows that the PIP has indicative funds available in future years for one-off issues, until such time as the Waste Strategy draws down its full and final requirement (currently scheduled for 2016/17).

The year on year indicative, and as yet unallocated, cash balances for the PIP are

Year	Balance pa £000	Cumulative balance £000	
2011/12	1,141	1,141	= actual cash
2012/13	861	2,002	= cash not yet 'actual' until year indicated
2013/14	10,263	12,265	
2014/15	8,085	20,350	
2015/16	254	20,604	
2016/17	-824	19,780	

Income from fees and charges

10.17 A significant part of the County Council budget is financed by income from fees and charges, to the public and businesses, or for services recharged to schools and external partners. Although not as large as the funds realised from Council Tax and grants, the financial challenge facing the County Council means that all aspects of funding need to be systematically reviewed.

- 10.18 Over the last few months a detailed project has been carried out to review aspects of fees and charges schemes across Directorates, covering the significant income streams, which total approximately £80m in the 2011/12 base budget.
- 10.19 As part of the work carried out by Price Waterhouse Coopers (PWC), that led to the One Council programme, it was agreed that they should review the information on County Council income against comparator authorities, and using their wider information gained from work in other authorities, prepare a “challenge document” of areas that the County Council might pursue, and that might increase the level of income generated. This work formed a starting point to the more detailed project that is now reaching its final stages. The same project also drew on earlier work, arising from previous MTFS initiatives to establish an income and charging policy, and to link this into individual reviews of the different fees and charging schemes used across the authority.
- 10.20 In summary, the project has:
- completed work on the income and charging policy and the related update of the Financial Procedure Rules
 - completed a detailed comparator analysis for the years 2006/07 to 2010/11. This has allowed the County Council to better understand both its absolute position in comparison with other authorities, as well as changes in that position over the period, to identify whether the position in that ranking is improving or deteriorating
 - followed up apparent anomalies to identify whether individual authorities’ schemes provide any basis that would allow the County Council to review its own approach to charging for particular services
 - reviewed particular issues arising out of the PWC Challenge document
 - developed an action plan for potential review areas for existing charging schemes, and potential areas for new charges.
 - provided a basis to support the ongoing review work, agreed previously, that each Directorate is undertaking as part of its budget planning.
- 10.21 It should also be noted that the current MTFS identified a range of income related savings initiatives. As part of the project, progress made against completing these initiatives and meeting those income targets has been reviewed. In 2011/12, specific targets totalling £1.35m have been met, and a further £0.15m has been identified in respect of Highways fees and charges and brought forward from the original scheduled implementation date of 2014/15. In respect of 2012/13, proposals totalling £0.38m have been reviewed and are still considered to be deliverable in that year.
- 10.22 The ongoing review of charging schemes, sits alongside the project described above. In particular, the Financial Procedure Rules now state:-

Except where they arise from existing contracts which regulate the matter, fees and charges within the control of the Council shall be subject to review at least annually (or as otherwise agreed by the Corporate Director – Finance and Central Services (CDFCS) by a Director and CDFCS except as provided in any specific agreements between the Council and relevant third parties. If the review results in a proposal to change the policy under which a fee or charge is determined the review shall be reported to the Executive before it is implemented.

10.23 Alongside the review project, therefore, the usual exercise to update all income streams has been undertaken on a service by service basis and the results reflected in the updated Budget / MTFS figures.

10.24 In this process charges have been reviewed in such a way that the yield will at least keep pace with inflation and/or the overall cost increase of the service for which the charge is made.

11.0 TECHNICAL ISSUES AND ASSOCIATED MATTERS

11.1 Within the proposed Budget / MTFS package, and as part of the Budget process generally, there are a number of technical issues and associated matters that need to be addressed in this report.

Calculation of Council Tax Requirement and Basic Amount of Council Tax

11.2 The Council has a duty as a major precepting authority in accordance with Section 42A of the Local Government Finance Act 1992 (as amended by Section 75 of the Localism Act 2011) to calculate its Council Tax requirement each year. Additionally in accordance with Section 42B of the Local Government Finance Act 1992 (as amended by Section 75 of the Localism Act 2011) it must also calculate the basic amount (Band D equivalent) of Council Tax for each financial year. There is a formal requirement for this calculation to be included in the Budget report. Full details are therefore provided in **Appendix F**.

Capital Plan

11.3 An updated Capital Plan (for the period up to 31 March 2015) will be submitted to the Executive on 28 February 2012 as part of the Quarter 3 Performance Monitoring report for 2011/12.

11.4 The revised Capital Plan will be based on the version approved by Executive on 29 November 2011 but updated to incorporate -

- ➔ the implication of capital approvals announced as part of the 2012/13 Provisional Local Government Finance Settlement
- ➔ movements between the Capital Forecast and Capital Programme elements of the Capital Plan
- ➔ additions of variations to schemes that are self funded (ie through grants, contributions, revenue contributions and earmarked capital receipts)

- ➔ re-phasing of expenditure between years
- ➔ virements between schemes resulting from variations in scheme costs (eg arising from a tender process) and ongoing reassessment between priorities within a Directorate's finite central total
- ➔ additional schemes and provisions approved by Executive
- ➔ various other miscellaneous refinements

- 11.5 Although a detailed Capital Plan is not being submitted to this meeting (see **paragraph 11.4** above), the expenditure / financing requirements of the Plan are available in sufficient detail to enable the reports referred to below in **paragraph 11.7** to be submitted to this meeting.
- 11.6 Accordingly, the financing costs (interest and principal) required to finance this updated Capital Plan are reflected in the 2012/13 Revenue Budget package within Corporate Miscellaneous – see **Supplementary Paper G**. Financing costs for the subsequent years are also reflected within the MTFS papers (see **Appendix C**).
- 11.7 Members will be aware that the way in which the borrowing requirements for the Capital Plan of the County Council are now managed and financed is directly linked to:
- ➔ the **Prudential Indicators**
 - ➔ the **Treasury Management** arrangements

Because of these close links, reports on both of the above are also included on this Agenda and need to be recommended to the County Council as part of the “Budget set”.

- 11.8 Because of the direct links between the size of the Capital Plan and the impact of consequential financing costs on the Revenue Budget / MTFS, the Treasury Management report referred to in **paragraph 11.7** above reflects the principle, agreed several years ago, to cap the level of capital financing costs as a proportion of the annual Net Revenue Budget. The level set (@ 11%) will continue to accommodate the impact of the Capital Plan (as referred to in **paragraph 11.6** above) but will place a constraint, unless Members consciously reset the %, on the extent to which the Capital Plan can be expanded in future particularly by the use of locally determined Prudential borrowing. As indicated in the separate Treasury Management report, the % will be automatically reviewed annually as part of the Budget / MTFS process.

North Yorkshire Pension Fund

- 11.9 The County Council as an employer is required to pay contributions into the North Yorkshire Pension Fund (NYPF) on behalf of those members of staff who have joined the Fund.

- 11.10 The County Council is the administering authority for the North Yorkshire Pension Fund on behalf of 76 employers (including itself). Every three years a formal Actuarial Valuation has to be undertaken to validate that the level of employer contributions is appropriate to finance the long term (ie staff pension) liabilities that are accruing in the Fund.
- 11.11 The latest Triennial Valuation, based on employee data at 31 March 2010, was signed off by the Pension Fund Committee at its meeting on 17 February 2011, and revised employer contribution rates came into effect for the three years 2011/12, 2012/13 and 2013/14.
- 11.12 The next Triennial Valuation is scheduled for 31 March 2013 with the resultant employer contribution rates coming into effect for the 3 years from 2014/15.
- 11.13 Under the 2010 Triennial Valuation the Actuary determined that the employer contribution rate shall consist of two separate elements. Effective for the three years from April 2011, a Future Service Rate (FSR) of 12.4% has been calculated to meet the cost of benefits that will be accrued by staff in the future. A Past Service Rate (PSR) of 6.8% has been calculated to meet the cost of accumulated unfunded liabilities (ie the deficit). The total (ie combined) employer contribution rate is therefore 19.2% which, in principle, would be unchanged from 2010/11.
- 11.14 In determining the PSR, the Actuary established a range of assumptions including one for pay growth over the long term, being the period over which the Fund's deficit is expected to be clawed back. However, in consideration of the public sector pay freeze and planned reductions in County Council staffing levels, the Actuary recognised that a gap may arise between these assumptions and an anticipated but unquantifiable (at the time of the Valuation) reduction in payroll (from which employer contributions are generated).
- 11.15 From April 2011 the PSR will, therefore, be expressed as a cash requirement rather than a percentage. The amounts equivalent to a PSR of 6.8% are £13.3m in 2011/12, £13.9m in 2012/13 and £14.6m in 2013/14. The FSR for 2011/12 of 12.4% is equivalent to £20.8m, therefore the total "cash to be paid in requirement" in 2011/12 is £34.1m. Of this, £13.5m relates to staff employed by schools and traded services so the figure of £20.6m (ie £34.1m minus £13.5m) represents the impact on the Net Revenue Budget for the purposes of the Budget process.
- 11.16 In practice, the County Council will continue to apply an employer rate of 19.2% to payroll but in order to meet the possible shortfall between this and the cash requirement referred to in **paragraph 11.15** above, a cumulative provision in Corporate Miscellaneous has been made of £720k in 2012/13 and £2.1m in 2013/14, and £2.1m in 2014/15. The ongoing need for this provision will be reviewed after the next Valuation.

Mileage rates for Education Appeal Panel Members

- 11.17 The Independent Remuneration Panel considered the situation of Independent Education Appeal Panel members in October 2011. The Appeal Panel Members, by Regulation, fall outside of the normal rules for remuneration for Council Members. Given the important and demanding statutory work on Education Appeals undertaken by the Panel for the County Council, in most cases without

remuneration other than mileage, on further consideration it is proposed, on an exceptional basis, to increase the Appeals Panel Member mileage rate to the HMRC rate of 45p per mile. The estimated cost is less than £2k pa.

Pay Policy Statement

Outline of New Requirements

11.18 The Localism Act includes the requirement for all Local Authorities to produce a Pay Policy Statement. Section 40 of the Act requires authorities to have regard to any guidance published by the Secretary of State. Further final guidance is pending from CLG and was due in late December 2011. County Council policy will need to take account of the final guidance when published.

11.19 In summary, the Pay Policy Statement must:

- be produced annually in time for the start of each financial year
- be approved by full Council and the power cannot be delegated
- be published, as a minimum, on the Council website soon after approval/amendment
- be complied with when setting terms and conditions for Chief Officers, set out the policies for the financial year relating to the remuneration of the Head of Paid Service (HoPS), Statutory Chief Officers, Non-Statutory Chief Officers (who report to HoPS or a Statutory Chief Officer) and any Deputy Chief Officers (who report to a Non-Statutory Chief Officer) and also the remuneration of the lowest paid employees.

The Pay Policy Statement can be amended in year but again only on resolution by full Council and does not require Schools staff to be included.

11.20 The Localism Act accepts that authorities are free to determine their own approach to remuneration, but requires Councils to be open about this and ensure all Councillors determine the Policy.

11.21 There are minimum requirements the Policy must address either determined specifically by the Act or in statutory guidance from the Secretary of State to which the Council must have regard. The guidance is currently in draft. The Policy can also be used as an opportunity to go further than these minimum requirements to support the Government's stated transparency and accountability agenda and to positively explain the authority's approach to remuneration of staff.

11.22 There is a link between this requirement in the Localism Act and DCLG's separate Code Of Recommended Practice on Data Transparency which suggests the following is published

- senior employee salaries, names (with option to refuse), job descriptions, responsibilities, budgets and numbers of staff
- staff structure with salary bands and vacant posts
- the 'pay multiple' in the authority – the ratio between the highest paid salary and the median average salary of the whole workforce.

Minimum Requirements

11.23 The Act and the draft guidance state the Policy must address the following:

- all aspects of remuneration for each Chief Officer including base salary (or payments when on a contract for services), expenses, bonuses, PRP, earn back, honoraria, ex-gratia payments, election fees, joint authority duty payments, termination payments including redundancy/severance payments, including additional pension, re-employment when the Chief Officer is in receipt of LGPS pension and/or a flexible retirement arrangements
- remuneration of the lowest paid in the workforce including the authority definition of the lowest paid employee and the reasons for the definition (eg the authority's lowest pay point and how it was decided)
- relationship between the remuneration of Chief Officers and other staff – policy towards maintaining or reaching a specific pay multiple

11.24 In addition, full Council must be given the opportunity to consider salary packages in excess of £100k for new appointments before they are offered. The guidance advises authorities to build in flexibility to address recruitment issues for vacant posts (eg market supplements) and how the use of this flexibility will be approved so as to avoid the need for in-year amendments to the Pay Policy Statement.

A More Detailed Approach

11.25 The Policy can also be used to provide more detail which in addition to minimum requirements covers some or all of the following:

- which terms and conditions apply and their source – national or local terms and conditions, etc
- other payments (eg professional fees)
- Policy implementation arrangements (eg use and role of remuneration committees, etc)
- relevant supporting evidence – labour market data, pay comparisons
- any need for differentiated approaches to attracting/retaining talent in particular areas of the workforce
- information on, or signposts to, levels of responsibility for Chief Officer posts above and beyond job descriptions
- the context for senior pay in the public sector (eg reference the Hutton Review)
- signpost information on what was paid to Chief Officers in the previous year
- where the authority has pay incremental pay scales, outline the policy on appointment to the scale
- employers pension contributions
- provision of outplacement support, coaching etc to Chief Officers and other staff

- an extension of the policy to cover higher paid staff who are not Chief Officers
- any policy the authority may have towards the pay of staff working for contractors

11.26 The draft Pay Policy Statement for the County Council (see **Appendix G**) is broader than the minimum requirements in the Localism Act, and covers the areas outlined above.

New appointments - Approval of salary packages in excess of £100k

11.27 The draft Pay Policy Statement details the pay package and salary band for Chief Officers. An appointment will not be made to an alternative or varied pay and remuneration package without a recommendation being submitted by the Chief Officers Appointments and Disciplinary Committee to full Council and agreed by it. There may be a need to appoint a Chief Officer during the time frame of this Pay Policy Statement given the transfer of Public Health from the NHS to local authorities. This is the post of Director of Public Health, which will be a statutory Chief Officer post.

Amendments to the Pay Policy Statement

11.28 There is no expectation that this Policy will need amending during the period it covers (April 2012 to end March 2013). However, if circumstances dictate that a change of Policy is necessary and appropriate during the year then a revised draft Policy will be presented to full Council for consideration.

Transparency

11.29 All the information provided in the attached Pay Policy Statement has been fully disclosed and accessible to the public for a number of years via the website and published data and information

11.30 The full Recommendation relating to the Pay Policy Statement is at **paragraph 16.7**.

12.0 RISK ASSESSMENT

12.1 The County Council has a formalised and systematic approach to assessing and evaluating risk. The corporate level risk assessment has recently been considered by both the Executive and the Audit Committee, and relevant issues are reflected in both the Revenue and Capital strands of the MTFS (see **paragraphs 12.6 / 12.7** below).

Service Risks

12.2 There are particular service risks associated with the savings proposals which are referred to in the **Supplementary Papers**. In addition, there are risks which the County Council has managed for many years – such as bad weather (winter maintenance and flooding), increasing demand for services and market pressures

on costs and the increasing regulatory requirements relating to the disposal of waste.

- 12.3 However, it is clear from the details provided in this report that the biggest, single risk is now the combination of an adverse impact on service performance created by the need to make significant savings in key services, and their infrastructure support, allied to the financial risks of these savings not being achieved in the required timescale.

Financial Impact

- 12.4 As described in **paragraph 13.4** of this report, the robustness of the estimates and the adequacy of the reserves / balances is a measured judgement offered by the S.151 officer. The risks and assumptions inherent in the 2012/13 Budget package are referred to throughout this report.
- 12.5 These risks will continue into Years 2 and 3, of the MTFs and beyond - an assessment of their potential financial impact in these years has been reflected in the expenditure and funding figures used in **Appendix D**.
- 12.6 Examining the key financial components of the Budget reveals where the financial risks lay. Thus, using a simple High / Medium / Low rating system, **the risk assessment of things NOT going to plan and/or impacting adversely on the finances of the County Council in the future is as follows -**

- | | |
|---|------------|
| <p>→ Government Grant is only fixed for 2012/13. On the grounds of prudence the MTFs has used the CSR assumption that grants will reduce in Years 2 and 3 of the MTFs. Every 1% variation in this assumption is equivalent to £1m – the effect of the Government’s proposals relating to Business Rates, and the localisation of Council Tax Benefit, etc, will also impact in 2013/14 et seq</p> | H |
| <p>→ there is no increase in Council Tax proposed for 2012/13 (it is replaced by the Government’s Council Tax freeze grant). The County Council has however assumed a 3.5% Council Tax increase for each of Years 2 and 3 – this may be subject to change, with a 1% increase or decrease adding or subtracting £2.5m of spending capacity in a single year together with the associated +/- knock-on effect into subsequent years</p> | M |
| <p>→ income from fees and charges is potentially more volatile but does not have the same magnitude of financial impact as the loss of grant and / or the level of Council Tax increase – see paragraph 10.17 et seq for details of the review undertaken as part of the Budget process</p> | L/M |

<p>→ due to the impact of the CSR / Final Settlement on the level and range of specific grants now receivable, the remainder are not considered as critical in risk terms as in previous years. However, for those services still funded wholly or in part by specific grants (eg Schools and DSG) they should be monitored carefully, particularly if the grant has a fixed life</p>	L/M
<p>→ the level of the General Working Balance (GWB) has been reviewed and the 2% policy target (c£7m) is deemed to be adequate (see paragraph 13.11 et seq for more details). However, given the difficult financial times that lay ahead, and in particular the forecast shortfalls in 2013/14 and 2014/15 the GWB will need to be monitored carefully with recourse to the Pending Issues Provision if necessary</p>	H
<p>→ the Reserves/Provisions (other than the GWB) have been reviewed and are assessed as adequate for their purpose (see paragraph 13.9 for details). However if they are required to cash flow the Budget shortfall at some point in the MTFs period, the risk of their non-reinstatement attracts a High risk assessment (*)</p>	L (H if * applies)
<p>→ regarding the MTFs major expenditure problems, if left unaddressed, would be the impact of the Waste Strategy and the demand for Adult Social Care. This Budget report addresses both issues; if it did not, the MTFs would carry a HIGH risk assessment</p>	L
<p>→ this leaves the annual expenditure budget and the potential for adverse volatility that it contains. Reference is made to the robustness of the estimates (see paragraph 13.4 below) and Appendix J refers to the linkage between the budget monitoring arrangements and the GWB. The pressures that may create adverse volatility are as follows –</p> <ul style="list-style-type: none"> • single, unpredicted events (eg flood, winter maintenance) - assessed as Medium if the target level of the GWB can be maintained • non achievement of the planned recurring savings –considered a High risk in terms of impact and Medium in terms of probability • unplanned, but eligible demand for services - now considered Medium given the arrangements in place for Adult Social Care 	M H/M M

12.7 **The conclusion from the above risk assessment is that the need to achieve the existing savings package (ie £69m) is paramount with a compounding adverse financial impact if it is not achieved. Further savings are then forecast to be required in 2013/14 et seq. Without a robust review and decision making process to address this issue in due course, the County Council may struggle to balance its Annual Revenue Budget in those years without compromising the priorities and objectives in the Council Plan and its accompanying MTFs.**

Corporate Risk Register

- 12.8 An exercise has also been undertaken to map the proposals in the Budget/MTFS package against the strategic risks reflected in the current Corporate Risk Register. The details of this analysis are presented in **Appendix H**.

13.0 **STATUTORY REQUIREMENTS OF THE LOCAL GOVERNMENT ACT 2003 IN RELATION TO BUDGET SETTING AND RESERVES**

Background

- 13.1 An analysis of the requirements of the 2003 Act as it affects the Budget setting process is provided in **Appendix I**. The key part is Section 25 which is addressed below.

Section 25

- 13.2 Under the terms of Section 25 of the Local Government Act 2003 the S.151 Officer is required to report to the County Council, at the time when it is making its Precept, on two specific matters viz:

➔ **the robustness of the estimates** included in the Budget, and

➔ **the adequacy of the reserves** for which the Budget provides

- 13.3 The County Council then has a statutory duty to have regard to this report from the S.151 officer when making its decisions about the proposed Budget and consequential Precept (see **paragraph 13.16** below for the Section 25 opinion of the S.151 officer).

Robustness of the estimates

- 13.4 In accordance with the principles laid out in **Appendix I**, the Corporate Director – Finance and Central Services has undertaken a full assessment of the County Council's potential financial risks in the period 2012/13 to 2014/15 including:

➔ the realism of the Revenue Budget 2012/13 estimates for

- price increases
- fee / charges income
- loss/tapering of the remaining specific grants and/or changes to their eligibility requirements
- provision for demand led services including Waste, Adult social care, Special Educational Needs, Home to School Transport, Highways Winter Maintenance and others
- the financing costs arising from the Capital Plan; the existing policy decision to establish a cap (at 11%) on the level of capital financing charges as a proportion of the annual Net Revenue Budget provides additional assurance on this aspect of the Budget
- the impact of current and forecast interest rates on the expected returns from investment of cash balances

- the probability of achieving the necessary savings targets required to minimise the likely drawdown on Reserves / Balances
- ➔ the realism of the Capital Plan estimates in the light of
 - the potential for slippage and underspending of the Capital Plan
 - the possible non achievement of capital receipts targets and its implications for the funding of the Capital Plan
- ➔ financial management arrangements including
 - the history over recent years of financial management performance
 - the impact on current financial management arrangements of the Budget savings required by Finance and Central Services, whilst at the same time retaining a capability to help achieve the necessary saving targets across the County Council as a whole
- ➔ potential losses including
 - claims against the County Council
 - bad debts or failure to collect income
 - major emergencies or disasters
 - contingent or other potential future liabilities

13.5 An assessment has also been made of the ability of the County Council to offset the costs of such potential risks – the MTFS therefore reflects:

- ➔ the provision of a contingency fund in the Corporate Miscellaneous budget
- ➔ specific provisions in the accounts and in earmarked reserves
- ➔ a commitment to maintain the level of the General Working Balance at its 2% policy target level
- ➔ comprehensive insurance arrangements using a mixture of self funding and external top-up cover

13.6 Estimates used in the MTFS for the years 2013/14 and 2014/15 are also based on pragmatic assumptions taking into account:

- ➔ future pay and price increases across all services
- ➔ anticipated further reductions in both specific and general grants in Years 2 and 3 of the MTFS
- ➔ the impact of the economic situation on future interest rates, the Council Tax taxbase and District Council Collection Fund surpluses
- ➔ policies and priorities as expressed in the Council Plan and associated Service Plans
- ➔ the need to plan for the forecast cost impact of the Waste Strategy in the years beyond 2014/15
- ➔ commitments in terms of demographic changes and other factors that create demand for services (eg adult social care, safeguarding of children)

- ➔ known changes in legislation and taxation (eg the Government's proposals regarding the localisation of Business Rates and Council Tax Benefits from 2013/14)
- ➔ a risk assessment of the likelihood of the County Council being able to make the spending adjustments necessary in time to balance its MTFS to the levels of funding available.

- 13.7 It must be recognised however that whilst these estimates for future years are based on pragmatic assumptions, some elements thereof are subject to a degree of potential variance as actual expenditure in those future years can be significantly affected by factors outside the control of the County Council that occur after the annual Revenue Budget / MTFS is approved. For budgetary control purposes the County Council operates a system of cash limits for each Directorate. With rules permitting the carry forward of under and overspends at each year end, it is accepted that within these yearly cash limits for each Directorate there is an expectation placed on both the Executive Portfolio Holder and the respective Corporate Director that expenditure pressures in one part of their Budget will be managed against underspendings elsewhere and / or across financial year ends.
- 13.8 These cost pressures and variances are monitored on a regular basis and reported, alongside other key performance information, to the Executive on a quarterly basis. The Budget process also provides an annual opportunity to comprehensively review and recalibrate the future years within the MTFS. These monitoring processes will be critical in identifying the progress of the County Council in achieving the saving targets that underpin the proposed MTFS.

Adequacy of Reserves and Provisions

- 13.9 As explained in **Appendix I** all the current balances and reserves have been examined as to their adequacy and purpose – see **Appendices J, K and L**.
- 13.10 Based on this analysis, the Budget / MTFS proposals reflect:
- (i) maintaining the policy target level of 2% for the General Working Balance (GWB) (see **paragraph 13.11 et seq** below)
 - (ii) no need for any drawdown from the General Working Balance (or any other specific Reserve) to balance the Revenue Budget in 2012/13 – in fact the Budget forecast is for a contribution to the GWB in 2012/13 of £2.5m
 - (iii) the use of the GWB to fund the forecast shortfall of £2.744m in 2013/14
 - (iv) the use of the GWB to fund the forecast shortfall of £4.419m in 2014/15. If this drawdown reduces the value of the GWB to below its 2% target, the balance will be taken from the Pending Issues Provision

General Working Balance

- 13.11 Members will be aware that the MTFS policy in relation to the GWB is to achieve, and then maintain, a level of the GWB equivalent to 2% of the net Revenue Budget.

- 13.12 This policy is accompanied by a set of "good practice rules" (see **Appendix J** for full details). The Executive remains committed to maintaining this target level throughout the MTFS period and recognises that the "rules" are part of the financial discipline required to ensure the County Council achieves that policy aim.
- 13.13 Taking into account the fact that the value of the net Revenue Budget changes each year, the likely year end figures for the GWB are summarised below (**Appendix K** provides full details of the various +/- impacts on the GWB that arise from the proposals in this report).

Year End Date	MTFS 2011/15		MTFS 2012/15	
	£000	% of Net Revenue Budget	£000	% of Net Revenue Budget
31 March 2011	7,361 *	2.1	8,836 °	2.2
31 March 2012	7,361	2.0	10,542	2.9
31 March 2013	7,361	2.0	13,043	3.6
31 March 2014	7,361	2.0	10,299	2.8
31 March 2015	7,361	2.0	5,880 †	1.6

Note : * projected ° actual † in practice GWB would be topped up to £7.449m (= 2%) from the PIP

- 13.14 On the basis of the GWB at 31 March 2011 (£8.836m) and the projected GWB at 31 March 2012 (£10.542m) it is evident that the County Council is ahead of its policy target level of 2%. However, given the uncertainties attached to Years 2 and 3 of the MTFS 2012/15, it is essential that GWB funds are retained until 2013/14 when they will be required to underwrite the Revenue Budget until such time as necessary recurring savings are implemented.
- 13.15 Given that the pressures on the GWB will increase over the duration of the MTFS the Corporate Director – Finance and Central Services is satisfied that the good practice rules (referred to in **paragraph 13.12** above) are in place to ensure that the necessary consequential actions will be taken as and when required.

Section 25 opinion of the Corporate Director – Finance and Central Services

- 13.16 **Taking all these factors and considerations into account the Corporate Director - Finance and Central Services is satisfied that the estimates used in the Revenue Budget 2012/13 and the associated MTFS for 2012/2015, as proposed, are realistic and robust and that the associated level of balances/reserves is adequate within the terms of the approved policy in relation thereto. This opinion has the proviso, however, that given the potential Revenue Budget shortfalls forecast in 2013/14, and 2014/15, the S151 Officer would expect to see steps taken in those years (or preferably before) to ensure that the necessary level of additional recurring savings are in place.**

14.0 DELEGATION ARRANGEMENTS

- 14.1 It is the responsibility of the Executive to ensure the implementation of the Budget once it is agreed by the County Council, and the Officer Delegation Scheme sets out the authority delegated to the Corporate Directors in relation to the implementation of the Budget within their service areas, subject to the Budget and the Policy framework.

15.0 CONCLUSIONS

- 15.1 The biggest financial challenge that lies ahead for the County Council is managing the impact of the significant reductions in levels of grant funding in the years ahead from 2012/13.
- 15.2 In these circumstances the County Council has a major task in maintaining service delivery at current levels. Despite widespread awareness of the national financial situation, feedback from the consultation process suggests there is little public appetite for reductions in service at local level.
- 15.3 The updating of the Medium Term Financial Strategy has underlined the absolute need for the savings matrix to be achieved in order to resolve the significant gap between spending needs relative to potentially available resources. The challenge facing the County Council for the next 3 years, will be to continue the work on the MTFS so that options to reconsider policies, identify opportunities to reduce costs without effecting performance or service quality etc, can be factored into the Budget cycles for 2013/14 and beyond. Whilst the County Council will continue to seek efficiencies, it is unrealistic to assume that these alone will close the funding gap that is expected to re-emerge in 2013/14. There will have to be further savings in due course with a consequential potential impact on service delivery.
- 15.4 Notwithstanding these challenges the County Council continues to have robust performance management and financial systems on which it can rely to provide the information necessary to assist the difficult decisions that will be required in the future.

16.0 RECOMMENDATIONS

- 16.1 That the Executive recommends to the County Council the following:
- (a) In accordance with Section 42A of the Local Government Finance Act 1992, that a net Council Tax requirement for 2012/13 of £246,555k be approved and that a Council Tax precept of this sum be issued to billing authorities in North Yorkshire
 - (b) In accordance with Section 42B of the Local Government Finance Act 1992 a basic amount (Band D equivalent) of Council Tax of £1,057.48 be approved
 - (c) a net Revenue Budget for 2012/13 of £363,422k be approved and that the financial allocations to each Directorate, net of planned savings, be as detailed in **Appendix D**, subject to the Corporate Director – Children and Young People’s Service being authorised, in consultation with Executive Members, to take the final decision in March 2012, on the allocation of the Schools Block
- 16.2 That the Executive also recommends to the County Council:
- (a) that the arrangements under which additional funds are allocated each year in respect of Adult Social Care and the Waste Strategy are reviewed at least annually
 - (b) the continuation of the Pending Issues Provision as detailed in **paragraph 10.16**
 - (c) that the policy target for the minimum level of the General Working Balance be retained at 2% of the net Annual Revenue Budget
- 16.3 That the Executive recommends to the County Council the Medium Term Financial Strategy 2012/2015, and its caveats, as laid out in **Section 7** and **Appendix D**.
- 16.4 The Executive draws to the attention of the County Council
- (a) the Section 25 assurance statement (and its proviso) provided by the Corporate Director – Finance and Central Services regarding the robustness of the estimates and the adequacy of the reserves (**paragraph 13.16**) and
 - (b) the risk assessment of the MTFS detailed in **paragraph 12.6**
- 16.5 That the Executive notes the delegation arrangements referred to in **paragraph 14.1** that authorise the Corporate Directors to implement the Budget proposals contained in this report for their service areas.
- 16.6 That the mileage rate to be paid to the Independent Members of the Education Appeals Panel shall be the HMRC rate of 45p per mile, with effect from 1 April 2012.

/cont...

16.7 That in relation to the Pay Policy Statement

- (a) that full Council consider and approve the draft Pay Policy Statement covering the period April 12 to March 13 (**Appendix G**)
- (b) that Chief Officer and other staff appointments shall be undertaken in accordance with the procedures and delegations in the Council's Constitution and the determination of the remuneration and other terms and conditions which shall apply to a Chief Officer post on appointment must comply with the Pay Policy Statement, provided that if it is proposed to make an appointment on terms and conditions which do not comply, the matter shall be referred to full Council for consideration as to whether the Pay Policy Statement should be amended prior to a final offer being made to any candidate.
- (c) that any amendments proposed to Chief Officer remuneration and other terms and conditions, which would comprise an amendment to the Pay Policy Statement shall be considered by the Chief Officers Appointments Committee, or in the case of Assistant Directors and Assistant Chief Execs by the Chief Executive, and recommended by them to full Council for approval.
- (d) that the Constitution and particularly the Terms of Reference and Powers of the Chief Officers Appointments and Disciplinary Sub-Committee and the Staff Employment Procedure Rules be amended to reflect the requirements of the legislation in relation to the Pay Policy Statement and the recommendations at (a) to (c) above

RICHARD FLINTON
Chief Executive

JOHN MOORE
Corporate Director – Finance and Central Services

County Hall
Northallerton

26 January 2012

Background Documents

- **Quarterly Performance and Budget Monitoring Report**
Reported to Executive (22 November 2011)
 - **One Council Organisational Change Programme**
Reported to Executive (29 November 2011)
 - **Provisional Local Government Finance Settlement 2012/13** Reported to Executive (20 December 2011)
 - **Grant Settlement Working Papers**
 - **Budget / MTFS Working Papers**
 - **Consultation Papers**
 - **Equalities Impact Assessments**
- Contact Josie O'Dowd ext 2591
- Contact Peter Yates ext 2119
- Contact John Moore ext 2531
- Contact Gary Fielding ext 3304
- Contact Josie O'Dowd ext 2591

31 JANUARY 2012

**SCHEDULE OF APPENDICES TO REVENUE BUDGET 2012/13
AND MEDIUM TERM FINANCIAL STRATEGY**

Appendix	Title	Cross Reference in main report
A	Provisional Local Government Finance Settlement (report to Executive 20/12/11)	paragraph 4.3
B	Grant / Spend / Council Tax Exemption 2011/12 to 2014/15	paragraph 7.1
C	Aggregate spend requirement – year on year analysis	paragraph 7.3
D	Medium Term Financial Strategy – Exemption of Directorate spending ➔ 2012 / 13 Sheet A ➔ 2013 / 14 Sheet B ➔ 2014 / 15 Sheet C	paragraph 7.6
E	Summary of Pending Issues Provision (PIP)	paragraph 10.14
F	Calculation of Council Tax Precept 2012/13	paragraph 11.2
G	Pay Policy Statement	paragraph 11.18
H	Corporate Risk Register – analysis of impact of MTFS / Budget proposals	paragraph 12.8
I	Statutory Requirements of the Local Government Act 2003 in relation to Budget setting	paragraph 13.1
J	Review of Balances / Reserves	paragraph 13.9
K	Projection of General Working Balance	paragraph 13.13
L	Summary of Balances / Reserves	paragraph 13.9

NORTH YORKSHIRE COUNTY COUNCIL**EXECUTIVE****20 DECEMBER 2011****MEDIUM TERM FINANCIAL STRATEGY –
PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2012/13****Report of the Corporate Director – Finance and Central Services****1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Members of details of the Provisional Local Government Finance Settlement for 2012/13.
- 1.2 To provide an update of various associated matters that will potentially impact on the County Council's Revenue Budget for 2012/13 and Medium Term Financial Strategy for 2013/14 and 2014/15.

2.0 BACKGROUND

- 2.1 The Comprehensive Spending Review (CSR) announced on 20 October 2010 set out the Government's public sector spending plans and ambitions for the four year period 2011/12 to 2014/15.
- 2.2 This was followed by the 2011/12 Local Government Finance Settlement in January 2011 which provided firm grant allocations to individual local authorities for 2011/12 and indicative allocations for 2012/13.
- 2.3 This two year Settlement was far more complex than previous years and reflected:
 - (a) overall national funding reductions of approximately 27% in CLG grants over a four year period as signalled in the 2010 Comprehensive Spending Review, accompanied by a significant front loading in 2011/12
 - (b) the rationalisation of grant funding streams with many former 'specific grants' being rolled into general formula grant
 - (c) grant reductions and grants being discontinued altogether from other Government Departments, particularly the Department for Education
 - (d) complex distributional changes in areas such as social care and concessionary travel funding, together with a number of significant changes to the grant formula

- (e) top slicing of grant from all Education authorities in relation to paying for academies (see **paragraph 4**)
- (f) a revised damping mechanism that not only differentiated between different categories of authority but placed authorities into bands according to the extent of their dependence on formula grant
- (g) a new transition grant benefiting authorities whose total revenue spending power (broadly grants plus Council Tax) would otherwise have fallen by more than 8.8% in 2011/12 and a further 8.8% in 2012/13
- (h) various other refinements

2.4 A second two year settlement covering the latter two years of the CSR period 2013/14 and 2014/15 is expected to follow in late 2012. Given that the Government is undertaking a fundamental review of the Local Government Finance System as part of its Local Government Resource Review (announced in March 2011), the distribution arrangements for grant in future is likely to be very different.

2.5 The 2010 CSR, 2011/12 Local Government Finance Settlement and Resource Review announcements have been followed by a series of Government consultation papers and proposals that will impact on the financial position of all local authorities in future years.

3.0 DETAILS OF THE 2012/13 SETTLEMENT

3.1 Following the indicative figures for 2012/13 announced as part of last year's settlement, the DCLG released details of the 2012/13 Provisional Local Government Settlement on 8 December 2011. These allocations are subject to a period of consultation which ends on 16 January 2012 with final figures expected to be confirmed in late January/early February 2012. The Ministerial statement of the announcement is attached as **Appendix 1**.

3.2 When the 2012/13 indicative allocations were announced last year, the Government said that they would not change them except under exceptional circumstances.

3.3 **The headline total formula grant allocation for the County Council for 2012/13 is £116.788m but this now includes continuation of the 2011/12 Council Tax Freeze grant (£6.149m) which was paid as a separate grant in 2011/12. The remaining £110.639m is exactly the same as notified as part of the 2011/12 Settlement so there is no further consequential impact to reflect in the current 2012/13 Budget/MTFS process.**

3.4 A summary analysis of this headline grant figure of £116.788m for 2012/13 is as follows:

Item	December 2011 Announcement
	£000
Actual grant in 2011/12	122,252
DCLG base adjustment for academies top slicing (paragraph 4)	-1,668
Adjusted base per DCLG	120,584
Reduction	-9,945
Total general formula grant before Council Tax freeze grant	110,639
+ Council Tax freeze grant	6,149
= total formula grant for 2012/13	116,788
% reduction above } excluding Council Tax freeze grant	-8.2
% reduction before damping }	-2.9

- 3.5 Thus the above table indicates that NYCC has suffered a loss of general formula grant of £9.945m in 2012/13 (8.2%) but as explained in detail to Members in the Budget reports last year, this is not the full picture as it does not reflect:
- (a) grant cuts by other government departments that were notified last year, and
 - (b) grant loss as a result of a national top slicing of general formula grant from all Education authorities to pay for central education functions for academies (£1.668m in 2012/13 for NYCC – see **paragraph 4**).
- 3.6 The total grant loss in 2012/13 over and above 2011/12, reflecting these factors, as reported to Executive on 8 February 2011 is £13.4m.
- 3.7 A comparison of NYCC’s 8.2% formula grant reduction, as indicated in **paragraphs 3.4 and 3.5** above, compared with the national position of shire counties and other relevant local authorities is attached as **Appendix 2**.
- 3.8 Given that the recently notified formula grant allocation is the same as indicated last year, **there is no additional impact on the County Council Revenue Budget for 2012/13 and Medium Term Financial Strategy for 2013/14 and 2014/15**. The implications are, therefore, already reflected in the overall £15.445m savings requirement for 2012/13 and £69.213m over the four year period 2011/12 to 2014/15 as reported to Executive on 8 February 2011.
- 3.9 A breakdown of the County Council’s formula grant into the Government’s four block grant model is shown below, although there are now in effect six blocks following the Settlements for last year and this year.

Item	£000
Grants rolled in using tailored distribution (paragraph 3.11)	19,976
Relative needs	116,862
Relative resources	-67,726
Central allocation	47,917
Damping (paragraph 5.5)	-6,446
Top up (paragraph 3.10)	56
Total formula grant before Council Tax freeze grant	110,639
Council Tax freeze grant	6,149
= Total Provisional Formula Grant	116,788

A short paper on the four block grant model is attached as **Appendix 3**.

3.10 As mentioned in **paragraph 3.3** the bottom line formula grant (excluding Council Tax freeze grant) of £110.639m remains unchanged from that notified last year and reflects

- (a) most data being unchanged from last year, and
- (b) the policy of the Government on multi year settlements being that it would not change its provisional proposals for 2012/13 except in exceptional circumstances.

There is a change however in the sums at individual block level set out in the table at **paragraph 3.9** with an additional top up allocation of £56k to the County Council. This is a technical adjustment to ensure that no authority's grant figures differ from the indicative ones notified last year.

3.11 A new block reflected in the above table since 2011/12 is 'Grants rolled in using tailored distribution'. This relates to a number of specific grants that are now incorporated into general formula grant whose distribution would have differed significantly if they had been subject to the general grant (relative needs) formula. The basis of allocation is usually the same distribution formula as used for the specific grant in 2010/11; NYCC's allocation for 2012/13 after reflecting reductions are as follows:-

Item	£000
Local transport services (road safety, rural bus subsidy and detrunking)	2,830
Supporting people	13,170
Housing service for older people	155
LSC staff transfer	509
HIV/Aids support	69
Preserved rights	2,991
Animal health and welfare	252
= Total grants rolled into formula grant using tailored distribution	19,976

Other transfers, such as concessionary fares, services for children in care and social services grants have been incorporated into the main formula grant.

3.12 A briefing note on the Provisional Settlement provided by the LGA is attached as **Appendix 4** and provides an overview of the Settlement at national level.

4.0 **ACADEMIES - TOP SLICING**

4.1 A residual Settlement issue relates to the top slicing of formula grant from all Education authorities in 2011/12 and 2012/13 to pay for central education functions for schools converting to academy status.

4.2 This top slicing was based on a very 'broad brush' basis having no regard to the actual number of schools converting to academy status within each local authority. The County Council's top slice was £2.117m in 2011/12 and a further £1.668m in 2012/13 giving a cumulative total of £3.785m over two years (which was reflected in the MTFS approved last year).

4.3 Following challenge from some authorities in relation to the basis of this top slicing, the position has been reviewed with the provisional Settlement saying

'The DfE in consultation with DCLG has been reviewing the amount and distribution of the funding transfer from Local Government for 2011/12 and 2012/13 to reflect the responsibilities transferring from them when schools convert to academies ... no final decisions have yet been taken regarding the amount and distribution of these funding transfers'.

4.4 DfE have, however now issued a four week consultation on this issue which proposes

(a) no change in 2011/12

- (b) for 2012/13 a new methodology will be used to calculate individual authority contributions. Where an authority has had more money taken away than the new methodology suggests, they will receive a refund in the form of a 'one off unringfenced grant' (not an adjustment to general formula grant). Where the new methodology assesses that an authority should have contributed more to the top slice there will be no adjustment, meaning no authority will be worse off than currently
- (c) the DfE and DCLG will consult in 2012 on future arrangements from 2013/14 which could include removing the services from formula grant into the DfE budget, as part of the Local Government Resource Review.

4.5 The new methodology is based on a 'reduction per pupil' in place of the current 'broad brush' approach and is therefore likely to benefit local authorities with fewer academies, such as North Yorkshire, so long as the numbers remain low.

4.6 Individual local authority calculations for 2012/13 would be based on actual pupil numbers in academy schools in January 2013, so the calculation will not be known until January 2013.

4.7 However based on the £3.785m already top sliced from the County Council's formula grant and the current number of schools that have converted to academy status, a significant refund in the form of a 'one off grant', might be expected for 2012/13. The actual sum will not be known until after January 2013 however and the position from 2013/14 is still unclear – see **paragraph 4.4(c)** above.

4.8 As this top slice was taken from the general formula grant and contributed to the overall £69.2m shortfall over the four year period to 2014/15, any one-off grant refund received will be retained corporately.

5.0 **DAMPING**

5.1 Damping arrangements prior to 2011/12 operated so that every local authority received at least the specified grant floor percentage increase for its class of authority. The consequential top up increases to 'below the floor' authorities were paid for by scaling back the grant increase for the 'above the floor' authorities in that class.

5.2 Damping from 2011/12 continues, with classes of authorities, but there are two distinct differences:

- (a) the floors are now all based on maximum percentage grant **reductions** rather than the previous minimum percentage increase. Consequently above the floor authorities such as NYCC, have their grant reduction increased even further to help fund authorities whose reduction is greater than the specified floor.
- (b) different bandings have been introduced to ensure that the most grant dependent authorities have the least reductions. CLG point out that some authorities rely on central government for 75% of their total budget whereas

others collect more council tax and are, therefore, regarded by the Government as being more 'self sufficient'.

5.3 The following table lists the damping levels for 2012/13.

Authority	Provisional 2012/13 %
Education/PSS	
Band 1	-7.4
2	-8.4
3	-9.4
4	-10.4
Police	-6.7
Fire	-3.4
Shire Districts	
Band 1	-11.2
2	-12.2
3	-13.2
4	-14.2

5.4 The County Council has been placed in damping band 4 for 2012/13 (being classed as relatively less reliant on government grant funding) with the impact being as follows:

Item	%
Maximum grant reduction for class of authority (floor)	-10.4
NYCC's percentage formula grant reduction as calculated by DCLG before damping	-2.9
NYCC's percentage formula grant reduction as calculated by DCLG after 'scaling back' to fund maximum decreases for authorities below the floor	-8.2
Damping sum claimed back from NYCC to pay for the floor	£6,446k

5.5 In 2012/13, for the 151 authorities with Education and Social Services responsibilities, the 'undamped' grant reductions of 49 authorities fell above the floor set out in **paragraph 5.3** above (range 7.4% to 10.4%). These were brought up to the floor at a cost of £491m. Therefore the 102 authorities whose grant reductions fell below the floor (including NYCC) had their grant reductions increased (scaling factor of 0.283) to finance the floor (total of £491m) with the impact on NYCC being £6.4m in 2012/13. This is shown in diagrammatic form in **Appendix 5**.

5.6 Damping was introduced in 2006/07 following the introduction of new grant formula and updated data (particularly the use of the 2001 census data to replace the previously used 1991 census data). The new formula/data caused significant turbulence in the initial relative needs element of the formula grant calculation so it was then damped to ensure that all authorities received the prescribed minimum increase up to 2010/11 and then maximum decrease from 2011/12 (indicated in **paragraph 5.3** above). Thus the actual grant formula is effectively overridden by the application of significant damping levels.

6.0 TRANSITIONAL GRANT AND SPENDING POWER CALCULATIONS

6.1 In addition to the damping described in **paragraph 5** above, the Government introduced a new transition grant in 2011/12 which totals £20m in 2012/13 and benefits only 12 authorities.

6.2 This grant is being paid to those authorities whose total revenue spending power, as defined by the Government (broadly grants plus Council Tax), would have otherwise fallen by more than 8.8%.

6.3 The County Council is not one of the receiving authorities but the Government's calculation to identify qualifying authorities has previously often been reported in the press. The reduction calculated for NYCC is 2.2% and consists of:

Item	2011/12 £m	2012/13 £m
Council tax requirement	245.2	245.2
Formula grant (paragraph 3.4)	120.6	110.6
Specific Grants	33.6	35.0
NHS funding	6.6	6.4
Total revenue spending power as calculated by CLG	406.0	397.2

reduction
£m
-£8.2m

%
-2.2%

6.4 The above suggested reduction in total revenue spending power is completely misleading, however, because it does not truly compare like with like and masks many of the factors that have contributed to the County Council's true loss of grant funding as described in **paragraphs 3.5 and 3.6**.

7.0 COUNCIL TAX FREEZE GRANT AND COUNCIL TAX REFERENDUMS

Council Tax Freeze Grant

- 7.1 As part of the 2011/12 Settlement, the Government offered all local authorities (including Police and Fire authorities) a grant equivalent to a 2.5% increase in Council Tax if they froze their Council Tax levels in that year. Although the scheme was voluntary, every local authority in the country took up this grant offer with the sum payable to the County Council being £6.149m. To avoid the 'cliff edge' impact on local authority budgets in subsequent years, the Government stated that it will continue to pay this grant (at the same level) for each year of the Spending Review period up to 2014/15. What happens from 2015/16 as part of the next Spending Review period is not known.
- 7.2 On 3 October 2011 the Government announced details of additional grant funding to local authorities who agree to freeze their Council Tax for a second year in 2012/13. This was followed by a letter to local authority Chief Executives on 14 November 2011 – copy attached as **Appendix 6**.
- 7.3 This Council Tax freeze grant for 2012/13 will be equivalent to a 2.5% increase in Council Tax for local authorities, 3% for Police and Fire authorities and 2.75% for the City of London. The higher rate of grant being offered to Police and Fire authorities reflects the Government's commitment to protecting these front line emergency services.
- 7.4 To fund this new grant offer (as for 2011/12 this scheme will be voluntary), the Government has identified £805m (£675m for England) from efficiency savings and underspends by other Government departments.
- 7.5 The arrangements for funding the 2011/12 Council Tax freeze are unaffected by this new offer. However a very important difference between the two schemes is that the grant for the 2012/13 scheme is payable for one year only. Thus it will not be built into the baseline for subsequent years when local authorities taking up the grant offer will have to manage the 'cliff edge' impact of the grant being a 'one off' payment in 2012/13.
- 7.6 The offer to the County Council is worth about £6.2m for 2012/13. Acceptance of the grant would have a significant impact on future years and require 'remedial' action involving one or more of the following:
- (a) identify further recurring savings
 - (b) increase Council Tax from 2013/14 by more than the 2.5% planned in the MTFs to catch up from the recurring loss of 2.5% in 2012/13 after 2013/14
 - (c) use of the PIP/Reserves to bridge any timing gap from (a) and (b) above.
- 7.7 In terms of the impact on individual Council Tax payers a freeze in 2012/13 would be worth £26 for the average Band D household in relation to the County Council's element of the overall bill. A freeze by all authorities reflected in overall Council Tax bills (NYCC, District, Police and Fire) would be worth about £37.

Council Tax Referendums

- 7.8 Following the passage of the Localism Act into law on 15 November 2011, legal provision now exists for Council Tax referendums and this new concept will apply for setting 2012/13 Council Tax levels.
- 7.9 This new process replaces the former 'Council Tax Capping Powers' whereby the Government would announce their 'capping criteria' (the level of Council Tax increase that they deemed to be excessive) after local authority budgets had been set in March of each year. Thus in setting their budgets all authorities had to be mindful of what these principles might be.
- 7.10 The main principles of the new process are as follows:
- (a) the Government will determine an annual limit (based on a set of principles) for Council Tax increases which is expected to be announced as part of the annual Local Government Finance Settlement ie before local authority budgets have been set
 - (b) the legislation allows additional principles to be set and allow different sets of principles for different categories of local authorities
 - (c) if an authority proposes to increase its Council Tax above the prescribed annual limit it will have to hold a referendum to get approval from local voters (all registered electors not only those who pay Council Tax)
 - (d) in addition to having to hold a referendum a local authority proposing to exceed the limit will be required to prepare a shadow budget based on the maximum Council Tax increase allowed by the principles
 - (e) there are various rules and procedures as to how a referendum would have to take place but there will be no minimum requirement for voter turnout and a simple majority of those voting will be sufficient to determine the outcome of the referendum
 - (f) the referendum would have to take place between the final Settlement announcement at the end of January and the first Thursday in May – the usual date for local authority elections
 - (g) a local authority carrying out a referendum will be required to provide factual information to Council Tax payers. Although Members can make the case for their proposed Council Tax increase, the authority will be prohibited from campaigning
 - (h) if a simple majority vote against the proposed increase the authority would have to adopt the shadow budget
 - (i) the Government have suggested that the cost of a referendum (including the cost of re-billing by the Districts if the referendum is lost) is likely to be in the range of £85k to £300k

- 7.11 The process and rules of this new arrangement are clearly designed to discourage authorities from setting Council Tax increases above the announced principles and thus having to embark on such a referendum.
- 7.12 The principles for Council Tax levels, beyond which a referendum will be triggered, were announced as part of the Local Government Provisional Finance Settlement on 8 December 2011. These principles are a Council Tax increase above 3.5% for most authorities, 4% for Fire and Police Authorities and 3.75% for the City of London.

8.0 DEDICATED SCHOOLS GRANT (DSG)

- 8.1 The DSG funds all Schools Block spending. This consists of delegated school budgets and some non-delegated central services including Special Educational Needs (SEN), Behaviour Support, Admissions and Early Years.
- 8.2 Since 2011/12, the DSG includes grants formally allocated for specific purposes. As a result the baseline DSG increased to £378.6m, compared with a 2010/11 allocation of £328m.
- 8.3 The baseline DSG is then reduced by two amounts to cover Academy funding:
- (a) the first of these is for Academy delegated budgets and reflects the amounts which would have in any case been delegated under the LMS formula arrangements to those individual schools
 - (b) the second amount, referred to as LACSEG (Local Authority Central Spend Equivalent Grant) which is an amount in lieu of services funded by the non-delegated DSG and which Academies do not receive from the LA (although in some cases they can buy the service from the Council).

These deductions relate to the DSG – they are separate to the deductions from formal grant referred to in **paragraph 4** above.

This arrangement is reflected in the table below which shows an expected final DSG in 2011/12 of £353.5m. This may change, subject to any further Academy conversions before 31 March 2012.

Item	£000
Baseline DSG	378,601
Expected deductions for Academies	
- Academy delegated budgets (paragraph 8.3 (a))	-25,039
- Academy LACSEG (to fund central services) (paragraph 8.3 (b))	-92
Revised DSG	353,470

- 8.4 Overall the DSG for the County Council is expected to reduce due to continuing falling pupil numbers, but this will only be confirmed after the January pupil count. On 13 December 2011 the Government announced that for 2012/13 the individual GUF (Guaranteed Levels of Funding per pupil) for each local authority will continue to be held for a further year at the 2010/11 level. Therefore there will be a real terms pressure for schools and services funded from the DSG once inflation is taken into account.
- 8.5 The annual October pupil count suggested a decrease in pupil numbers in the secondary sector by around £3m, based on current levels of funding. This is partly offset by increases in the Early Years and Primary sectors, leaving an overall decrease of around £1m. However, although these figures show the expected direction, they will change in January when the final DSG is calculated. Based on these estimates, therefore, the projected base DSG (before deduction for Academies) would reduce by around £1m to £377.6m. Once the current position for Academies is taken into account, the expected DSG for 2012/13 is £352.5m, although, as stated above, this figure will change after the January pupil count.

Pupil Premium

- 8.6 In addition to the funding allocated from the DSG, schools were allocated £488 per pupil on Free School Meals or for children who were Looked After, and £200 for children from service families in 2011/12. This Pupil Premium therefore distributed £3.6m to schools in North Yorkshire in addition to the DSG. In 2012/13, the national amount available is set to double, from £625m to £1,250m next year, rising further to £2.5bn by 2014/15 and the government has now published details of the 2012/13 multiplier. This has risen from £488 to £600 and from £200 to £250 respectively. As the number of pupils being counted has also increased, the government's "illustrative" figures for North Yorkshire indicate an overall increase from £3.6m to £7.8m. These figures have yet to be verified by CYPs.
- 8.7 The total paid to schools will be based on numbers from the January pupil count and, by its nature, is not allocated in proportion to the overall budget of each school.

Summary

- 8.8 Although the settlement for schools in 2011/12 and 2012/13 has been considerably better than for the rest of the County Council's services, and cash levels have been protected for a further year, cost pressures remain within the DSG. Work will continue to assess the impact of the final figures and further details will be available after the January pupil count.

9.0 OTHER REVENUE GRANTS

- 9.1 As mentioned in **paragraph 2.3** the 2010 CRS and subsequent 2011/12 Local Government Finance Settlement reflected a significant rationalisation of most grant funding streams which were either absorbed into general formula grant, merged to form new funding streams or discontinued altogether.

- 9.2 For the remaining revenue grants, allocations for 2012/13 are starting to be released by Government Departments as part of this Provisional Settlement.
- 9.3 All the current revenue grant funding streams are listed in **Appendix 7** which shows the 2011/12 level of grant and indicative allocations/early forecasts for 2012/13 to 2014/15 where known. This Schedule will be updated as more information is released by the various Government Departments over the next few weeks and reported to Executive on 31 January 2012 as part of the 2012/13 Budget/MTFS report.
- 9.4 In addition to the three significant grants referred to elsewhere in this report (formula grant, DSG and Council Tax Freeze Grant), other grant funding streams of note where 2012/13 allocations have been announced are as follows

(a) **Early Intervention Grant (CYPS)**

This new grant in 2011/12 brought together a number of former grants to support services for children, young people and families into a single funding stream for early intervention and preventive services. The 2012/13 allocation of £20.487m is £0.726m higher than the previously notified indicative grant of £19.761m. This increase follows the Autumn Budget announcement (29 November 2011) that early education entitlement for two year olds will be expanded by 2014.

(b) **New Homes Bonus (NHB)**

This new grant introduced in 2011/12 rewards local authorities for additional new homes plus a further allocation for those defined as 'Affordable Homes'. The grant is at the average national Council Tax rate (£1,439 for a Band D property) plus an extra £350 for 'Affordable Homes'. The relevant numbers are identified from billing authority returns.

An allocation will be made for each year with that year's allocation then being paid for a six year period. In two tier areas Districts receive 80% of the total allocation with the County only receiving 20%.

Based on the above the County Council's provisional allocation for 2012/13 is £849k consisting of £382k in relation to 2011/12 and £467k for 2012/13. The 7 districts received a total of £3.4m. The allocations are likely to increase each year for the next four years, then flatten out or even decrease.

Nationally some of the allocations are significant with many authorities receiving several million pounds (the highest being £10.1m).

Although the grant is 'unringfenced' the Government encourage local authorities to reinvest it in housing/infrastructure, supporting local services/facilities and/or to reduce Council Tax increases.

A cautionary note for future years however is that some of the 2012/13 allocation and all subsequent year increases are being funded by top slicing the existing national pot for formula grant (ie it is not new money from the

Government). Thus based on relative levels of new homes growth and the 80/20 two tier split, some authorities (particularly shire counties) are likely to suffer a bigger reduction in general grant funding than they receive from the NHB.

The approach of the County Council to date with this grant is to include it within Corporate Miscellaneous but with the understanding that if an appropriate purpose is subsequently identified, the relevant amount will be found from the General Working Balance and/or the PIP.

(c) **Learning Disability and Health Reform Grant (HAS)**

The notified grant for 2012/13 is £9,124k (£8,899k in 2011/12) and is £14k higher than the earlier provisional allocation. This reflects the situation that from April 2013, subject to the passage of the Health and Social Care Bill, local authorities will have a new duty to make assessments and authorisations of Deprivation of Liberty Safeguards (DOLS) in hospitals.

(d) **Supporting Community Transport (BES)**

An allocation of £416k for 2012/13 (also £416k in 2011/12) has been received as 'Round 2' of this initiative. This grant is payable to rural transport authorities to kick start rural community transport in rural areas.

9.5 Other than the Council Tax freeze grant (**paragraphs 7.1 to 7.7**) none of the 2012/13 grant allocations notified so far have a material impact on the 2012/13 revenue budget or MTFs for 2013/14 and 2014/15. However this position will be monitored closely on an ongoing basis as details of further allocations are released by Government Departments.

9.6 Other grants of significance where allocations for 2012/13 are still awaited include:

- (a) Community Safety Grant (Home Office)
- (b) Various CYPS grants (DfE)

10.0 CAPITAL APPROVALS

10.1 Another significant feature of the 2011/12 Finance Settlement was that all Government capital approvals were in the form of 100% capital grant rather than the previous mix of supported borrowing approvals and grant.

10.2 Following the Provisional Settlement announcement details have also been released on a number of capital approvals. Details of these approvals which continue as 100% grant funded are as follows:-

grant	2011/12	2012/13			2013/14	2014/15
	Actual	Forecast	Latest	Variation	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
Business and Environmental Services						
LTP Maintenance	25,252	24,065	-	-	21,839	20,571
LTP Integrated Transport Block Provision	3,835	4,091	-	-	4,091	5,753
	29,087	28,156	-	-	25,930	26,324
Children and Young People's Service						
Capital Maintenance Grant	14,073	14,073	11,803	-2,270	14,073	14,073
Basic Need Grant	3,263	3,263	5,099	1,836	3,263	3,269
Devolved Capital Grant	2,309	2,360	2,189	-171	2,360	2,200
	19,645	19,696	19,091	-605	19,696	19,542
Health and Adult Services						
Department of Health PSS Capital Grant	1,260	1,293	1,297	+4	1,250	1,250
TOTAL	49,992	49,145	-	-	46,876	47,116

10.3 The Education Capital approvals for 2012/13 from the DfE total £19.091m compared with £19.645m in 2011/12 and an estimate of £19.696m for 2012/13 currently included in the County Council's Capital Plan. There is, therefore, an overall year on year reduction of £0.6m which is broadly due to schools transferring to Academy status.

At individual grant level, however, the year on year variations are higher and reflect a new methodology and rebalancing of funding to allocate more money for overcrowded schools (Basic Need Grant) and less for repairs (Capital Maintenance Grant).

10.4 The 2012/13 allocation for the Highways LTP is due shortly but it is not expected to differ from the indicative figures shown in the table above.

An additional allocation of £639k for 2011/12 has, however, just been notified. The Chancellor announced, as part of the Autumn Budget Statement on 29 November 2011, that the Government will invest an extra £50m in local transport which will be distributed to all local transport authorities outside London through the LTP Integrated Transport Block, as part of the budget for growth agenda. The County Council is receiving £639k in addition to the 'original' £3.8m LTP Integrated Transport Block allocation for 2011/12.

10.5 The estimates shown for 2013/14 and 2014/15 are those currently reflected in the latest capital plan update and are based on the following:

- (a) Highways LTP – indicative allocations previously provided by the Department of Transport.
- (b) Education funding Streams – indications from the Department for Education that the allocations would be similar to those for 2011/12 as adjusted for Academies.
- (c) Personal Social Services – local estimate based on the actual grant allocations for 2011/12 and 2012/13.

These estimates will be refined in the light of the actual approvals received for 2012/13.

11.0 LOOKING AHEAD TO 2013/14, 2014/15 AND SUBSEQUENT YEARS

11.1 The previous sections of this report focus on the Provisional Local Government Settlement announced on 8 December 2011 and its impact on the County Council's 2012/13 Revenue Budget and MTFs for 2013/14 and 2014/15.

11.2 There is however potential for what has been described as a 'perfect financial storm' to come in 2013/14 and subsequent years due to a combination of factors that are in the pipeline including

- (a) the baseline funding for the Local Government sector that is ultimately determined for 2013/14 and 2014/15 and the distribution of that baseline to individual local authorities . This baseline is likely to reflect further top slicing to fund other issues and initiatives such as the New Homes Bonus
- (b) further reductions in Government funding for all the Public Sector in the years from 2015/16 as indicated in the Autumn Budget announcement on 29 November 2011. This will be reflected in the next CSR period due to be announced in 2014
- (c) the impact of the Government's Business Rates Retention proposals which will replace the current formula grant model and is currently intended to commence on 1 April 2013
- (d) the impact of the Government's Localisation of Council Tax Benefits proposals which is also intended to commence on 1 April 2013
- (e) the expiry of the one off 2012/13 Council Tax Freeze Grant offer and also potentially the expiry of the 2011/12 grant at the end of the current CSR period in 2014/15
- (f) the impact of the Government's Council Tax Discount reforms which are intended to commence on 1 April 2013
- (g) potential further loss of funding from increased top slicing from Education authorities to pay for central education functions for academies. A DfE consultation on this was announced on 8 December 2011 for 2012/13 but arrangements for subsequent years are yet to be determined
- (h) the impact of the transfer of Public Health functions to local authorities from 1 April 2013
- (i) any reduction to Local Government funding as a result of the announcement in the Autumn Budget that public sector pay would be capped at 1% in 2013/14 and 2014/15 and a potential Government expectation that Local Government should follow suit.

11.3 At this stage not enough detailed information exists on any of the above to be able to reflect their potential impact on the County Council's updated MTFS for 2013/14 and 2014/15. They will however all be monitored closely and reported to Members as appropriate.

12.0 IMPLICATIONS FOR NYCC MTFS

12.1 The Budget report to be submitted to Executive on 31 January 2012 will provide full details of the updated Budget proposals for 2012/13 and MTFS for 2013/14 and 2014/15.

12.2 These proposals will reflect the minimal impact of the 2012/13 Finance Settlement, but as described in **paragraph 11**, there are potential issues in the pipeline for later years. The budget proposals for 2012/13 and updated MTFS for subsequent years will however reflect updated forecasts of County Council spending and income in other areas such as

- (a) inflation
- (b) Corporate Miscellaneous budgets, particularly investment income and capital financing changes
- (c) District Council tax base and collection fund surpluses and deficits
- (d) an updated forecast loss of general formula grant in 2013/14 and 2014/15
- (e) savings on Concessionary Travel
- (f) various other refinements

12.3 The key issue will be, however, whether to take the Council Tax grant in 2012/13 and, if it is taken, how will the consequential £6m 'gap' be addressed in 2013/14.

12.4 At this stage of the process, the Executive is minded to:

- (a) take the Council Tax grant on offer for 2012/13 and then
- (b) address the £6m shortfall in 2013/14 by a combination of:
 - a Council Tax increase in 2013/14 and subsequent years of 3.5%
 - additional recurring savings
 - use of balances

the relative contribution of each to be resolved during 2012/13.

13.0 **RECOMMENDATIONS**

13.1 That the Executive notes

- (a) the details of the revenue funding element of the Provisional Local Government Finance Settlement for 2012/13 as set out in **paragraph 3**
- (b) the details of capital allocations as set out in **paragraph 10**

13.2 That the Executive is minded to accept the Council Tax grant for 2012/13 and address the consequential funding shortfall as described in **paragraph 12.4**.

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14 December 2011

Background Documents

Local Government Provisional Finance Settlement Papers issued by DCLG
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DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT**Local Government Finance**

The Parliamentary Under Secretary of State for Communities and Local Government (Bob Neill): I am today publishing the Government's formal proposals on distribution of Formula Grant to English local authorities for 2012-13. Total formula grant for 2012-13 will be £27.8 billion, of which redistributed business rates will be £23.1 billion, Revenue Support Grant £477 million and Police Grant £4.2 billion.

The 2010 Spending Review set out how the Government is tackling the deficit we have inherited from the last Administration and put the public finances back in order. Every bit of the public sector needs to do its bit to help pay off the deficit, including local government which accounts for a quarter of all public spending. The settlements for 2011-12 and 2012-13 set out on 13 December 2010 sought to achieve fair and sustainable settlements for local government between different parts of the country – from urban to rural, north to south, metropolitan to shire.

This settlement is supported by our extension of the successful council tax freeze scheme to a second year, building on the 2011-12 freeze offer taken up by all eligible councils. The offer being made to local authorities for 2012-13 is set out in the Written Statement of 14 November 2011, *Official report*, Column 27WS. Council tax more than doubled since 1997 and the freeze will offer real help to hard working families and once again save up to £72 compared to a 5 per cent rise in council tax on top of this year's saving of up to £72. All eligible authorities took up the offer of government funding to freeze or reduce their council tax in 2011-12. By offering their local residents a council tax freeze again this year, it will offer real help now with the cost of living to local residents, including pensioners, private sector workers and public sector workers.

The estimated yield from business rates in England will be £23.119 billion in 2012-13. Since this is greater than the Formula Grant control total for 2012-13 agreed at the Spending Review, the second year's funding for authorities which froze or reduced their council tax in 2011-12 has been included in formula grant for this year. This increases the total amount included as Formula Grant for 2012-13 to £27.791 billion.

The overall settlement is in keeping with that first proposed in February 2011. The sum of the provisional 2012-13 Formula Grant as at 7 February 2011 and the 2011-12 Council Tax Freeze Grant, therefore, form the allocations of formula grant for 2012-13. The Council Tax Freeze Grant allocations remain separately identifiable, and the sub-total given in the Breakdown Table for each authority is the same as the provisional 2012-13 formula grant allocations as at 7 February 2011 (my Written Statement of 7 February 2011, *Official report*, column 1WS). This is in line with the Government's policy on multi year settlements, which is that we will not change the provisional proposals first published in February 2011 except in entirely exceptional circumstances.

We have continued to focus resources in a way that gives more weight to those parts of the country with the highest levels of need. These are often the areas which are

most reliant on central government grant. As in 2011-12, in calculating the grant distributions we have acted to insulate them by distributing less money on a *per capita* basis, and giving more weight to the levels of need within different areas. We have also grouped councils into four bands and set different ‘floors’ for their grant reductions. This is a fairer and more progressive system of calculating grant than before.

This year’s settlement means that the average spending power reduction for 2012-13 is expected to be limited to 3.3% (or £75 per household), less than last year’s comparable figure of 4.5%. We have also again made sure that no council will see their overall spending power fall by more than 8.8%. To fund this, I have transferred £20 million of my Department’s budget to local government for 2012-13. This additional funding will smooth the impact of this year’s settlement. Councils will have an average spending power of £2,186 per household at their disposal in 2012-13. Reflecting the fairness of the settlement, the average spending power per household in Hackney will be £3,050 compared with £1,537 in Windsor and Maidenhead.

Many councils have successfully shown that they can deliver significant efficiencies but there is still more to be done. Smarter procurement, reducing management and support services costs, greater transparency to cut waste, sharing services and tackling fraud can all deliver significant savings to help protect frontline services and taxpayers’ interests. And to support councils the Localism Act will trigger the biggest transfer of power in a generation to local communities.

Moreover, I would note that in the coming year, local government will have access to new financial measures including over £430 million of funding under New Homes Bonus, up to a £1 billion in Community Infrastructure Levy, and access to the £2.4 billion Regional Growth Fund and the £500 million Growing Places Fund (through their Local Enterprise Partnerships).

The Localism Act also includes powers to abolish Whitehall capping in England and instead allow local residents to veto excessive council tax rises. I can confirm that we are moving ahead with introducing arrangements for council tax referendums if an authority sets a council tax which exceeds principles endorsed by Parliament (i.e. is “excessive”). These provisions will be implemented for 2012-13 and I am also today giving an indication of the principles I am minded to propose for that year. I propose that local authorities will be required to seek the approval of their local electorate in a referendum if, compared with 2011-12, they set council tax increases that exceed:

- 3.5% for most principal authorities;
- 3.75% for the City of London;
- 4% for the Greater London Authority, police authorities, and single purpose fire and rescue authorities.

I am proposing that no equivalent principles will apply for town and parish councils for 2012-13, although they may in future years.

Of course, should all eligible local authorities take up the new council tax freeze offer for 2012-13 there will be no need for council tax referendums next year. After considering any representations from authorities, I will set out the final principles in a

Report to the House and seek approval for these in parallel with the final Report on the 2012-13 Local Government Finance Settlement.

Any town hall that turns down the council tax freeze offer and tries to hike council tax bills unreasonably will now have to ask at the ballot box whether hard-working families and pensioners are willing to shoulder an increase in their cost of living.

Finally, this is a transitional settlement where we have set out details of the settlement for two years, striking a balance between the need to help councils plan for the future and the need to reform the system. Ministers believe the current system we have inherited from the last administration is broken. As the National Audit Office has observed, the formula grant system is “highly complex and not transparent” and “the complexity of the four-block model... [serves to] obscure the link between needs, resources and funding” (NAO, *Formula funding of local public services*, July 2011, HC 1090, p.26).

We have recently consulted on proposals that would lead to fundamental reform to the funding of local government, moving away from the existing arrangements where there is no connection between the health of the local economy and the funding of the local authority. Our proposals will provide councils with greater control over their funding, developing a direct link between the growth of businesses in their area, and the revenues available to them. These proposals, which we intend to introduce from 2013 -14, will deliver direct financial incentives for authorities that promote economic growth and help many councils break free from dependency on grants from central government. The Government will set out its response to the consultation proposals to the House shortly.

Today also marks the start of a period of statutory consultation with local government on Formula Grant distribution and I welcome their responses. Consultation closes on 16 January 2012.

I shall be making available full supporting information on the Department for Communities and Local Government website at:

<http://www.local.communities.gov.uk/finance/1213/grant.htm>

This includes a *Plain English Guide to the Local Government Finance Settlement* for 2012-13 which I hope will be helpful in cutting through the jargon and the sheer complexity of the current system.

I have placed copies of the consultation paper and the Plain English Guide, as well as details of the location of other supporting material, in the Vote Office and the Library of the House.

2012/13 LOCAL GOVERNMENT FINANCE SETTLEMENT
Announced on 8th December 2011
CHANGES IN FORMULA GRANT

	Grant Decrease after Damping
	12/13
	%
National position	-7.3
Shire Counties	
Highest	-10.4
Average	-8.0
NYCC	-8.2
Lowest	-5.8
Shire Districts	
Craven	-11.3
Hambleton	-11.2
Harrogate	-12.5
Richmondshire	-13.2
Ryedale	-13.0
Scarborough	-9.8
Selby	-10.4
Floor for Shire Districts	-14.2
National Average	-11.5
Others	
North Yorkshire Police	-6.7
North Yorkshire Fire	+0.7
City of York	-9.4
Class of Authority	
Inner London	-7.5
Outer London	-7.9
Metropolitan Districts	-7.6
Unitary Authorities	-7.6
Shire Counties	-8.0
Shire Districts	-11.5
Fire Authorities	-0.7
Police Authorities	-6.7
Regional Summaries (Govt Office)	
South West	-7.2
South East	-8.1
London	-7.0
Eastern	-7.7
East Midlands	-7.5
West Midlands	-7.1
Yorkshire & Humber	-7.3
North East	-7.1
North West	-7.3

Out of 27 Shire Counties, 17 had lower grant reductions than NYCC

THE FORMULA GRANT SYSTEM

From 2006/07 the Government replaced the FSS system with a new grant distribution system, known as the Four Block Model.

Their justification for introducing the new system was that the formula should be simply a means of distributing Government grant. In their view, the notional spending and taxation figures previously published were widely misunderstood and misused for a variety of purposes.

The new system therefore deals in cash grant and not assumptions about spending.

The Government rejected the argument from local government that the new system is too complex and more judgemental than the previous system.

The Four Block Model is based on the following:-

(i) **a Relative Needs Block**

This Block is based on formulae, the Relative Needs Formulae (RNFs), which are similar in structure to the previous Formula Spending Shares. The RNFs themselves are split into seven different blocks, covering the main service areas provided by local authorities (Children's Services, Adults' Personal Social Services, Police, Fire and Rescue, Highways Maintenance, Environmental, Protective and Cultural Services, and Capital Financing).

The RNFs are designed to reflect the relative needs of individual authorities in providing services. **They are not intended to measure the actual amount needed by any authority to provide local services, but to simply recognise the various factors which affect local authorities' costs locally.**

The formula for each specific service area is built on a basic amount per client, plus additional top ups to reflect local circumstances. The top ups take account of a number of local factors which affect service costs, but the biggest factors are deprivation and area costs.

- (ii) **a Relative Resources amount** which is a negative figure and takes account of different capacity to raise income locally from Council Tax
- (iii) **a Central Allocation amount** which is allocated so that all authorities delivering the same services receive the same sum per head of population
- (iv) **a Floor Damping Block** to ensure that all authorities receive a minimum grant increase

Provisional Local Government Finance Settlement 2012-13

8 December 2011



- The Government has announced the second year of the two year settlement announced in December 2010.
- As previously announced, formula grant to all authorities will fall by a further 7.7% on top of the 9.9% fall in 2011-12. For single tier and county councils and shire districts this means that the total fall over two years will be 19.3%.
- A transitional grant of £20m for 2012-13, benefiting 12 authorities whose “revenue spending power” would have otherwise have fallen by more than 8.8% has been provided.
- Damping will continue with the floors as announced in February 2011.
- There is no change to the amount of top-sliced academies transfer for 2011-12 and 2012-13. The Department for Education have published a separate consultation document which could lead to a separate grant being paid to authorities with low numbers of academies in January 2013 as compensation for too much money having been top-sliced from their budget.
- Council Tax Referendum thresholds for 2012-13 have been announced as 3.5% for single tier, county councils and shire districts, 4% for police and fire authorities and the GLA and 3.75% for the City of London. These are 1% above the figures for which the one year freeze grant for 12-13 will be paid.

Briefing

LGA key messages

- Today's settlement announcement confirms that local government continues to bear the brunt of public spending cuts in this Spending Review period. The Autumn Statement proposes that cuts will continue at least until 2017. The time has come to turn the spotlight back on Whitehall departments which have thus far been sheltered from the worst of the cuts.
- Business rates income now exceeds formula grant earlier than expected. This highlights the significance and the unfairness of the Treasury's proposal to "set aside" business rates income to fund the Exchequer from 2013.
- It should be for local people to determine whether they find a suggested council tax increase “excessive”, rather than the Secretary of State decreeing what constitutes “excessive” from the centre. If local referendums are to be truly localist, they should be triggered only at the behest of local people.
- The Government's shift on the academies top-slice is welcome, but concerns remain about the future mechanism for funding school support and about the incentives the Government is creating for councils which wish to encourage new academies.

Settlement in detail

Formula grant

- Formula grant for 2012-13 is as set out in the provisional settlement announced in January 2011. However the council tax freeze grant for 2011-12 (£652m) has been added to formula grant for 2012-13. Without this the distributable amount would be higher than formula grant.

Damping arrangements

The table sets out the damping arrangements for formula grant in 2012-13

	Education/ Social Services	Shire Districts	Police	Fire
2012-13				
Floor				
Single floor			-6.703%	-3.4%
Band 1 - most dependent	-7.4%	-11.2%		
Band 2	-8.4%	-12.2%		
Band 3	-9.4%	-13.2%		
Band 4 - least dependent	-10.4%	-14.2%		

Transitional Grant

- In addition to formula grant, the government will pay a transition grant of £20m to those authorities worst hit by the settlement. The transitional grant will be paid to 12 authorities in 2012-13.
- This will mean that no authority has a reduction in 'spending power' (defined as formula grant plus council tax plus some specific grants) of no more than 8.8%.
- The Government says that the average reduction in 'spending power' is 3.3% in 2011-12.

Business rates

- The distributable amount of Business Rates will be £23.1bn, compared with £19bn in 2010-11, an increase in £4.1bn. CLG have put a statement on their website explaining this increase.
- The national non-domestic rate multiplier will go up by 5.6% to 45.0p. There will be a similar increase for small businesses.

Council tax

- As previously announced there will be a grant for councils who freeze their council tax in 12-13. This grant will be paid for one year only. It will amount to an increase of 2.5% for single tier, county councils and district councils, 3% for police and fire authorities and the GLA and 2.75% for the City of London.

- The Government have also announced the thresholds over which councils will have to have referendums under the 2011 Localism Act. These are 3.5% for single tier, county councils and shire districts, 4% for police and fire authorities and the GLA and 3.75% for the City of London.

New Homes Bonus

- Provisional amounts for the New Homes bonus for 2012-13 have already been announced by CLG – a total of £431m. This will be funded through £250m in specific grant and £181m in top-sliced formula grant. However the top-slice of £176m from 2012-13 formula grant remains unchanged; the LGA understands that the balance will be taken from the provision in 2013-14.

Schools and Children's Services Funding

- DfE will be making a separate statement in the next few days on the Dedicated Schools Grant and Pupil Premium for 2012-13. This is expected to be in line with the spending review figures already announced with the Guaranteed Unit of Funding within the DSG remaining at flat cash per pupil.
- The Early Intervention Grant, as previously announced will be £2.365m in 2012-13. This is an increase of 5.9% when compared with the comparable figure in 2011-12. However this has to be set against a reduction of 25% in 2011-12 when compared against the comparable funding streams from 2010-11.
- £148m in 2011-12 and £265m in 2012-13 is still being removed from formula grant to pay for central education functions for academies. Following their consultation in the summer, DfE have issued a new consultation document. This proposes:
 - No change for 2011-12, the top-slice would remain £148 million.
 - For 2012-13, the top-slice from formula grant will remain at £265 million (so a total top-slice of £413m over the two years). However, a new methodology will be used to calculate individual authorities' contributions. Where an authority has had more money taken away than the new methodology suggests they should have, that authority will receive some funding back in the form of a specific grant. The grant would be paid in early 2013.
 - Where the new methodology assesses that an authority should have contributed more to the top-slice there will be no adjustment – meaning no council will be worse off than current levels as a result.
 - The new methodology proposes a reduction in the national "per pupil rate" from £220 per pupil to £156 per pupil. Individual local authority calculations would be based on the actual number of pupils in academy schools in January 2013, and so the calculation will not be known until January 2013.
 - The DfE says they and CLG will consult in 2012 on future arrangements; this could include removing the services from formula grant into the DfE budget, as part of the Local Government Resource Review.

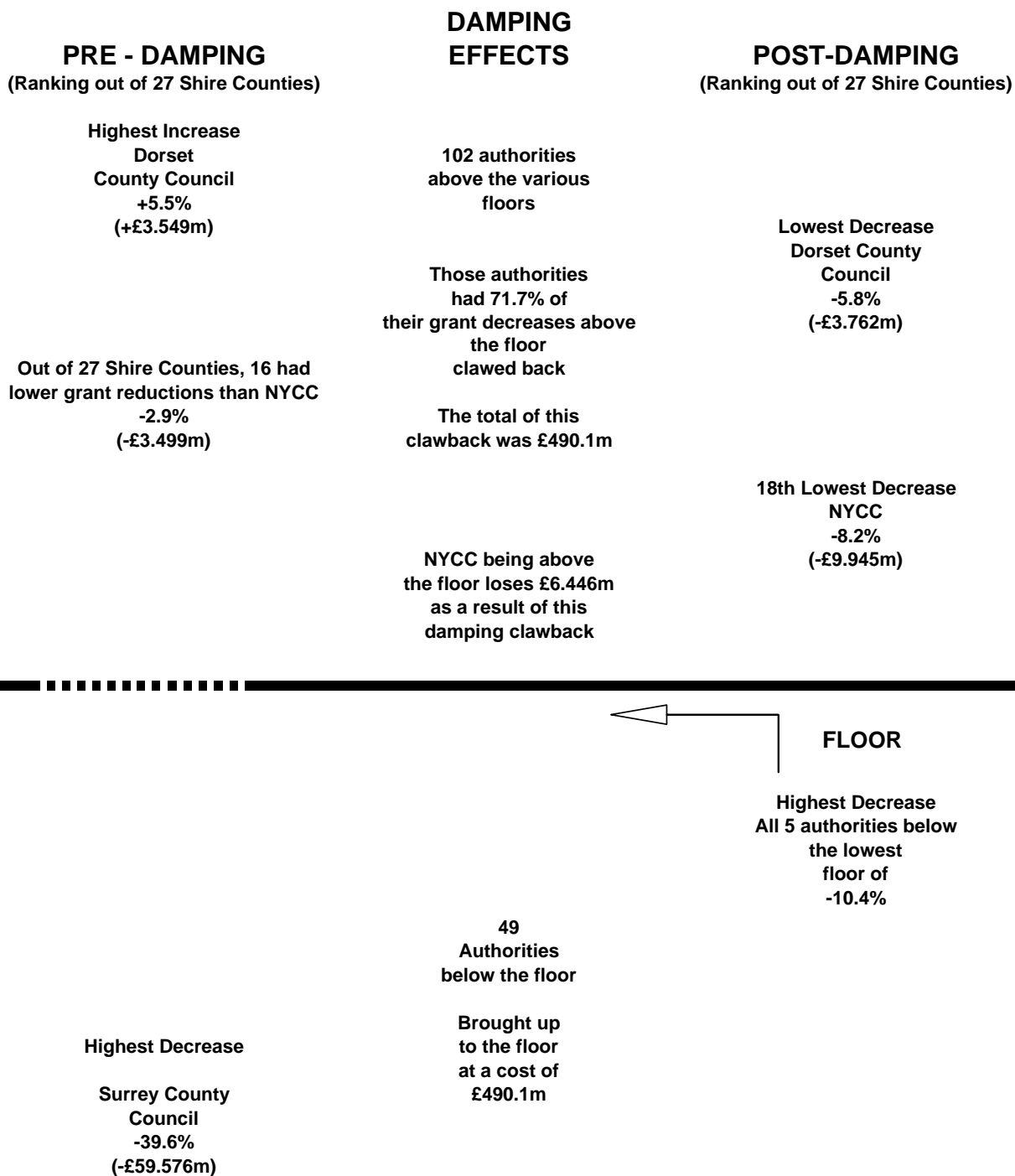
LGA View

- It is difficult to quantify the amount councils could expect to receive through the special grant for 2012/13 as this will be based on January 2013 numbers.
 - The new methodology is likely to benefit councils with fewer academies so long as the numbers remain low in January 2013. Councils that have supported the Government's roll out of the academies programme are unlikely to benefit.
 - The "per pupil rate" has been reduced from £220 to £156. However this is still significantly higher than the rate which comes out of the costing exercise carried out by the LGA over the summer. This suggests that the maximum unit cost should be in the region of around £50.
 - The new methodology is still not based on demonstrable savings to councils where schools have converted to Academy status.
 - The LGA would be concerned if any future arrangements under the Local Government Resource Review removed more money from councils than they were spending. This would not be in line with the Government's own New Burdens Doctrine.
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Further information: For further information on this briefing, please contact Ben Kind, LGA Public Affairs and Campaigns Manager on 020 7664 3216 or ben.kind@lga.gov.uk

Grant damping in 2012/13

(for Authorities responsible for Education and Personal Social Services - 151 authorities)
(based upon December 2011 announcement)



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14 November 2011

Dear Chief Executive/Chief Fire Officer,

COUNCIL TAX FREEZE

The Chancellor of the Exchequer announced last month that the Government intends to make funding available to help councils freeze their council tax in 2012-13. I am writing to you today to give details of the terms under which the scheme will operate. The key principles will be as follows:

1. As for 2011-12, this scheme will be voluntary, will be administered by DCLG and will apply separately to each billing and major precepting authority in England rather than to each council tax bill issued. Once again local precepting authorities, such as town and parish councils, will not be included in the scheme.
2. Funding will be supplied by DCLG to participating authorities before 31 March 2012 or very soon thereafter through an accrual of 2011-12 funds. Unlike for 2011-12, the council tax freeze grant for 2012-13 will involve a single one-off payment and this will not be built into the baseline (i.e. no further grant payments will be made over the Spending Review period).
3. We will make special provision for the Greater London Authority (GLA), the City of London and for authorities which have restructured but not yet equalized their council tax. These special cases are dealt with in paragraphs 6 to 8 respectively. Eligibility criteria for all other authorities, and the basis of grant calculation, are explained in paragraph 4 below.
4. If an authority sets its basic amount of council tax¹ for 2012-13 at a level which is no more than its basic amount of council tax for 2011-12, it will be eligible to receive a grant equivalent to an x% increase in its 2011-12 basic amount of council

¹ Subject to parliamentary approval the Government intends to implement the provisions in the Localism Bill concerning council tax for the 2012-13 financial year. Clauses 62 to 65 of the Bill change the provisions of the Local Government Finance Act 1992 which govern the calculation of council tax in England. Consequently, for the proposed grant scheme in 2012-13, 'basic amount of council tax' will mean the amount set by an authority under section 31B(1) (if the authority is a billing authority) or section 42B(1) (if the authority is a major precepting authority): but ignoring any local precepts issued to or anticipated by a billing authority.

tax *multiplied* by the authority's tax base for 2012-13 (rounded to the nearest pound) where -

- (a) For police authorities, and single purpose fire & rescue authorities, $x\% = 3\%$;
- (b) For the City of London, $x\% = 2.75\%$ (see paragraph 7 below);
- (c) For other principal authorities, $x\% = 2.5\%$.

5. The higher rate of grant being offered to police and fire and rescue authorities reflects the Government's commitment to protecting these frontline emergency services. Subject to paragraph 7 below, it is not being offered to councils which provide fire and rescue services because those services account for a very small proportion of the councils' overall budgets.

6. For the GLA, if the amount calculated by the GLA under section 89(3)² of the GLA Act 1999 for 2012-13 is no more than the same amount calculated by the GLA for 2011-12, the GLA will be eligible to receive a grant calculated in two parts (the aggregate being rounded to the nearest pound):

- (a) a 2.75% increase in the amount calculated by the Authority under section 88(2) of the GLA Act for 2011-12 *multiplied* by the tax base for the whole of the GLA's area for 2012-13;

plus

- (b) a 3.0% increase in the amount calculated under section 89(4) of the GLA Act for 2011-12 *multiplied* by the tax base for the metropolitan police district for 2012-13.

7. The offers based on 2.75% increases, at 4(b) and 6(a) above, reflect that:

- (a) approximately half of the overall expenditure of the City of London is devoted to providing police services; and
- (b) expenditure on the London Fire and Emergency Planning Authority (LFEPA) accounts for more than half the precept the GLA raises under section 88(2).

8. For a local authority which was restructured in 2009 and which calculated its basic amounts of council tax for 2011-12 under Part 4 of the Local Government (Structural Changes) (Finance) Regulations 2008 (SI 2008/3022) ('the 2008 Regulations'), if the average basic amount of council tax for the whole authority for

² Subject to parliamentary approval and the implementation of the Localism Bill, clause 65 of the Bill will amend sections 88 and 89 of the GLA Act 1999 for 2012-13.

2012-13 is no more than the same amount calculated for 2011-12³, the authority will be eligible to receive a grant equivalent to a 2.5% increase in its 2011-12 average basic amount of council tax for the whole authority *multiplied* by the authority's tax base for 2012-13 (rounded to the nearest pound).

9. Confirmation that any authority has set its basic amount of council tax for 2012-13 at a level which meets the terms of the scheme will be provided through the usual annual return⁴ made to this Department by 8 March 2012 for major precepting authorities and 18 March for billing authorities.

10. DCLG will pay a single unringfenced grant in support of the scheme to each eligible billing and major precepting authority based on the formulae described in the above paragraphs. Payments to authorities will be made before or very soon after 31 March 2012 on the basis of the grant-making powers provided by section 31 of the Local Government Act 2003.

11. The following points should be noted.

- That the arrangements for funding the 2011-12 council tax freeze⁵ are unaffected by this new offer from Government to help councils freeze their council tax in 2012-13.
- An important difference between the two schemes is that the scheme for 2012-13 will comprise a one-off payment of grant, and is payable for one year only. The scheme for 2011-12 is this year being paid out as ten monthly payments. The intention remains that authorities will receive grant in relation to the 2011-12 freeze in each of the remaining years of the Spending Review.
- For the avoidance of doubt, the "basic amount of council tax" to which I refer in this letter is the amount that will be apparent to taxpayers resulting from the normal requisite calculations of council tax. Once again it will therefore reflect as expenditure those amounts which authorities have to pay to other bodies in the form of levies – a factor which caused some debate during the introduction of the freeze for 2011-12.

³ Subject to parliamentary approval and the implementation of the Localism Bill, for the proposed grant scheme in 2012-13 'average basic amount of council tax for the whole authority' will mean the amount calculated under section 31B(1) of the Local Government Finance Act 1992, or the amount calculated under that section as modified by the 2008 Regulations (as the case may be): but in either case ignoring any local precepts issued to or anticipated by the authority. As the 2008 Regulations require that some equalization occurs each year until a single level of council tax is achieved across the whole of an authority's area, this could result in an increase in the council tax payable in some parts of the authority's area. The 2008 Regulations will require consequential amendment as a result of the implementation of the Localism Bill.

⁴ This is the current BR form which we expect to update and rename to reflect changes being introduced by the Localism Bill. See also paragraph 13 below.

⁵ The intention remains that authorities will receive grant in relation to the 2011-12 freeze in each of the remaining years of the Spending Review.

12. We have estimated the awards each authority would receive if they chose to freeze their council tax for 2012-13 based on a three year geometric mean of their tax base. These estimates will be published today on DCLG's website to assist authorities with their budget planning. Actual grants payments will, however, be based on the tax base figures included in the return mentioned in paragraph 9.

13. DCLG have started to engage with stakeholders about any changes needed to the Budget Requirement forms to reflect changes to be introduced by the Localism Bill. We will write again to chief finance officers in order to clarify how the data on which grant calculations are to be based is related to the data items set out in the revised form.

14. This new scheme offering a freeze in council tax for 2012-13 will not affect the Transition Fund. The Government has made it clear that to provide certainty in advance for local authorities, as part of the two year settlement, the Transition grant will not take account of any further changes.

15. If you require any further information regarding the contents of this letter please do not hesitate to e-mail:

counciltax.consultations@communities.gsi.gov.uk

or contact David Kelly at this address, or on telephone 0303 444 2099.

I am copying this letter to chief finance officers, the Welsh Government, the Chair of the Local Government Association, the Chair of the Association of Police Authorities, the President of the Chief Fire Officers' Association, the Chief Executive of the Chartered Institute of Public Finance and Accountancy and other representatives bodies such as those that cover parish councils.

Yours sincerely,



Mark Rickard
Divisional Manager, Council Tax
Local Government Finance

NYCC GOVERNMENT GRANTS (Revenue)

Grant	Govt Dept	Notes	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Further information
General Funding	DCLG						
Formula grant			122,252	116,788	?	?	Latter 2 years will reflect 2010 CSR control totals and localisation of business rates proposals. 2012/13 allocation includes £6.2m C Tax Freeze grant from 2011/12
Council tax freeze 2011/12			6,149	0	0	0	Paid for 4 years of CSR period but rolled into formula grant from 2012/13
Council tax freeze 2012/13		2, 3	0	6,170	0	0	One off grant for 2012/13 subject to acceptance of the offer
General Funding sub-total			128,401	122,958	0	0	
Corporate	DCLG						
New Homes Bonus Grant			382	849	?	?	Base Budget of £200k in 2011/12. Will increase in future as each year's allocation is paid for a period of 6 years. Annual allocations should be notified as part of each year's Finance Settlement
Corporate sub-total			382	849	0	0	
CYPS	DfE	4	353,470	352,500	?	?	Earmarked for schools; 2012/13 is an NYCC estimate based on 'funding per pupil' levels announced by DfE on 13/12/11. Final figure will be affected by the January 2012 pupil count and number of schools converting to academies
Dedicated Schools Grant							
Young People Substance Misuse	HO	1, 3	72	36	?	?	Confirmation of 2012/13 allocation still awaited. Funding and responsibility to be transferred to Police & Crime Commissioners from 2013/14
Extended Rights & General Duty to provide sustainable travel	DfE	1, 3	535	664	?	?	
Early Intervention Grant	DfE	3	18,793	20,488	?	?	Brings together a number of former predecessor grants
Young People's Learning Agency	DfE		25,254	?	?	?	
Music Grant	DfE		866	?	?	?	CYPS expect to lose 28% of funding between 2012/13 & 2013/14
SWIF	DfE		263	?	?	?	Ringfenced for social care improvements
Adult Education	BIS		3,609	?	?	?	
Pupil Premium	DfE	4	3,543	7,800	?	?	Earmarked for schools; estimate based on doubling of current grant provision as per government's illustrative figures but is subject to January pupil count
Additional Grant for Schools	DfE		435	?	?	?	Earmarked for schools

Grant	Govt Dept	Notes	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Further information
Young Persons Substance Misuse	DoH		183	?	?	?	
Youth Justice	MoJ		1,188	?	?	?	? Subject to review of national formula distribution, introduction of PCC and payment by results
Pathfinder for SEN Disabilities	DfE		75	?	?	?	
NCSL Partnership PFI Grant	NCSL DCLG	4	8 704	? 704	? 704	? 704	Annual revenue grant in support of School's PFI. Figures for 2012/13 onwards are expected but not confirmed by DCLG
CYPS sub-total			408,998	382,192	704	704	
CEG							
Stronger Safer Communities Fund	HO	1, 3	460	234	0	0	Confirmation of 2012/13 allocation still awaited. Funding and responsibility to be transferred to Police & Crime Commissioners from 2013/14
Community Call for Action	HO	1, 3	13	6	0	0	Confirmation of 2012/13 allocation still awaited. Funding and responsibility to be transferred to Police & Crime Commissioners from 2013/14
Local Health Watch	DoH (PCT)	4	0	109	176	181	Indicative figures based on "relative needs" option in consultation. Expected from Oct 2012. Required to fund new Council responsibilities. Assumed 2012/13 includes element of set up costs
NHS Complaints Advocacy	DoH	4	0	0	145	145	Indicative figures based on "relative needs" option in consultation. Expected from Apr 2013. Required to fund new Council responsibilities
CEG sub-total			473	349	321	326	
BES							
Inshore Fisheries	DEFRA	1, 3	55	55	?	?	To fund matched increased levy from North Eastern Inshore Fisheries Authority arising from new burdens from the Marine Bill
Managing Flood Risk	DEFRA	1, 3	168	372	?	?	Funding for carrying out new responsibilities as the Lead Local Flood Authority under the Flood and Water Management Act 2010
Exceptional Funding for Highways maintenance	DfT	2	6,632	0	0	0	Pot Hole' allocation announced in Feb 2011
Community Transport Grant	DfT	2	416	416	0	0	Grant to rural transport authorities to kick start community transport in rural areas
New Burdens Grant (Habitats Regulations Assessments)	DCLG	2	17	0	0	0	Grant in relation to the Minerals and Waste Development Framework
Howardian Hills AONB	DEFRA	4	142	134	126	118	Annual funding to manage the Howardian Hills AONB. Future years reduced by fixed percentages

Grant	Govt Dept	Notes	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Further information
Managing Landscape Change	English Heritage	2	93	0	0	0	Funding to create an Environmental Evidence Base as part of the CCs Minerals Core Strategy
Wolds Way Maintenance	Natural England		11	10	10	10	Maintenance of Footpath. Confirmed annually following Bid
Pennine Way	Natural England		4	4	4	4	Maintenance of Footpath. Confirmed annually following Bid.
Leader - N Y Moors	DEFRA		708	551	249	0	To fund development opportunities in rural communities (Ends March 2014)
Leader - Yorks Dales	DEFRA		664	667	240	0	To fund development opportunities in rural communities (Ends March 2014)
Bikeability	DfT	4	145	167	174	200	To improve cycling standards in Year 6 children. Bid due in by Jan 2012
Road Safety Perf Reward Grant	DCLG		100	100	100	0	To deliver casualty reductions in several specific groups identified. Grant covers 3 years.
Control of Feed Business Operators	Food Standards Agency	2	10	0	0	0	Funding to undertake inspections, audits and sampling etc by Trading Standards
RIEP - Highways	DCLG	2	150	0	0	0	Funding for regional collaboration of N Yorks and Yorks and Humber H&T Alliance
LEP - Start Up Fund	BIS	2	120	0	0	0	To assist in creating the Local Enterprise Partnership
LEP - Capacity Fund	BIS	2	35	0	0	0	Funding to deliver 3 main elements of Economic Intelligence, Business Engagement and LEP Board Development
Bishop Monkton Flood Alleviation	DEFRA	2	30	0	0	0	Funding for works
SHINE 2012 (for Title see comments)	Natural England	2	5	0	0	0	Funding to create improved, updated database. (Selected Heritage Inventory for Natural England)
BES sub-total			9,506	2,475	902	332	
HAS PCT / HEALTH FUNDING							
Learning Disability and Health Reform grant	DoH	3	8,899	9,124	?	?	12/13 allocation includes an element to prepare for taking over DOLS responsibility from PCT (approx £13k)
NHS Funding to support social care and benefit health	DoH	3	8,412	6,352	?	?	NYCC share of national £648m. £8.412m receivable in 2011/12 includes one off amounts of £170k for reablement + £1,648k for winter pressures from the PCT.
PCT DOLS	DoH (PCT)	4	0	0	13	13	Required to fund responsibilities transferring to the council from the PCT from 2013/14 onwards.
Public Health	DoH		0	0	?	?	Expected to be paid via Specific Grant from 2013/14 to fund additional Public Health responsibilities
Social Fund Grants	DWP		0	0	?	?	Funding will transfer to NYCC from DWP wef 2013/14 to fund additional responsibilities
HAS PCT / HEALTH FUNDING sub-total			17,311	15,476	13	13	

TOTAL

565,071	524,299	1,940	1,375
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Note 1

Local Services Support Grant							
Community Safety							
Young People Substance Misuse	CYPS	72	36	0	0		
Stronger Safer Communities Fund	CEG	460	234	0	0		
Community Call for Action	CEG	13	6	0	0		
		<hr/>	<hr/>	<hr/>	<hr/>		
		545	276	0	0		
Inshore Fisheries	BES	55	55	?	?		
Managing Flood Risk	BES	168	372	?	?		
Extended Rights & General Duty to provide sustainable travel	CYPS	535	664	?	?		
TOTAL		<hr/>	<hr/>	<hr/>	<hr/>		
		1,303	1,367	?	?		

The Safer Communities Forum allocated part of the 2011/12 Stronger, Safer Communities Fund grant as follows:

- £75k to CYPS for the Targeted Activity Programme
- £6k to CYPS for Safeguarding Children

Note 2 - grant paid for 1 year only

Note 3 - figures for future years are indicative allocations provided by central government

Note 4 - figures for future years are NYCC estimates

Key

DCLG	Dept for Communities & Local Government	SWIF	Social Work Improvement Fund
DfE	Dept for Education	NCSL	National College for School Leadership
HO	Home Office	AONB	Area of Outstanding Natural Beauty
MoJ	Ministry of Justice	CSR	Comprehensive Spending Review
DoH	Dept of Health	SEN	Special Educational Needs
DEFRA	Dept of Environment, Food & Rural Affairs	PCC	Police & Crime Commissioners
DfT	Dept for Transport	PFI	Private Finance Initiative
BIS	Dept for Business, Innovation & Skills	NHS	National Health Service
LEP	Local Enterprise Partnership	PCT	Primary Care Trust
RIEP	Regional Improvement & Efficiency Partnership	DOLS	Deprivation of Liberty Safeguards
DWP	Dept for Work & Pensions		
?	Recurring funding expected but no indication / estimate of amount		

GRANT, SPEND & COUNCIL TAX EXEMPLIFICATION 2011/12 TO 2014/15

Based on a zero Council Tax increase in 2011/12 and 2012/13, with CLG grant support for the loss to NYCC in 2012/13 (one year only), then Council Tax increases of 3.5% in 2013/14 and 3.5% 2014/15

	2011/12 Actual £000s	2012/13 Budget £000s	2013/14 MTFS £000s	2014/15 MTFS £000s
BUDGET REQUIREMENT (BR)				
Start with previous years BR	350001	368670	363422	370336
Increased spend at CT increases of 3.5% in 2013/14 and 3.5% in 2014/15 (zero for 2011/12 actual and 2012/13 proposed)				
Base transfers into grant (see (i) below)	37352	-1668	0	0
2011/12 Council tax freeze grant into formula grant		6149		
Reflect grant reductions as per (ii) & (iii) below	-19455	-9945	-2900	-7900
Increase Cncl Tax by 0 (zero), 0(zero), 3.5% & 3.5% (2011/12 & 2012/13 compensated in spend by grant)	0	0	8629	8967
Tax base increase	800	602	1013	1065
Collection Fund surplus variations	-28	-385	172	0
Rounding adj required for 2012/13		-1		
	18669	-5248	6914	2132
= Budget Requirement (BR)	368670	363422	370336	372468
= BR %age increase - cash	5.3%	-1.4%	1.9%	0.6%
- after base transfers	-4.8%	-1.0%	1.9%	0.6%
FORMULA GRANT (RSG)				
Previous year	-104355	-122252	-116788	-113888
other net transfers to / from formula grant (i)	-37352	1668	0	0
=adjusted formula grant per DCLG	-141707	-120584	-116788	-113888
CSR Grant reduction (ii)	19455	9945	1500	6500
further assumed reduction re 1% pay freeze (iii)			1400	1400
2011/12 CT feeze grant into formula grant		-6149		
= total grant	-122252	-116788	-113888	-105988
Increase on adjusted base	-13.7%	-8.2%	-1.3%	-5.7%
Memo item - grant analysis into 4 block model				
Relative needs (formula - data at service block level)	-125497	-116862		
Relative Resources (strength of local tax base)	75658	67726		
Central Allocation (balance of Nat Pot on pop basis)	-53897	-47917		
Damping (to achieve min & max % increases)	2017	6446		
Grants rolled in using tailored distribution	-20533	-19976		
Council tax freeze grant rolled into formula grant		-6149		
Top up re ensuring no authority's figures change		-56		
	-122252	-116788	0	0
COLLECTION FUND SURPLUSES				
	-464	-78	-250	-250
COUNCIL TAX REQUIREMENT				
	245954	246555	256198	266230
TAX BASE				
Gross estimate per DCLG	233136	234236	235170	236110
- costs / losses etc to arrive at Districts forecast	-3301	-3889	-3910	-3920
= Districts net forecast	229835	230347	231260	232190
+ additional second homes	2749	2807	2820	2830
= total net tax base for Council Tax setting	232584.92	233154.16	234080	235020
%age increase in tax base	0.33%	0.24%	0.40%	0.40%
COUNCIL TAX				
Band D calculation	£1,057.48	£1,057.48	£1,094.49	£1,132.80

	2011/12 Actual	2012/13 Budget	2013/14 MTFS	2014/15 MTFS
Increase (2010/11 = £1,057.48)				
£	£0.00	£0.00	£37.01	£38.31
%	0.00%	0.00%	3.50%	3.50%
Variations on Council Tax				
1.0%		2466	2475	2572
£1m		0.41%	0.40%	0.39%
VARIABLES IN FUNDING LEVELS (2011/12 are actuals)				
Formula Grant	-13.7%	-8.2%	-1.3%	-5.7%
Collection Fund surpluses	-464	-78	-250	-250
Tax base growth	0.33%	0.24%	0.40%	0.40%
Council tax increase	0.00%	0.00%	3.50%	3.50%

26-Jan-12

AGGREGATED SPEND REQUIREMENT YEAR ON YEAR ANALYSIS

26/01/2012

ITEM		CURRENT MTFS 2011/15		PROPOSED MTFS 2012/15			COMMENTS
		2012/13	+ / - VARIATIONS	2012/13	2013/14	2014/15	
		£'000	£'000	£'000	£'000	£'000	
Net Budget Requirement from Previous Year	(a)	(i) 368,670	(ii) 0	(iii) = (i) + (ii) 368,670	*	*	*
Inflation:							
- Pay Award		2,929	-2,929	0	1,461	1,474	Assumed 0% / 1% / 1%
- Other		7,502	879	8,381	7,343	7,369	
Grant Adjustments	(b)	10,431	-2,050	8,381	8,804	8,843	
	(c)	-1,154	0	-1,154	0	0	Grants rolled into Formula Grant etc
Allocations							
- Capital Financing		-632	-1,600	-2,232	98	697	Use of internal borrowing
- Interest Earned		-964	1,289	325	-230	-1,488	Cash balances used for internal borrowing and depressed interest rates
- New Homes Bonus		-200	-449	-649	0	0	Additional Allocations
- North Yorkshire Pension Fund contributions		0	420	420	1,380	0	re. Actuarial Deficit - due to reducing payroll base
- Carbon Reduction Allowances		0	179	179	22	355	To purchase allowances (excludes Schools)
- HAS Social Care - demographic demand		3,000	0	3,000	3,000	3,000	Each £3m increment is subject to annual review
- Other		449	130	579	238	-18	
	(d)	1,653	-31	1,622	4,508	2,546	
Savings Matrix							
- Services		-15,130	0	-15,130	-7,290	-4,670	Assumed to all still be on target
- Corporate Miscellaneous + Turn-off / Turn-on		-315	1,867	1,552	2,700	0	
	(e)	-15,445	1,867	-13,578	-4,590	-4,670	
Savings - Additional							
- BES Concessionary Fares		0	-1,000	-1,000	0	0	Base Budget pay-back
- CYPS accelerated Matrix Savings		0	-2,007	-2,007	871	1,136	Non-recurring
	(f)	0	-3,007	-3,007	871	1,136	
Savings - One Council	(g)	0	0	0	-3,596	-4,048	No change assumed
Council Tax Freeze Grant							
- 2011/12 Grant rolled into Formula Grant		0	6,149	6,149	0		
- 2012/13 Grant - One-year Only		0	-6,162	-6,162	6,162		
	(h)	0	-13	-13	6,162	0	
Total (a + b + c + d + e + f + g + h)	(i)	364,155	-3,234	360,921	375,581	374,143	
Surplus (+)	(j)	0	2,501	2,501	-2,501		Cash to GWB in 2012/13 + to offset shortfall in 2013/14
Shortfall (-)	(k)	0	0	0	-2,744	-1,675	Recurring shortfall; cumulative value = £4.419m
Total Net Budget Requirement (i + j + k)	(l)	364,155	-733	363,422	370,336	372,468	

APPENDIX C

SUMMARY ANALYSIS OF YEAR ON YEAR INCREASE IN BUDGET REQUIREMENT 2012/13

VERSION

25 January 2012

Directorate	2011/12	2011/12	Subsequent	Directorate	2011/12	Inflation & Cost Pressures		Service Needs		Cost Reductions				Pending Issues Provision	Net Budget Requirement
	Opening Base Budget	Budget 2 Adjustments	Base Budget Adjustments	Restructures from	New Base Budget	Inflation	Waste	Additional Needs	Grants Rolled into Formula	Recurring	Non-Recurring	Budget 2 Savings Agreed	Additional 2012/13 Savings		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)		
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Business & Environmental Services	77,172		1,387		78,559	1,365	2,102	116		-1,400	1,000	-1,000	-1,000	-2,365	77,377
Children & Young People's Service - (excludes Schools DSG)	82,937	-500	-1,525		80,912	710			-1,154	-2,960			-2,007	-240	75,261
Health & Adult Services	155,957	-3,000	-1,308	-8,212	143,437	3,397		3,000		-9,170				-216	140,448
Chief Executive's Group	12,657		-102	8,212	20,767	369				-1,000				-210	19,926
Finance & Central Services	15,952		2,731		18,683	289		400		-600	500			1,285	20,557
Directorate Sub Total -ex- Schools DSG	344,675	-3,500	1,183	0	342,358	6,130	2,102	3,516	-1,154	-15,130	1,500	-1,000	-3,007	-1,746	333,569
Capital Financing	32,475			-18	32,457				-2,232						30,225
Interest Earned on Balances	-1,663				-1,663				325						-1,338
Central Contingency	500			-132	368				132						500
Special Inflation Provision	500	-500			0	1,000									1,000
Contribution to the Redundancy Reserve	2,500				2,500									-2,500	0
Contribution to Pension Fund Deficit	300				300				420						720
Pay and Reward Fund	-259			-70	-329				17		411				99
Employee Costs	-750			725	-25					-1,250					-1,275
Community Fund	380			-30	350				125		-25				450
Transformation	570			-271	299										299
Carbon Reduction Initiative	0				0				179						179
Budget 2 - Savings Required	0	-1,916			-1,916				1,867			49			0
Council Tax Freeze Grant 2011/12 (included within Formula Grant)	-6,149				-6,149				6,149						0
Council Tax Freeze Grant 2012/13	0				0				-6,162						-6,162
Other	-894			-958	-1,851				-760						-2,611
Sub-total - Corporate Miscellaneous (excluding PIP)	27,510	-2,416	-753	0	24,341	1,000	0	60	0	-1,275	411	49	0	-2,500	22,087
Pending Issues Provision - Total	2,401			-430	1,971	1,250	-2,102	-100						4,246	5,265
Corporate Miscellaneous - Sub Total	29,911	-2,416	-1,183	0	26,312	2,250	-2,102	-40	0	-1,275	411	49	0	1,746	27,352
Contributions from/to General Working Balances	-5,916	5,916			0										0
Overall Total-ex-Schools DSG	368,670	0	0	0	368,670	8,380	0	3,476	-1,154	-16,405	1,911	-951	-3,007	0	360,921
															Available to spend 2012/13
															Savings to be Identified
															Surplus
Increased Spend at Council Tax Freeze															
Base Transfer into Grant	-5,464														
Council Tax Increase	0														
Tax Base Increase	602														
Collection Fund Surplus Variations	-386														
	-5,248														
2011/12 Base Budget + additional 2012/13 spend	363,422														

Key to Columns:

(a) 2011/12 Budget Approved 16 February 2011

(e) = (a) + (b) + (c) + (d)

(o) = (e) + (f) + (g) + (h) + (i) + (j) + (k) + (l) + (m) + (n)

**APPENDIX D
SHEET A**

SUMMARY ANALYSIS OF YEAR ON YEAR INCREASE IN BUDGET REQUIREMENT 2013/14

VERSION 25 January 2012

Directorate	2012/13 Opening Base Budget (a) £000s	Inflation & Cost Pressures		Service Needs Additional Needs Gross (d) £000s	Cost Reductions			Pending Issues Provision (h) £000s	Net Budget Requirement (i) £000s
		Inflation (b) £000s	Waste (c) £000s		Recurring (e) £000s	Non- Recurring (f) £000s	Additional Savings (g) £000s		
Business & Environmental Services	77,377	1,520	1,825	32	-1,690	3,000		-723	81,341
Children & Young People's Service - (excludes Schools DSG)	75,261	1,744			-1,340		871	-3,000	73,536
Health & Adult Services	140,448	3,489		3,000	-3,260				143,677
Chief Executive's Group	19,926	247			-700				19,473
Finance & Central Services	20,557	304		200	-300			-1,900	18,861
Directorate Sub Total -ex- Schools DSG	333,569	7,304	1,825	3,232	-7,290	3,000	871	-5,623	336,888
Capital Financing	30,225			99					30,324
Interest Earned on Balances	-1,338			-230					-1,568
Central Contingency	500								500
Special Inflation Provision	1,000								1,000
Contribution to Pension Fund Deficit	720			1,380					2,100
Pay and Reward Fund	99								99
Employee Costs	-1,275								-1,275
Community Fund	450			325	-300				475
Transformation	299								299
Carbon Reduction Initiative	179			22					201
Budget 2 - Savings Required	0								0
Council Tax Freeze Grant (2012/13 one-year only)	-6,162			6,162					0
Other	-2,611			-19					-2,629
Sub-total - Corporate Miscellaneous (excluding PIP)	22,087	0	0	7,739	-300	0	0	0	29,525
Pending Issues Provision - Total	5,265	1,500	-1,825	-300				5,623	10,263
Corporate Miscellaneous - Sub Total	27,352	1,500	-1,825	7,439	-300	0	0	5,623	39,788
Surplus from 2012/13	2,501						-2,502		0
Overall Total-ex-Schools DSG	363,422	8,804	0	10,671	-7,590	3,000	-1,631	0	376,676
Increased Spend								Available to spend 2013/14	-370,336
Grant Reduction	-2,900							One-Council Savings	-3,596
Council Tax Increase @ 3.5%	8,629							Shortfall	2,744
Tax Base Increase	1,013								
Collection Fund Surplus Variations	172								
	6,914								
2012/13 Base Budget + additional 2013/14 spend	370,336								

Key to Columns:

(a) 2012/13 Opening Base Budget

(i) = (a) + (b) + (c) + (d) + (e) + (f) + (g) + (h)

APPENDIX D
SHEET B

SUMMARY ANALYSIS OF YEAR ON YEAR INCREASE IN BUDGET REQUIREMENT 2014/15

VERSION

25 January 2012

Directorate	2013/14 Opening Base Budget (a) £000s	Inflation & Cost Pressures		Service Needs Additional Needs Gross (d) £000s	Cost Reductions			Pending Issues Provision (h) £000s	Net Budget Requirement (i) £000s
		Inflation (b) £000s	Waste (c) £000s		Recurring (e) £000s	Non- Recurring (f) £000s	Additional Savings (g) £000s		
Business & Environmental Services	81,341	1,342	3,240		-1,860			733	84,796
Children & Young People's Service - (excludes Schools DSG)	73,536	1,783			-2,400		1,136		74,055
Health & Adult Services	143,677	3,663		3,000	-160				150,180
Chief Executive's Group	19,473	249			-50				19,672
Finance & Central Services	18,861	306			-200			-295	18,672
Directorate Sub Total -ex- Schools DSG	336,888	7,343	3,240	3,000	-4,670	0	1,136	438	347,375
Capital Financing	30,324			697					31,021
Interest Earned on Balances	-1,568			-1,488					-3,056
Central Contingency	500								500
Special Inflation Provision	1,000								1,000
Contribution to Pension Fund Deficit	2,100								2,100
Pay and Reward Fund	99								99
Employee Costs	-1,275								-1,275
Community Fund	475								475
Transformation	299								299
Carbon Reduction Initiative	201			355					556
Budget 2 - Savings Required	0								0
Other	-2,629			-18					-2,648
Sub-total - Corporate Miscellaneous (excluding PIP)	29,525	0	0	-454	0	0	0	0	29,071
Pending Issues Provision - Total	10,263	1,500	-3,240					-438	8,085
Corporate Miscellaneous - Sub Total	39,788	1,500	-3,240	-454	0	0	0	-438	37,156
Net Deficit from 2013/14	-2,744								-2,744
One Council Savings from 2013/14	-3,596								-3,596
Overall Total-ex-Schools DSG	370,336	8,843	0	2,546	-4,670	0	1,136	0	378,191
Increased Spend									
Grant Reduction	-7,900								
Council Tax Increase @ 3.5%	8,967								
Tax Base Increase	1,065								
Collection Fund Surplus Variations									
	2,132								
2013/14 Base Budget + additional 2014/15 spend	372,468								
								Available to spend 2014/15	-372,468
								One-Council Savings	-4,048
								Shortfall	1,675
								Cumulative Shortfall	
								- 2013/14	2,744
								- 2014/15	1,675
								Total	4,419

Key to Columns:

(a) 2013/14 Opening Base Budget

(i) = (a) + (b) + (c) + (d) + (e) + (f) + (g) + (h)

APPENDIX D
SHEET C

PENDING ISSUES PROVISION ALLOCATIONS ANALYSIS

APPENDIX E

Items	Directorate	Date Approved By Executive	2008-09	2009-10	2010-11	2011-12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
FUNDING - WASTE ALLOCATIONS												
Initial Budget Allocations			3,314	8,505	14,394	14,394	14,394	14,394	14,394	14,394	14,394	112,577
Budget Allocation Rounded Up					106	106	106	106	106	106	106	742
Add DCLG Flood Restoration Fund Grant	n/a	n/a	231									231
Inflation Added to Base - Waste Allocation 2010/11					1,250	1,250	1,250	1,250	1,250	1,250	1,250	8,750
Inflation Added to Base - Waste Allocation 2011/12						1,250	1,250	1,250	1,250	1,250	1,250	7,500
Inflation Added to Base - Waste Allocation 2012/13							1,250	1,250	1,250	1,250	1,250	6,250
Inflation Added to Base - Waste Allocation 2013/14								1,500	1,500	1,500	1,500	6,000
Inflation Added to Base - Waste Allocation 2014/15									1,500	1,500	1,500	4,500
Inflation Added to Base - Waste Allocation 2015/16										1,500	1,500	3,000
Inflation Added to Base - Waste Allocation 2016/17											1,500	1,500
Carry Forward Not Allocated in 2008/09			-1,021	1,021								0
Carry Forward Not Allocated in 2009/10				-503								0
Carry Forward Not Allocated in 2010/11					503							0
Allocations to Fund Waste Strategy 2010/11					-2,277	-2,277	-2,277	-2,277	-2,277	-2,277	-2,277	-15,939
Allocations to Fund Waste Strategy 2011/12						-2,988	-2,988	-2,988	-2,988	-2,988	-2,988	-17,928
Allocations to Fund Waste Strategy 2012/13							-2,102	-2,102	-2,102	-2,102	-2,102	-10,510
Allocations to Fund Waste Strategy 2013/14								-1,825	-1,825	-1,825	-1,825	-7,300
Allocations to Fund Waste Strategy 2014/15									-3,240	-3,240	-3,240	-9,720
Allocations to Fund Waste Strategy 2015/16										-8,100	-8,100	-16,200
Allocations to Fund Waste Strategy 2016/17											-3,545	-3,545
Contribution from the Community Fund 2010/11					600							600
Contribution from the Community Fund 2011/12						400						400
Contribution from the Community Fund 2012/13							300					300
Contribution from the Community Fund - Carry forward Balance of Funds						277						277
Contribution from Insurance Reserve						3,000						3,000
Funding Available		(a)	2,524	9,023	12,700	17,288	11,183	10,558	8,818	2,218	173	74,485
PROJECT ALLOCATIONS												
Schools Capital	CYPS	27/05/2008			0	-3,000	-3,000					-6,000
Radio Frequency Identification	ACS	02/09/2008	-418									-418
Library in a Box	ACS	02/09/2008	-75	-75								-150
Electronic Home Care Monitoring / Rostering System	ACS	02/09/2008		-200								-200
Swift Development Project	ACS	02/09/2008	-46	-99	-46							-191
Replacement of remaining concrete street lighting columns	BES	02/09/2008		-1,500	-1,500	-3,000						-6,000
ICT - Additional resources for system development	F&CS	02/09/2008	-100	-200	-150							-450
Data Encryption	F&CS	02/09/2008	-365									-365
Customer Service Centre	CEG	02/09/2008	-190	-10	-10							-210
Footways	BES	23/09/2008	-200	-800								-1,000
Northallerton - Bright Office Strategy	BOS (FCS)	02/12/2008	-240		-1,450							-1,690
Skipton - Bright Office Strategy	BOS (FCS)	02/12/2008		-500								-500
Library Stock Procurement	ACS	06/01/2009	-42									-42
HR (Systems Changes)	CEG	06/01/2009	-270	-562	-49							-881
Gypsy Site Refurbishment - grant top-up	F&CS	06/01/2009	-206									-206
Contribution to Citizen's Advice Bureaux	ACS	07/04/2009		-150								-150
STIC - Corporate Infrastructure, including Project Team	F&CS	08/09/2009		-504	-323	-510						-1,337
HR System	CEG	08/09/2009		-147	-427	-115						-689
STIC 2012-13 Provison	F&CS	08/09/2009					-525					-525
STIC 2013-14 Provision	F&CS	08/09/2009						-295				-295
Allocation to BES for Bedale Bypass - Fees I	BES	27/05/2008	-198									-198
Bedale Bypass - Fees II	BES	02/12/2008	-174	-1,778	-273							-2,225
Bedale Bypass - allocations to achieve conditional approval for the scheme	BES	29/09/2009				-259						-259
Bedale Bypass - Adjustments to Reflect Q3 2010/11 Projected Outturn Reports	BES	N/A			552	171	-723					0

PENDING ISSUES PROVISION ALLOCATIONS ANALYSIS

APPENDIX E

Items	Directorate	Date Approved By Executive	2008-09	2009-10	2010-11	2011-12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
WAN Allocations	F&CS	17/11/2009	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Self Issue Technology within Libraries (Equipment and Tagging of Books)	ACS	02/02/2010		-2,000	-600	-400	-200					-3,200
Transitional Workers	ACS	02/02/2010			-175	-95						-270
Brokerage Capacity	ACS	02/02/2010			-124	-124						-248
Telecare	ACS	02/02/2010			-92	-92						-184
Harrogate Bright Office Strategy	BOS (FCS)	02/02/2010			-300	0						-300
Yorwaste Dividend Shortfall Allocation 09-10	BES	22/06/2010		-498	-1,205							-1,205
Allocation to Offset Yorwaste Dividend Shortfall 10-11	BES	N/A			-1,573							-1,573
Winter Maintenance Reserve	BES	24/08/2010			-1,500							-1,500
Redundancy	Corp Miscellaneous	24/08/2010			-2,500	-2,500						-5,000
CYPS ICT Transformation Projects	CYPS	16/11/2010			-275	-240						-515
Reablement	ACS	02/02/2010			-3,678	-2,783	-646					-7,107
Reablement - Adjustments to Reflect Q2 2010/11 Projected Outturn Reports	ACS	N/A			2,998	-1,525	-1,473					0
BOS – Learning Disabilities - Community Lives	BOS (FCS)	26/07/2011					-1,470					-1,470
The Street - Project Funding	Corp Miscellaneous - Community Fund	23/08/2011				-125						-125
North Yorkshire Extra Care Housing and Regeneration Programme - Legal Advice	ACS	06/09/2011				-50						-50
Migration to Microsoft	F&CS	27/09/2011				-1,500	-1,400					-2,900
Bedale Bypass - Shortfall Funding								-733	-1,964	-997		-3,694
												0
PROJECT ALLOCATIONS TO DATE		(b)	-2,524	-9,023	-12,700	-16,147	-9,437	-295	-733	-1,964	-997	-53,820
Remaining Allocation		(c = a - b)	0	0	0	1,141	1,746	10,263	8,085	254	-824	20,665
Provisional allocation for initial estimates of additional STIC-related projects and priorities							-403					-403
STIC 2012-13 Provision							-460					-460
STIC 2013-14 Provision							-22					-22
ADJUSTED REMAINING ALLOCATION		(d)	0	0	0	1,141	861	10,263	8,085	254	-824	19,780

CALCULATION OF COUNCIL TAX REQUIREMENT, PRECEPT AND BASIC AMOUNT OF COUNCIL TAX (BAND D EQUIVALENT) 2012/13

1. Based on the Government's Grant Settlement figures announced on 8 December 2012 (a final announcement is expected in early February 2012) and a Council Tax increase of zero, the Council Tax and Precept position is set out below:-

	£000s
Net budget after contribution to and from reserves	363,422
- proceeds from Non Domestic Rates (NDR) and Revenue Support Grant (RSG) based on Final Settlement	
Non Domestic Rates	-114,567
RSG	-2,221
- County Council's share of Collection Fund surpluses notified by District Councils	- 79
= Council Tax requirement (Council Tax Precept to be collected on the County Council's behalf by the North Yorkshire District Councils acting as billing authorities)	246,555

2. To produce a Council Tax per property, the amount required to be levied has to be divided by a figure representing the 'relevant tax base'. For the County Council, this figure is the aggregate of the 'relevant tax bases' of each of the seven District Councils.
3. Each District Council prepares an estimate of its 'relevant tax base' expressed as the yield from a Council Tax levy of £1 as applied to an equivalent number of Band D properties. This calculation takes into account the number of properties eligible for a single person discount, reductions for the disabled, anticipated property changes during the year and the extent to which a 100% recovery rate may not be achieved.
4. The following information has been received from the District Councils:-

Authority	Council Tax Base (equivalent number of Band D properties)
Craven	22,363.66
Hambleton	36,204.01
Harrogate	62,140.41
Richmondshire	19,455.59
Ryedale	21,033.99
Scarborough	41,630.50
Selby	30,326.00
Total	233,154.16

5. Using the above information the County Council's equivalent Council Tax precept for a Band D property would be as follows:

<u>Total Council Tax Requirement</u>		<u>£246,555k</u>
Relevant Tax Base		233,154.16
@ Band D	=	£1,057.48

6. Using the appropriate 'weightings' for other property bands as determined by statute, the Council Tax precept for each property would be as follows:-

Band	2011/12 £ p	2012/13 £ p
A	704.99	704.99
B	822.48	822.48
C	939.98	939.98
D	1,057.48	1,057.48
E	1,292.48	1,292.48
F	1,527.47	1,527.47
G	1,762.47	1,762.47
H	2,114.96	2,114.96
		= no increase

(All figures are rounded to the nearest penny)

26 January 2012

**NORTH YORKSHIRE COUNTY COUNCIL
PAY POLICY STATEMENT ON PAY STRUCTURE,
GRADING AND CONDITIONS FOR SENIOR MANAGERS
COVERING THE PERIOD 1ST APRIL 2012 TO 31ST MARCH 2013**

1.0 This Pay Policy Statement covers the following posts:

- **Head of Paid Service**, which is the post of Chief Executive.
- **Statutory Chief Officers;**
 - Corporate Director Children and Young Peoples Services
 - Corporate Director Health and Adult Services
 - Corporate Director Business and Environmental Services
 - Corporate Director Finance and Central Services
- **Non-statutory Chief Officers** (those who report directly to the Head of Paid Service),:
 - Assistant Chief Executive (Human Resources/Organisational Development)
 - Assistant Chief Executive (Legal and Democratic Services)
 - Assistant Chief Executive (Policy, Performance and Partnerships)
 - Assistant Directors (All Directorates)

The pay and grading of the management board posts is detailed below and the Assistant Director details are provided at Appendix 1 (as at February 2012);

SPC	pay 11/12	BAND				SPC	Salary
86	170,000	CE1		CE1			
85	165,000			Chief Executive	Richard Flinton	84	160,000
84	160,000						
83	155,000						
82	128,975		DIR3	DIR3			
81	125,563			Corporate Director - CYPS	Cynthia Welbourn	82	128,975
80	122,151						
79	118,739	DIR2		DIR2			
78	114,952			Corporate Director - HAS	Helen Taylor	79	118,739
77	111,267			Corporate Director - FCS	John Moore	79	118,739
76	107,479			Corporate Director - BES	David Bowe	77	111,267
75	99,250	DIR1		DIR1			
74	95,424			Asst Ch Exec - (Policy, Performance and Partnerships)	Gary Fielding	75	99,250
73	91,702			Asst Ch Exec - (HR & OD)	Justine Brooksbank	75	99,250
72	87,877			Asst Ch Exec - (Legal and Democratic Services)	Carole Dunn	75	99,250

In providing details on the pay and conditions for these senior managers this Policy covers the pay structure and terms and conditions for the whole Council workforce.

2.0 Pay Principles

2.1 The County Council has a clear and transparent pay structure and approach which applies consistently to all (non teaching) Council staff including Chief Officers and senior managers.

- 2.2 All pay related decisions are taken in accordance with relevant legislation, notably; Equality Act 2010, Employment Rights Act 1996, Employment Relations Act 1999, Employment Acts 2002 and 2008, Part-Time Workers (Prevention of Less Favourable Treatment) Regs 2000, Fixed Term Employees' (Prevention of Less Favourable Treatment) Regs 2002, all as amended.
- 2.3 The County Council operates a pay system based on objective criteria as part of a Job Evaluation approach implemented in 2007. Job Evaluation determines the relative worth of posts in comparison with all posts. The Job evaluation score is then set within a pay structure which determines what posts are paid.
- 2.4 A review of all local pay arrangements took place in April 2007 and is reviewed annually to ensure a "one employer" approach. It does not permit varying benefit arrangements for different staff groups such as senior managers. The approach is to have a pay and benefit structure which;
- is fair and equitable for staff
 - addresses the County Council's need as an employer to link pay to performance
 - has the ability to address staffing difficulties where and when they occur
 - incorporates the application of national and local collective agreements and any authority decisions on pay
- 2.5 The County Council is part of the national pay framework with annual pay awards determined by the various national bodies (NJC, NJC for Chief Officers, JNC Youth and Community and Soulbury). There has been no annual pay award agreed for Chief Officers since 2008, and for other staff since 2009. These frameworks determine certain terms and conditions, notably sick pay, maternity pay and provides minimum entitlements for others including, annual leave and paternity leave. Apart from the NJC for Chief Officers the bodies also set out the pay spine and points to be used by local authorities in determining their pay arrangements. It is for local authorities to decide how their pay bands fit onto the national pay spine and what jobs and roles are paid based on job evaluation results.
- 2.6 There has been increasing flexibility in national agreements over recent years resulting in greater discretion for local determination. This resulted in 2007 in the introduction of a formal locally integrated pay and conditions framework contained in a "Collective Agreement" between the County Council and recognised unions (non teaching). This sets out the local pay framework and all local terms and conditions. It applies to all staff equally including Chief Officers and senior managers and is incorporated into all contracts. It is reviewed annually as part of the local consultation arrangements with trade unions and is available to all staff via the intranet. It was substantially changed in 2011 to amend terms and conditions of all staff to achieve recurring savings of £2 million per annum. These changes introduced over 2011 and 2012 are:
- 2 days unpaid leave (equates to 0.77% pay reduction). With some exempt front line posts where cover for leave is needed (April 2012)
 - Mileage rate reduced from 47p to 40p per mile (April 2011)
 - Overtime pay removed (April 2012)
 - Increment criteria extended to staff on the top of a pay band resulting in the loss of an increment (April 2012)

- Pay protection for staff moved to a lower graded role on redeployment / restructuring reduced from 2 years to 1 year (April 2012)

3.0 Pay Structure

- 3.1 Staff are paid at monthly intervals at the end of the month worked. Pay is one twelfth of the annual gross salary less NI, tax and pension contributions.

Pay Bands

- 3.2 The pay and grading structures in place set out the number of increments (based on national pay spine) for each pay band. Pay and Conditions for senior managers (who are not Chief Officers) is determined by the Head of Paid Service.
- 3.3 Pay bandings were determined in 2007 based on job evaluation outcomes taking into account the requirements of the job and the level of induction and development staff will need before becoming fully competent. These are reviewed at the request of management or staff in post, as and when required due to role changes.
- 3.4 In 2007, as part of job evaluation implementation, the pay bands for senior managers were benchmarked externally and set at the median quartile plus 20%. This was considered a reasonable level based on the County Council's size and complexity, the need for salaries to be competitive, and the fact the County Council was, and continues to be, a well performing authority which needed to recognise managers' efforts in achieving this. More recently in 2009 and 2011 senior manager salaries were reviewed and benchmarked. The findings of these reviews was that compared with other County and Unitary Councils' salaries in 2009 were 7% lower at AD2 and Chief Officer level and nearly 5% lower at AD1 pay bands. As a result the AD2 pay band was broadened by 2 increments and the AD 1 pay band was broadened by 1 increment.
- 3.5 The benchmarking of pay data for posts is carried out as needed using national pay information supplied either by IDS (Income Data Services) or Hay in addition to independent benchmarking of specific local authority pay data for senior staff using the current pay information published on Councils websites.

Increments

- 3.6 Staff are usually appointed at the bottom of the pay band and progress one increment a year if they meet the increment criteria. This criterion applies to all staff (non teaching) as set out in the Increments policy. In summary, the following needs to be satisfactorily met over the previous 12 months, as assessed by the line manager in order for an annual increment to be received:
- Attendance (no more than 7 days sickness absence in the last 12 months or averaged at 21 days over the previous 3 years)
 - Performance/Capability – no performance or capability concerns
 - Conduct – no disciplinary process or sanctions
 - Appraisal – satisfactory appraisal with all targets achieved.
- 3.7 The Chief Executive's appraisal and assessment against the above criteria in order to receive an increment is undertaken by the Leader in consultation with members of the Executive and other group leaders.

- 3.8 For staff already on the top spinal column point in the pay band, the same criterion is applied from April 2012 and if not met the top increment is removed resulting in a pay reduction.
- 3.9 On appointment staff can be appointed at the top or midway through a pay band based on their previous experience and salary.

Additional Payments

3.10 There is provision for additional payments to be made to staff as detailed below. These provisions apply in the same way to all staff with no separate or additional pay supplements or arrangements for senior managers or chief officers.

- **Recruitment and retention payments** – these additional payments can be made to staff in hard to fill posts. A business case is required and has to be approved by the Corporate Director. These payments are not permanent and are subject to regular review. They are used on a limited basis as needed.
- **Market supplements** – these can be made when the job grade as determined by the job evaluation outcome is less than the median market rate. This is payable as a monthly allowance, rounded to the nearest £100. It is not subject to any uplift resulting from the national pay award and is reviewed at least every 2 years. The need for these payments has to be clearly evidenced by market data and approved by Management Board. Use is limited.
- **Merit payments** – made to staff at the discretion of their manager if merited by excellent performance. Payments are in the form of an accelerated incremental or an additional contribution payment (limited to equivalent of 1 or 2 increments or a £100 thank you payment). Use is limited
- **Honoraria payment or acting up payments** – made where staff take on additional duties or responsibilities beyond the remit of their substantive role. Such payments are used regularly to cover staff gaps due to vacancies, maternity leave etc.

3.11 All other pay and benefit entitlements are the same as for all County Council staff as detailed in the national and local agreements. These include;

- Mileage and limited substance expenses
- Annual leave (23 – 33 days based on service)
- Sick pay (up to 6 months full and half pay)
- Maternity, adoption and paternity leave
- Other leave mostly unpaid (compassionate, time off for dependants, extended and special leave)

There are no additional payments or discretions for Chief Officers or Senior Managers.

Termination payments

- 3.12 Termination payments for Chief Officers and senior managers follow the same arrangements and policies for redundancy, redeployment and pension payments as applicable for all other County Council staff. Staff pension contributions are in accordance with the LGPS and employer contributions are currently set at 19.2%. The Local Government Pension Scheme provides employers with discretion to make monetary awards including additional benefits, payments and shared cost AVC arrangements that can add significant value to members' accrued pension benefits. However, the Discretion Policies (updated in 2009) state that no such award will be made to any member of staff. Redundancy payments are calculated for all staff as per the Redundancy Modification Order based on one week pay for every years service (1.5 weeks for years worked over the age of 40) up to a maximum of 30 weeks.

4.0 Remuneration Committee

- 4.1 The Chief Officers' Appointments and Disciplinary Committee is responsible for determining and amending as necessary the terms and conditions of Chief Officers. Remuneration, terms and conditions will apply with the Pay Policy Statement and any proposed amendments will from now on be submitted to full Council for approval. The Committee determined the Chief Officer pay package in 2007 as part of the Council wide job evaluation grading process and has only made one amendment since then to reduce the Chief Executive's salary in 2010 from £179k spot salary to a pay band range from £155k - £170k.

5.0 Pay Multiples and Wider Pay Structure

- 5.1 The complete pay structure and examples of jobs at each band is detailed at **Appendix 1**. The lowest paid staff are at spinal column point 4 on a salary of £12,145. The highest paid salary in the authority is £160,000 which is paid to the Chief Executive. The median average in this authority is £27,456 (equivalent to Band 11). The ratio between the lowest salary and the highest ie the 'pay multiple' is 5.8, which compares well with the recommended action in the Hutton Report that the multiple should not exceed 20. The County Council does not have a policy on maintaining or reaching a specific pay multiple, but is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority as expressed in this Pay Policy Statement and its wider pay policy and approach.

6.0 Senior Teaching Staff

- 6.1 The pay and grading of all teachers including Headteachers is determined nationally. There are currently 6 senior teachers in the pay band which exceeds £100k. These are Headteachers of the larger secondary schools in North Yorkshire. The pay band is Headgroup 8 £90,704 - £105,097. This does not include Academies which set their own pay for Headteachers

APPENDIX 1

Spinal Point	pay 11/12	JE Scores	Grade Codes (with example posts at each pay band)	
			BAND 1 (Cleaning Assistants, General Kitchen Assistants)	
4	12145	1-257		
5	12312	258 – 280		BAND 2 (Domestic Assistants, Clerical Assistants)
6	12488			
7	12787		BAND 3 (Resource Worker entry, Midday Supervisory Assistant, Catering Assistant)	
8	13189	281 – 311		
9	13589			
10	13874			BAND 4 (Resource Worker level 1, General Teaching Assistant, Driver/Inspector, Cleaning Supervisor)
11	14733	312 – 345		
12	15039		BAND 5 (Resource Worker level 2, Advanced Teaching Assistant, Driver/Fitter, Swing Bridge Operator)	
13	15444			
14	15725	346 - 369		
15	16054			
16	16440			BAND 6 (Resource Worker senior nights, Trainee Trading Standards Officer, Cook, Site Manager)
17	16830	370 - 397		
18	17161			
19	17802		BAND 7 (Senior Resource Worker, Independent Living Facilitator, Community and Information Assistant, Higher Level Teaching Assistant)	
20	18453	398 - 422		
21	19126			
22	19621			BAND 8 (Social Care Co-ordinator entry, Children's Resource Centre Worker, Registrar level 1, Cook in large secondary school, Assistant Engineer entry)
23	20198	423 - 446		
24	20858		BAND 9 (Residential Children's Centre Worker, Key Worker Mental Health, Homelessness Prevention Worker, Specialist Instructor, Catering Supervisor, Assist Development Control Officer entry)	
25	21519			
26	22221	447 - 474		
27	22958			
28	23708			BAND 10 (Social Care Co-ordinator top, Community Restorative Justice Worker, Electrical Inspector, Specialist Customer Services Adviser)
29	24646	475 - 509		
30	25472			
31	26276		BAND 11 (Day Centre Operations Manager, Education Social Worker, Social Worker entry, Youth Mentor, Senior Enforcement Officer)	
32	27052	510 - 550		
33	27849			
34	28636			BAND 12 (Social Worker, Fostering Worker, Resource Centre Manager, Traffic Signals Engineer, Senior Registrar)
35	29236	551 - 587		
36	30011			
37	30851		BAND 13 (Senior Social Worker, Senior Education Social Worker, Superintendent Registrar, Senior Engineer entry)	
38	31754	588 - 624		
39	32800			
40	33661			
41	34549			BAND 14 (Children's Resource/Residential Centre Manager, SEN Officer, Senior Trading Standards Officer, Senior Engineer)
42	35430	625 - 698		
43	36313		BAND 15 (Treatment Fostering Manager, Children's Centre Manager, Improvement Manager Highways)	
44	37206			
45	38042	699 - 805		
46	38961			
47	39855			BAND 16 (Principal Officers SEN, Safeguarding Adults Co-ordinator, Integrated Transport Manager)
48	40741	806 - 940		
49	41616			
50	42007	941 - 1075	SM1 (Education Officer Social Inclusion, Head of Residential	
51	44487			

52	46970		Provision, Waste Services Manager)	
53	49451			
54	49982	1076-1130		SM2 (General Manager Adult Social Care Operations, Head of Highway Operations)
55	52110			
56	54236			
57	56364			
58	58490			
59	60,617		1131-1352	
60	62,744			
61	64,871			
62	66,998			
63	69,125			
64	70,498			
65	71,252	1353-1834		AD2 (Assistant Directors)
66	73,379			
67	75,505			
68	77,633			
69	79,759			
70	82,550			
71	85,341			
72	87,877	1757	DIR1 (Assistant Chief Executives)	
73	91,702			
74	95,424			
75	99,250			
76	107,479	2182	DIR2 (Corporate Directors)	
77	111,267			
78	114,952			
79	118,739			
80	122,151	2505		DIR3 (Corporate Director - CYPS)
81	125,563			
82	128,975			
83	155,000	3120	CE1 (Chief Executive)	
84	160,000			
85	165,000			
86	170,000			

CORPORATE RISK REGISTER 2011 – ANALYSIS OF IMPACT OF MTFS / BUDGET PROPOSALS

RISK		
1	Failure to be sufficiently prepared for our Health responsibilities and deliver integrated approaches with Health partners resulting in lost financial opportunities through joint provision of services, inability to protect the public adequately and not make sufficient progress in health improvement	The continuing rise in the number of people requiring care represents one of the largest medium term risks to the County Council's budget. It is, therefore, important to put in place preventative strategies to reduce both the number of people requiring care and the level of acute care. Integrated working with health is key to this. The Government's health reforms provide an opportunity but a partner who has recently undergone a complex restructure also represents a risk in terms of its ability to respond.
2	Failure to deliver the Waste Strategy	The MTFS includes funding sufficient to finance the Waste Strategy as the various components are implemented. The biggest single variable will be the cost and timing of the PFI contract; the funding referred to above accommodates the Affordability Limit of that scheme as currently assessed
3	(a) Failure to deliver the 4 year MTFS (2011/15) including savings programme resulting in inability to balance the budget, potential distortion of priorities and public dissatisfaction	<p>The biggest financial challenge (and therefore risk) in the MTFS is the need to achieve the savings targets (total £69m), both in terms of their individual absolute value and their timing. Any shortfall in either will create a necessity to drawdown further on Reserves which, of themselves, will need to be subsequently reinstated (thereby creating the need for further savings).</p> <p>Acceptance of the one-off Council Tax grant in 2012/13 adds to the level of savings that will be required in 2013/14 and 2014/15</p>

RISK

	(b) Potential adverse effect of Government's review of business rates and council tax benefits and their impact on future funding levels	The Government's proposals are due to be implemented wef 2013/14. The Government has indicated that as far as 2013/14 and 2014/15 are concerned, the impact of any consequential redistribution of funds as between authorities will be nominal. The possible effects beyond 2014/15 will have to be assessed, however, in case the County Council needs to take any "precautionary" steps if funding is likely to be reduced
4	Failure to deliver the One Council change programme resulting in financial cost, poorer service outcomes, lost opportunities, need to revisit savings on front line services	The MTFS includes £7.6m of anticipated savings arising from the One Council Change Programme in 2013/14 and 2014/15. Existing resources are being used to drive forward the Programme and a one-off sum has been created from Chief Executive underspends to pump prime any investments required to produce the necessary savings.
5	Failure to effectively inform, consult, engage and involve the public / staff / Members, resulting in public dissatisfaction, loss of reputation, low morale, criticism of Members and missed opportunities	Internal communications have been improved further in recognition of the importance of keeping staff and Members informed in these difficult and uncertain times. Improvements have also been made to the County Council's website and arrangements are currently being finalised to produce brief newsletter inserts into some of the county's newspapers. These initiatives are intended to ensure that the public are kept informed, particularly following the demise of the NY Times.
6	Failure to plan, respond and recover effectively to major emergencies in the community resulting in risk to life and limb, impact on statutory responsibilities, impact on financial stability and reputation	The Emergency Planning Unit (EPU) continues to contribute, with partners, to the NYLRF framework that addresses emergencies in the Community. Much of this work also benefits the development of a comprehensive Service Continuity Plan (SCP) within the County Council. Although initial emphasis has been on response plans for Services the work of the EPU is now concentrating on generic matters (eg failures of IT, property availability, etc) and meshing these with other initiatives in the County Council (eg the Bright Office Strategy).

RISK

7	Lack of focus on performing at service, team and individual level resulting in poorer service delivery, public dissatisfaction, criticism, increased costs and lost opportunities	The Quarterly Performance and Budget Monitoring regime continues to ensure that there is an ongoing assessment of performance alongside budget management. This approach is set to be further improved as the corporate performance management framework is revised with a clearer focus on team performance and targets.
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STATUTORY REQUIREMENTS OF THE LOCAL GOVERNMENT ACT 2003 IN RELATION TO BUDGET SETTING

- 1.1 Sections 25 to 28 of Part 2 of the Local Government Act 2003 define a series of duties and powers that give statutory support to important aspects of good financial practice in local government. For the most part they require certain processes to be followed but leave the outcome of those processes to the judgement of individual local authorities. The following paragraphs explain these provisions and provide an analysis (*in italics*) of the current position in the County Council.
- 1.2 **Section 25** requires the Chief Financial Officer (CFO) to submit a formal report to the authority regarding the **robustness of the estimates** included in the Budget and the **adequacy of the reserves** for which the Budget provides.
- 1.3 Section 25 requires the report to be made to the authority when the decisions on the Council Tax Precept are formally being made. However, Members will appreciate that those decisions are taken at the conclusion of a detailed and prolonged process involving consideration of the draft Budget by various parts of the organisation including the Executive, Members and the Management Board. The CFO has to ensure that appropriate information and advice is given at all stages on what would be required to enable a positive opinion to be given in his formal report.
- 1.4 *The Budget process of the County Council has been further refined in recent years by:*
- (a) *incorporating detailed work on comparative unit costs etc to ensure that the County Council is achieving value for money*
 - (b) *establishing clear links between budget provision and the various performance indicators used in each service area*
 - (c) *the development of the Quarterly Performance and Budget Monitoring Report submitted to Executive to include not only financial but also performance data, HR statistics, data relating to progress on the LAA and VFM plans and Treasury Management*
- 1.5 *In addition all County Council Members receive (via reports, workshops, etc) full details of every aspect, at key stages, of the Budget process that concludes in the precept calculation. The Corporate Director – Finance and Central Services will report formally to the County Council in February 2012 (as he did in February 2011 regarding the 2011/12 Budget), regarding the **robustness of the estimates** and the **adequacy of balances** relating to the Budget 2012/13. Regarding robustness of the estimates this will be an opinion based on the detailed nature not only of the Budget preparation process but also the Budget monitoring work that goes on continuously throughout the year. The adequacy of balances and reserves is referred to in **Appendix J** which details the outcome of the review process. Details of all balances and reserves are then provided in **Appendix L**.*

1.6 **Section 26** gives the **Secretary of State the power to set a minimum level of reserves for which an authority must provide in setting its Budget**. The minimum would apply to “controlled reserves”, as defined in Regulations. The intention in defining controlled reserves would be to exclude reserves that are not under the authority’s control when setting its call on Council Tax, eg schools balances.

1.7 It was made clear throughout the Parliamentary consideration of these provisions that Section 26 would only be used where there were grounds for serious concern about an individual authority. The Minister said in the Commons Standing Committee debate on 30 January 2003:

“The provisions are a fallback against the circumstances in which an authority does not act prudently, disregards the advice of its CFO and is heading for serious financial difficulty. Only in such circumstances do we envisage any need for intervention.”

There is no intention to make permanent or blanket provision for minimum reserves under these provisions. Indeed, the Government has made no attempt to so far to define minimum reserves.

1.8 **Section 27** defines in more detail the responsibility of the CFO in reporting on the inadequacy of reserves in an authority where a Section 26 minimum requirement has been imposed.

1.9 *Provided the County Council acts prudently and takes into account the advice of the Corporate Director – Finance and Central Services regarding the level of reserves it is unlikely that the County Council will find itself in a position of being subject to a Section 26 determination. The examination of balances/reserves during the Budget process and the monitoring thereof that takes place (and is reported quarterly to the Executive) provides the County Council with every opportunity to take remedial action should any problems emerge that are likely to undermine the Medium Term Financial Strategy.*

1.10 **Sections 26/27 therefore have no direct relevance to the County Council at this time.**

1.11 **Section 28** concerns **Budget monitoring arrangements**. Essentially, an authority is required to review during the course of a financial year the planned levels of reserves incorporated in the earlier annual tax/precept setting calculations. If, as a result of such an in year review it appears that there is a deterioration in the financial position, the authority must take whatever action it considers appropriate to deal with the situation.

1.12 *As indicated above the Executive receives details of the position on reserves as part of the Quarterly Performance and Budget Monitoring Report. Provision also exists within the Financial Procedure Rules for further reports to be submitted if and when necessary should financial circumstances deteriorate between the quarterly reporting dates such that immediate action in relation to reserves, etc, is required.*

Balances/Reserves

- 1.13 One of the clear pointers from Sections 25/28 is the need for a transparent and formal assessment of the adequacy of balances/reserves.
- 1.14 *The County Council has developed a Risk Assessment methodology that is used as part of the Budget process to review the need for, and adequacy of, all balances and reserves. **For details see Appendices J, K and L.***

REVIEW OF COUNTY COUNCIL BALANCES / RESERVES

1.0 Introduction

- 1.1 As part of the Budget process all balances and reserves have been reviewed as to their adequacy, appropriateness and management arrangements.
- 1.2 A schedule of the Reserves/Balances held at 31 March 2011 together with forecast movements over the four years 2011/12, 2012/13, 2013/14 and 2014/15 is provided as **Appendix L**.
- 1.3 All the Reserves/Balances listed in **Appendix L** are reviewed and monitored on a regular basis by the Service Accountant and/or the Corporate Director – Finance and Central Services. The level of the General Working Balance is specifically reported to the Executive as part of the Quarterly Performance and Budget Monitoring report.

2.0 Outcome of review process

- 2.1 Based on **Appendix L** the total value of revenue Balances/Reserves held at 31 March 2011 was £105.673m. This figure is sub-divided into types of Balances/Reserves in **Appendix K** and these types are referred to in **paragraph 2.2** below.
- 2.2 The conclusions reached by the Corporate Director – Finance and Central Services, as a result of this review are as follows:
 - (a) that element of balances represented by the **underspendings at the year end by Service Directorates** (£15.113m) are actually a facet of prudent financial management across a financial year end rather than being a reserve or balance that can be allocated to another purpose. The County Council has agreed that these be carried forward into the current financial year (ie 2011/12)
 - (b) the balances of **Trading Units and those Business Units that “trade” with schools** (£3.758m) are linked to the Business Plans of those Units. These balances are therefore akin to the year end underspendings by Service Directorates (ie (a) above)
 - (c) **School balances** (£27.100m) belong to schools and although they appear in the County Council Balance Sheet, they cannot be regarded, for practical Budget purposes, as an NYCC asset

- (d) **Earmarked Reserves set aside for major items** (£26.142m) as detailed below -

Item	£m	Narrative
Insurance Fund	5.904	This is needed to offset the cost of known and potential claims – the level of the Fund balance is significantly less than the potential maximum liability of claims so any withdrawal of cash from the Fund would increase the potential risk of a shortfall at some point in the MTFS period.
Schools Block/DSG	10.800	In the context of annual DSG of £353m this is unspent DSG at the year end. Furthermore within this item only £2.1m relates to a contingency balance. The remainder has been earmarked for a range of projects but not spent at 31 March 2011; this includes revenue support for 14/19 developments, ICT investments, School Meals, SEN and Behaviour Review.
Area Based Grant (ABG)	1.852	Accounting rules for ABG require the year end underspend to be rolled forward to the following year through an earmarked reserve. 2011/12 is the last year for spending of ABG funding.
LAA Performance Reward Grant	5.586	Balance of PRG received. Funds allocated and will be spent in years up to end including 2013/14.
Winter Maintenance	2.000	To offset the costs of a severe winter

- (e) there are 26 other reserves related to **specific initiatives** (£15.100m) 17 of which will be retained through 2011/12 to 2012/13. However, the number of these reserves then further reduces in subsequent years as their specific purpose is fulfilled
- (f) **Revenue Income Reserves** (£9.624m) which are mainly grants and contributions “not yet applied” – this is a new category created by the IFRS Accounting Regulations
- (g) the **General Working Balance** (£8.836m) - (see below).

General Working Balance (GWB)

- 2.3 The current MTFS policy is to achieve a level of GWB equivalent to 2% of the net Revenue Budget.

- 2.4 This policy was first established as part of the 2007/08 Revenue Budget, and was accompanied by a set of "good practice rules".
- 2.5 These "rules", which still apply, are as follows:
- (a) that any underspending on the Corporate Miscellaneous budget at the year end will be allocated to the GWB
 - (b) that should there be any call on the GWB during a year such that the Target level (as defined in the MTFS) will not be achieved at the respective year end then
 - (i) that shortfall be addressed in the next Budget cycle and/or
 - (ii) that revenue or capital expenditure reductions be effected in either the current or following financial year, in order to offset the shortfall.
 - (c) that in order to implement (b) the Executive should review the position of the GWB on a regular basis as part of the Quarterly Performance and Budget Monitoring report process
- 2.6 Taking into account the fact that the value of the net Revenue Budget changes each year, the likely year end figures for the GWB are summarised below (**Appendix K** provides full details of the various +/- impacts on the GWB that arise from the proposals in this report).

Year End Date	MTFS 2011/15		MTFS 2012/15	
	£000	% of Net Revenue Budget	£000	% of Net Revenue Budget
31 March 2011	7,361 *	2.1	8,836 °	2.2
31 March 2012	7,361	2.0	10,542	2.9
31 March 2013	7,361	2.0	13,043	3.6
31 March 2014	7,361	2.0	10,299	2.8
31 March 2015	7,361	2.0	5,880 †	1.6

Note : * projected ° actual † in practice GWB would be topped up to £7.449m (= 2%) from the PIP

- 2.7 On the basis of the GWB at 31 March 2011 (£8.836m) and the projected GWB at 31 March 2012 (£10.542m) it is evident that the County Council is ahead of its policy target level of 2%. However, given the uncertainties attached to Years 2 and 3 of the MTFS 2012/15, it is essential that GWB funds are retained until 2013/14 when they will be required to underwrite the Revenue Budget until such time as necessary recurring savings are implemented.

- 2.8 Notwithstanding the above, there is still a fundamental question - is a figure of c£7m still considered to be an appropriate target level for the GWB?
- 2.9 Historically the major items that the GWB has been required to offset are the costs of:
- ➔ demand led overspendings on Service budgets *
 - ➔ repairing flood damage (net of Bellwin Grant)
 - ➔ the winter maintenance budget provision being exceeded in a bad winter *
 - ➔ one off planning enquiries or legal cases

The items marked with a * will potentially impact in 2011/12 thereby demonstrating the need for a GWB at least at the current target (ie 2% level).

2.10 Given the fact that:

- (a) the projected level of the GWB currently exceeds the policy target
- (b) if two or more of the issues referred to in **paragraph 2.10** arose again in any single year, the good practice rules (**see paragraph 2.5**) would determine what action should be taken by the Executive to address, and remedy, the position.

it is concluded that the current 2% policy level for the GWB is adequate.

2.11 However, in making the assessment in **paragraph 2.10** above, the cautionary note reflected in **paragraph 13.14** of the main report indicates that events such as those listed in **paragraph 2.9**, both in terms of their likelihood and magnitude, would now have a significant impact on the ongoing level of the GWB. Allied to the uncertainty surrounding levels of government funding for Years 2 and 3, and the forecast deficits for those years, of the MTFS the Executive will need to review the level of the GWB on an ongoing basis to ensure its sufficiency to meet any future events of the kind listed in **paragraph 2.9**.

2.12 **For practical purposes it is therefore proposed that the target figure for the GWB be maintained @ 2% of the net Revenue Budget and that any short term funds above the 2% level be retained given the financial uncertainties attached to the Revenue Budget for 2012/13 and the MTFS period respectively.**

MTFS & REVENUE BUDGET 2012/13

PROJECTION of GENERAL WORKING BALANCE

	General Working Balance £000s	% age of Revenue Budget %	Target to achieve 2% of Revenue Budget £000s %	
Balances at 31 March 2011				
Actual Balances 31 March 2010	23949			
- Directorate underspends c/fwd from 2010/11	-15113			
= free balances at 31 March 2011	8836	2.2	6720	
2011/12				
Corporate Miscellaneous overspend at Q2 (£1.041m)				
Net Treasury Management savings	680			
Residual Budget 2 savings held in Corporate Miscel	-1916			
Other Corporate Miscellaneous savings	195			
BES Concessionary fares savings	700			
CYPS accelerated savings	2047			
=forecast position at 31 March 2012	10542	2.9	7373	2.0
2012/13 (MTFS Year 1)				
Contribution from budget	2501			
<i>Acadamies top slice refund</i>	?			
= forecast at 31 March 2013	13043	3.6	7268	2.0
2013/14 (MTFS Year 2)				
Contribution to budget (MTFS shortfall)	-2744			
= forecast at 31 March 2014	10299	2.8	7407	2.0
2014/15 (MTFS Year 3)				
Contribution to budget (MTFS shortfall)	-4419 *			
= forecast at 31 March 2015	5880	1.6	7449	2.0

* if no recurring savings are identified in 2014/15 any shortfall of GWB below the 2% target will be topped up from the PIP.

Budget requirement figures (19/1/12)

2011/12	368670	<i>actual</i>
2012/13	363422	<i>based on 0 CT increase</i>
2013/14	370336	<i>based on 3.5% CT increase</i>
2014/15	372468	<i>based on 3.5% CT increase</i>

26-Jan-12

SUMMARY OF BALANCES / RESERVES FROM 2010/11 (ACTUAL) TO 2014/15 (FORECAST)

Details	Directorate	2010/11 Actual			2011/12 Forecast		2012/13 Forecast		2013/14 Forecast		2014/15 Forecast		Comments
		Balance 31 March 2010	Actual Movement 2010/11	Actual Balance 31 March 2011	Planned Movement 2011/12	Estimated Balance 31 March 2012	Planned Movement 2012/13	Estimated Balance 31 March 2013	Planned Movement 2013/14	Estimated Balance 31 March 2014	Planned Movement 2014/15	Estimated Balance 31 March 2015	
		£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s		
WORKING BALANCES													
Retained for Service Use													
Children & Young Peoples	CYPS	696	194	890	334	1,224	-1,224	0	0	0	0	0	<p>£15,113k net underspend in 2010/11 carried forward to 2011/12 consisted mainly of savings to assist in 2011/12 and subsequent years budgets, planned savings to support development initiatives in 2011/12 and spending planned for 2010/11 being delayed until 2011/12 for a variety of reasons.</p> <p>Estimated underspend in 2011/12 to be carried forward to 2012/13 is £9,123k on the Q2 Performance and Budget Monitoring report and consisted mainly of unspent PIP allocations and accelerated savings being achieved.</p> <p>MTFS target is to maintain 2% of net revenue budget which is £7.4m. £10.542m forecast at 31/03/12 is based on 2011/12 Q2 Monitoring Report. For the 3 years 2012/13 et seq. the GWB contributes from / to the Revenue Budget / MTFS.</p> <p>If no recurring savings are identified in 2014/15 any shortfall of GWB below the 2% target will be "topped up" from the PIP.</p>
Health and Adult	HAS	470	-78	392	396	788	-788	0	0	0	0	0	
Business & Environment	BES	965	180	1,145	-692	453	-453	0	0	0	0	0	
Chief Executive	C Exe	856	341	1,197	-124	1,073	-1,073	0	0	0	0	0	
Finance & Central Services	F&CS	4,223	211	4,434	-1,869	2,565	-2,565	0	0	0	0	0	
Corporate Miscellaneous	Corp	2,965	4,090	7,055	-4,035	3,020	-3,020	0	0	0	0	0	
Sub Total		10,175	4,938	15,113	-5,990	9,123	-9,123	0	0	0	0	0	
General Working Balances		7,394	1,442	8,836	1,706	10,542	2,501	13,043	-2,744	10,299	-4,419	5,880	
Total Working Balances		17,569	6,380	23,949	-4,284	19,665	-6,622	13,043	-2,744	10,299	-4,419	5,880	
EARMARKED RESERVES													
Earmarked for Schools													
School Balances (LMS Reserve)	CYPS	18,714	8,386	27,100	-6,179	20,921	-2,968	17,953	-3,364	14,589	0	14,589	Reducing balance reflects falling pupil numbers, resource scarcity and provisional adjustments for school transfers to academy status.
Schools Block / DSG	CYPS	9,513	1,287	10,800	-1,254	9,546	-4,172	5,374	-800	4,574	-800	3,774	Balance of earmarked Schools Block resources for multiple programmes.
Sub Total		28,227	9,673	37,900	-7,433	30,467	-7,140	23,327	-4,164	19,163	-800	18,363	
Retained for Specific Initiatives and Major Schemes													
Redundancy costs in schools	CYPS	2,498	-483	2,015	1,181	3,196	-800	2,396	-800	1,596	-800	796	To meet teachers redundancy payments.
SEN	CYPS	2,054	-155	1,899	0	1,899	-927	972	-350	622	-350	272	Phased implementation of the SEN & Behaviour review.
Children's Centre	CYPS	257	90	347	-347	0	0	0	0	0	0	0	Consolidated in CYPS Service Transformation Reserve.
Management Information System (Catering)	CYPS	20	0	20	-20	0	0	0	0	0	0	0	Fully utilised in 2011/12.
Building Schools for the Future	CYPS	110	0	110	-110	0	0	0	0	0	0	0	Consolidated in CYPS Service Transformation Reserve.
Education for looked after children	CYPS	10	66	76	0	76	0	76	0	76	-8	68	Provision of phased bursary support for looked after children attending higher education.
High Needs Prevention	CYPS	380	0	380	-380	0	0	0	0	0	0	0	Consolidated in CYPS Service Transformation Reserve.

SUMMARY OF BALANCES / RESERVES FROM 2010/11 (ACTUAL) TO 2014/15 (FORECAST)

Details	Direct- orate	2010/11 Actual			2011/12 Forecast		2012/13 Forecast		2013/14 Forecast		2014/15 Forecast		Comments
		Balance 31 March 2010 £000s	Actual Movement 2010/11	Actual Balance 31 March 2011 £000s	Planned Movement 2011/12 £000s	Estimated Balance 31 March 2012 £000s	Planned Movement 2012/13 £000s	Estimated Balance 31 March 2013 £000s	Planned Movement 2013/14 £000s	Estimated Balance 31 March 2014 £000s	Planned Movement 2014/15 £000s	Estimated Balance 31 March 2015 £000s	
Learning Difficulties & Disabilities	CYPS	395	0	395	0	395	-131	264	-264	0	0	0	Phased implementation of the SEN-D (LDD) strategy required in line with the SEN Green Paper.
Continuing Education	CYPS	668	0	668	-668	0	0	0	0	0	0	0	Consolidated in CYPS Service Transformation Reserve.
16-19 Transfer (Machinery of Government)	CYPS	413	0	413	-413	0	0	0	0	0	0	0	Consolidated in CYPS Service Transformation Reserve.
CYPS Service Transformation	CYPS	0	0	0	975	975	-550	425	0	425	-409	16	To fund services whilst in transformation.
Landfill Allowances	BES	0	322	322	-202	120	-120	0	0	0	0	0	Movements are based on expected utilisation of the allowances.
Winter Maintenance	BES	0	2,000	2,000	0	2,000	0	2,000	0	2,000	0	2,000	Based on the 2011/12 expenditure forecast it is expected that there will not be a requirement to draw down any of the reserve. Future years zero movement is partly due to the unpredictable nature of expenditure and that actions will be taken to maintain the reserve at a reasonable level.
Highways - Traffic Signals	BES	288	-59	229	-229	0	0	0	0	0	0	0	This reserve funds essential maintenance works to specific traffic signals. Expenditure on these schemes began in 2009/10 and planned for completion in 2011/12.
Local Development Framework / Minerals Core Strategy	BES	457	113	570	-140	430	-225	205	-205	0	0	0	This reserve funds work required to produce the LDF / Minerals Core strategy in line with Government Guidelines. The movement in the reserve reflects the latest planned expenditure profile for that work.
BES Directorate Initiatives & Transformation	BES	977	-211	766	-322	444	-300	144	-144	0	0	0	The BES Directorate has a number of initiatives and transformation projects for which this reserve has been established to fund. The movements on the reserve reflect the actual and projected profile of expenditure on this programme.
Selby Swing Bridge	BES	400	163	563	20	583	0	583	0	583	0	583	To meet future structural maintenance requirements of the Selby Swing Bridge which has become the responsibility of the County Council as part of the Highways Agency detrunking programme. The appropriate reserve level will be assessed ongoing as maintenance works are carried out.
Proceeds of Crime Act	BES	122	0	122	0	122	0	122	0	122	0	122	Relates to income received under the Home Office incentive scheme for fraud cases involving Trading Standards as defined in the Proceeds of Crime Act; earmarked for future expenditure on such cases, potential enhancements, and coverage for exit costs if incentive scheme be withdrawn.

SUMMARY OF BALANCES / RESERVES FROM 2010/11 (ACTUAL) TO 2014/15 (FORECAST)

Details	Directorate	2010/11 Actual			2011/12 Forecast		2012/13 Forecast		2013/14 Forecast		2014/15 Forecast		Comments
		Balance 31 March 2010 £000s	Actual Movement 2010/11	Actual Balance 31 March 2011 £000s	Planned Movement 2011/12 £000s	Estimated Balance 31 March 2012 £000s	Planned Movement 2012/13 £000s	Estimated Balance 31 March 2013 £000s	Planned Movement 2013/14 £000s	Estimated Balance 31 March 2014 £000s	Planned Movement 2014/15 £000s	Estimated Balance 31 March 2015 £000s	
Yorkshire Dales & Harrogate Tourism Partnership	BES	25	6	31	0	31	-31	0	0	0	0	0	Used to fund final costs associated with the Partnership which has been taken over by Welcome to Yorkshire. Final release of the reserve fund will take place in 2012/13.
YDHTP Accountable Body	BES	26	0	26	-26	0	0	0	0	0	0	0	This reserve was earmarked to fund any exit costs related to the YDHTP that would be born by the County Council in its role as Accountable Body. Based on the final audit no costs have arisen and the reserve is therefore being released into the revenue account in 2011/12.
Mowthorpe Bridge	BES	0	400	400	0	400	0	400	0	400	0	400	Reserve for maintenance works on a recently adopted bridge. The closing figure represents the commuted sum received as part of the transfer agreement. Maintenance works are planned to commence in 2012/13. The appropriate reserve level will be reviewed as the maintenance programme is carried out.
Highways Advance Payments	BES	0	1,569	1,569	0	1,569	0	1,569	0	1,569	0	1,569	The reserve includes developer bonds and contributions for maintenance works prior to adoption of roads by the County Council or to offset costs of the external effects of developments. A full review is due for completion in the final quarter of 2011/12 at which point a forecast will be included for future movements on the reserve.
Boilers and Kitchens	Corp	400	-400	0	0	0	0	0	0	0	0	0	Fully utilised in 2010/11.
Area Based Grant	Corp	4,351	-2,499	1,852	-1,852	0	0	0	0	0	0	0	Reserve held to correctly account for under-spends associated with the receipt of 2011/12 Area Based Grant. It is expected this reserve will be fully utilised in 2011/12.
LAA Performance Reward Grant	Corp	2,059	3,527	5,586	-2,534	3,052	-1,814	1,238	-1,238	0	0	0	This reserve is to fund projects both within NYCC and with external Partners. The projects have been approved by the various Thematic Partnerships and the NYSP Executive. Profiles of funding have been provided and it is expected that all funding will be spent by March 2014.
Insurance Reserve	Corp	9,414	-3,510	5,904	500	6,404	500	6,904	500	7,404	500	7,904	Required for potential liability and motor claims
Redundancy Reserve	Corp	0	903	903	1,597	2,500	-2,500	0	0	0	0	0	This reserve is providing Corporate Funding to assist in the funding of restructuring costs associated with Post Reductions within the Council between 2010/11 and 2012/13. £5 million has been set aside and put into a reserve which is PIP-funded.
Credit Union	Corp	0	85	85	-85	0	0	0	0	0	0	0	This reserve represents contributions from partners. Funds are passed to NYCU periodically.

SUMMARY OF BALANCES / RESERVES FROM 2010/11 (ACTUAL) TO 2014/15 (FORECAST)

Details	Directorate	2010/11 Actual			2011/12 Forecast		2012/13 Forecast		2013/14 Forecast		2014/15 Forecast		Comments
		Balance 31 March 2010 £000s	Actual Movement 2010/11	Actual Balance 31 March 2011 £000s	Planned Movement 2011/12 £000s	Estimated Balance 31 March 2012 £000s	Planned Movement 2012/13 £000s	Estimated Balance 31 March 2013 £000s	Planned Movement 2013/14 £000s	Estimated Balance 31 March 2014 £000s	Planned Movement 2014/15 £000s	Estimated Balance 31 March 2015 £000s	
NY Advice Services Partnership	Corp	0	7	7	0	7	-7	0	0	0	0	0	Reserve is earmarked to contribute to the Information Hub project.
Elections	Corp	0	83	83	67	150	78	228	-228	0	79	79	This reserve exists to fund the costs of County Council Elections which take place every 4 years, the next election being held in 2013/14.
ICT Equipment / Development	F&CS	638	719	1,357	0	1,357	-435	922	-432	490	-434	56	There will be no SDT refresh programme in 11/12, then assumed Directorates will utilise this reserve over next three year refresh cycle, with limited resources to replenish reserve for future purchases. Assumed that the server element will remain at a similar level on an ongoing basis to smooth expenditure on virtual servers.
ICT Microsoft / Broadband	F&CS	0	897	897	-666	231	-211	20	-20	0	0	0	Required to fund WAN / broadband and Microsoft transition projects.
BDM / Contractors Residual Issues	F&CS	214	633	847	-655	192	0	192	0	192	0	192	This reserve provides corporate funding to assist in the costs arising from contractors entering administration.
Health Funding Reserve	HAS	0	0	0	8,412	8,412	-1,238	7,174	-3,587	3,587	-3,587	0	This reserve is required to maximise the effectiveness of the new health monies transferred via the PCT. These monies will be used to secure the re-ablement service, develop appropriate out-of-hours and 'home from hospital' services as well as fund smaller scale local initiatives to reduce hospital re-admissions.
Sub Total		26,176	4,266	30,442	4,103	34,545	-8,711	25,834	-6,768	19,066	-5,009	14,057	
Reserves of Trading and Business Units													
FMS	CYPS	30	-16	14	13	27	-10	17	-8	9	-9	0	In-year trading deficit intended to return the cumulative balance to break-even for financial services provided to schools.
Balance of Risks Insurance	CYPS	392	-65	327	-27	300	0	300	0	300	0	300	Anticipated real-terms increase in premiums to support preventative measures in line with actuarial and insurance service advice.
Insurance Services to Schools	CYPS	107	-95	12	-12	0	0	0	0	0	0	0	Surplus arising from claims history but returning to a break-even position in 2012/13.
School's ICT	CYPS	60	46	106	60	166	-40	126	-40	86	-40	46	Balance of ICT trading with schools. Accumulated service taken into account in subsequent years.
Health & Safety Training	CYPS	24	3	27	2	29	-4	25	-5	20	-5	15	Accumulated surplus of providing a Health & Safety service to Schools.
Quality and Improvement	CYPS	260	-95	165	30	195	30	225	-30	195	-30	165	Traded Advisory/CPD service to schools.
Outdoor Education	CYPS	204	-34	170	5	175	-45	130	-20	110	-20	90	Accumulated position of the trading operation of the Outdoor Education Service.
Professional Clerking	CYPS	55	-5	50	-12	38	-10	28	-10	18	-10	8	Accumulated surplus of providing Professional Clerking services to Schools.
Staff Absence Insurance	CYPS	550	293	843	-100	743	0	743	0	743	0	743	Balance reflects actuarial assumptions.

SUMMARY OF BALANCES / RESERVES FROM 2010/11 (ACTUAL) TO 2014/15 (FORECAST)

Details	Direct- orate	2010/11 Actual			2011/12 Forecast		2012/13 Forecast		2013/14 Forecast		2014/15 Forecast		Comments
		Balance 31 March 2010 £000s	Actual Movement 2010/11	Actual Balance 31 March 2011 £000s	Planned Movement 2011/12 £000s	Estimated Balance 31 March 2012 £000s	Planned Movement 2012/13 £000s	Estimated Balance 31 March 2013 £000s	Planned Movement 2013/14 £000s	Estimated Balance 31 March 2014 £000s	Planned Movement 2014/15 £000s	Estimated Balance 31 March 2015 £000s	
M.A.S.S.	CYPS	-254	492	238	-238	0	0	0	0	0	0	0	Accumulated position of the MASS scheme.
Adult Learning	CYPS	-245	165	-80	350	270	250	520	0	520	-300	220	Accumulated position of the trading operation of the Adult Learning Service.
Catering	CYPS	773	-15	758	202	960	-250	710	-250	460	-250	210	Surplus used against anticipated recurring in-year deficit.
Building Cleaning	F&CS	638	316	954	-387	567	-217	350	-100	250	-100	150	Fund to be utilised for purchase of equipment and to fund a pilot to provide property related to support to a number of schools. The level of reserve was reviewed and applying the principal that the schools surplus can only be used for schools a rebate will be paid to schools in return for a continued buy-in to the service.
Grounds Maintenance	F&CS	66	-17	49	3	52	-26	26	-13	13	-13	0	Fund to be utilised for purchase of equipment etc.
Print Unit	C Exe	171	-110	61	10	71	0	71	0	71	-71	0	A small surplus is anticipated in 11/12 but due to the variable nature of income there are no current plans to invest in equipment until the Print Unit is making a sustainable profit.
School Library Service	C Exe	-4	4	0	0	0	0	0	0	0	0	0	Fully utilised.
Health and Wellbeing	C Exe	0	8	8	-3	5	0	5	0	5	0	5	Accumulated position of the trading operation.
CYPS - HR Service	C Exe	26	30	56	-20	36	-36	0	0	0	0	0	Accumulated position of the trading operation.
Sub Total		2,853	905	3,758	-124	3,634	-358	3,276	-476	2,800	-848	1,952	
Revenue Income Reserve (mainly grants and contributions)													
CYPS Grants Miscellaneous	CYPS	416	966	1,382	-1,232	150	0	150	0	150	0	150	
CYPS Schools Capital Projects	CYPS	6,285	-1,580	4,705	-4,580	125	-125	0	0	0	0	0	To implement phased charges to schools for CT.
CYPS Area Based Grant from 2009/10	CYPS	0	2,116	2,116	-2,116	0	0	0	0	0	0	0	This is to be used to underpin CYPS Service Transformation and to fund teachers redundancy payments.
Economic Development Grants	BES	469	-7	462	-160	302	-302	0	0	0	0	0	Relates to unutilised grant and other income which is expected to be used on associated expenditure in future years.
BES - Other	BES	273	528	801	2,005	2,806	-429	2,377	0	2,377	0	2,377	Includes the Civil Parking Enforcement (CPE) income which is subject to a countywide review that is currently at the stage of seeking comments prior to completing a final business case.
Chief Executive's Miscellaneous	C Exe	0	64	64	-64	0	0	0	0	0	0	0	Fully utilised in 2011/12.
Supporting People Initiative	HAS	1,753	-1,753	0	0	0	0	0	0	0	0	0	Grant became part of ABG in 2010/11.
Stroke Support Grant	HAS	0	94	94	-94	0	0	0	0	0	0	0	Balance of funding to complete agreed three year contract.
Social Care Reform Grant	HAS	0	0	0	1,508	1,508	0	1,508	-1,508	0	0	0	This is the balance of this grant and will be used to deal with short term or one off costs linked to the transformation of service provision.
Sub Total		9,196	428	9,624	-4,733	4,891	-856	4,035	-1,508	2,527	0	2,527	
Total Earmarked Reserves		66,452	15,272	81,724	-8,187	73,537	-17,065	56,472	-12,916	43,556	-6,657	36,899	
TOTAL RESERVES		84,021	21,652	105,673	-12,471	93,202	-23,687	69,515	-15,660	53,855	-11,076	42,779	

31 January 2012

**SUPPLEMENTARY PAPERS TO
MEDIUM TERM FINANCIAL STRATEGY
AND REVENUE BUDGET 2012/13**

ANALYSIS OF SAVINGS PROPOSALS

- A Business and Environmental Services**
- B Chief Executive's Group**
- C Children and Young People's Service**
- D Finance and Central Services**
- E Health and Adult Services**
- F Corporate Miscellaneous**

ITEMISED BUDGET

- G Corporate Miscellaneous**

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
BUSINESS & ENVIRONMENTAL SERVICES - RECURRING SAVINGS:						
Highways and Transportation						
Cut in Highway Maintenance	<p>As a result of planning responsive highway work we have been able to save approximately £1.25m per annum. However the result is that works will not be done as quickly as previously. For example some works may have been done within a few days, however now if a defect is not classed as being hazardous it will be programmed, which will mean it is unlikely to be repaired for 12 weeks. This allows the contractor to better plan his work and consequently reduces the cost to the County Council. However due to the high level of cuts now required by the CSR we will need to cut the basic maintenance budget to address the shortfall. The total reduction will be in the order of £3.83m. There will inevitably be a huge impact upon the work carried out on the ground and this will be a visible change to the public. We will be heavily focussed on emergency issues and hazards and it is likely that we will be criticised for not repairing defects that the public believe should be attended to, but which in truth do not pose an immediate hazard to the travelling public.</p> <p>There have been various smaller initiatives achieving savings in highway maintenance across different elements of the service, for example we have amended the contractual arrangements for the delivery of surface dressing that has moved the design and associated risk from the contractor to the client. This has resulted in the majority of the savings in this area which is in the order of £330k.</p> <p>Budget reductions fully allocated and being worked to. Full achievement of saving is predicted.</p>	2,450	70	1,000	310	3,830
Street Lighting Services reductions	Recent street lighting column replacement around the county which continues, has introduced lighting units that require lower levels of maintenance. This has resulted in a reduction in the cost of replacements etc.	150				150
Income review across Highways and Transportation	Review existing charges and look at other areas where charges can be levied. Specifically a piece of work will be carried out to consider whether the Council should enforce all on-street improvements associated with developments (section 278 agreements) to be carried out through the County Council.				150	150
Selby Swing Bridge	It is intended to review the operating requirements of Selby Swing Bridge; however this will require an Act of Parliament to trigger the change. This has been achieved in the past for Cawood Bridge.				100	100
Use of CPE Surplus to part-fund concessionary travel	Income level projected to be achieved - low risk identified only of not meeting this target.	1,000				1,000

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
BUSINESS & ENVIRONMENTAL SERVICES - RECURRING SAVINGS (Continued):						
Highways and Transportation staff savings	<p>As a result of various staff restructure reviews across the Directorate there will be savings totalling £2.22m over the 5 year period, with £0.8m in the 4 years of the MTFs. This will remove approximately 63 FTE posts from the Directorate structure. This will be achieved through both efficiencies and cuts to the level of service provided. Given the level of cuts it is inevitable that service reduction will occur as a result of job losses. Redundancies will be minimised by developing staff to cover more varied functions and create flexibility, and by seeking reductions through natural wastage.</p> <p>The first major restructure within the Road Safety team as a result of the loss of the Road Safety Grant has been implemented. This had been foreseen and the majority of staff associated with the grant are on fixed term contracts. The loss of this funding will result in the loss of about 20 FTE posts. Clearly road safety is vitally important and we are now looking at how we deliver road safety in a different way. For example we are developing road safety education that could sit within the current curriculum. The use of the 95 Alive Partnership will be crucial to the ongoing reduction in road casualties.</p> <p>Staff restructure in place with full £550k savings being achieved. No significant risk of failure to achieve entire target level for both 2011/12 and 2012/13.</p>	550	100	80	70	800
IPT						
Cuts in subsidised bus services.	<p>Consultations have been undertaken on reductions in bus subsidies for evenings and Sundays, saving approximately £600k per year. There is clearly an impact on rural accessibility here but as with all services it is a matter of balancing one service against another.</p> <p>Changes to services in place and full target predicted to be achieved.</p>	600				600
Area review savings linked to Concessionary Travel	<p>The County Council took over responsibility for Concessionary Travel in April 2011. As a result of the Area review reported to Executive members in November 2010 it is anticipated that £150k savings per annum will be made as a result of the re-procurement of services.</p> <p>Forecast savings on concessionary travel indicate full achievement of the savings target.</p>	150				150
IPT staff savings	Staff restructure projected to meet the full savings target.	50	50			100

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
BUSINESS & ENVIRONMENTAL SERVICES - RECURRING SAVINGS (Continued):						
Waste and Countryside services						
Close Household Waste Recycling Centres on 1 day per week	Reduce the opening hours of the HWRCs around the County, closing them one day a week. Once communicated to users it is considered that customers will rearrange their day for visiting the HWRC and that overall the impact will be minimal. 2011/12 target looks set to be achieved. 12/13 target relates to (a) £50k re full year effect of 1 day a week closure, £35k of which is deemed to be secure and £15k at risk pending outcome of contract discussions.;(b) Further target of £75k relates to mobile site closures & Wakefield savings which have yet to be firmed up. Alternative savings options will be pursued to meet any shortfalls in either year.	150	125			275
Support provided to National Parks for PROW work	Reduce the support to the National Parks for the public rights of way network. This has been raised with the Chief Executives of the Parks and they have expressed some concern as to service impact. We will work with the National Parks to ascertain the best way to provide the service that is required, however it must be acknowledged that there may well be a reduction in the level of service. Saving achieved - funding withdrawn in 2011/12.	100				100
PFI procurement cost reduction	It is anticipated that a reduction of £400k savings can be made over the next two years in the delivery of the Waste PFI project, as a result of the procurement reaching Commercial Close. 2011/12 high risk of £70k relates to forecast overspend at Q1. There is further risk of £130k not being achieved in 2011/12 and £200k in 2012/13 based on previous history of activities required. The full £400 k should be delivered by 2013/14 on a recurring basis.	200	200			400
Reduction in waste contract costs	As a result of re-negotiation and more efficient use of existing facilities it is anticipated that savings of almost £1.4m can be achieved by 2014/15. Based on current projections of volume and mix savings expected to be achieved in line with the MTFS savings profile.	1,100	200	70	20	1,390
Waste received at HWRCs, renegotiation with Districts and other partners/ contractors	Proposed savings through various waste initiatives, and procurements involving the renegotiation of various existing arrangements, in particular with the District Councils and around HWRC operations. Firm proposals and costings are being reviewed - until this exercise is complete the savings target is at some risk.		250	425	600	1,275
Capital Programme - Waste	Reduce the waste capital programme, which would remove three HWRCs from the current programme and would create an annual saving of around £450k per annum.			30	420	450
Waste and Countryside services staff savings	New structure predominantly in place with savings being achieved as per the target level.	175	40	30	110	355

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
BUSINESS & ENVIRONMENTAL SERVICES - RECURRING SAVINGS (Continued):						
Economic Development						
Cut in funding for Arts projects	Reduce the funding for Arts for example reducing the support to theatres etc. Achieved in 2011/12 - Grant payments have been reduced.	75				75
Economic Development Initiatives	Reduction in support to economic related projects across the County; this will have implications in terms of ability to draw down match funding. Specific savings already in place - full achievement is predicted for 2011/12.	50	50			100
Economic Development staff savings	The full savings target will be achieved.	120	25			145
Trading Standards and Planning						
Trading Standards and Planning staff reductions.	Relevant posts have been or are in the process of being removed as planned - the full target level will be achieved.	200	40	30	80	350
PFU and Support Services						
Miscellaneous and supplies and services	Efficiencies and better use of procurement to reduce costs.	100	100			200
Mileage reductions	Reduction staff mileage across the Directorate.	30				30
PFU & SS staff savings	Changes in place and generating full saving as predicted.	70	150	25		245
TOTAL		7,320	1,400	1,690	1,860	12,270

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
CHIEF EXECUTIVE'S GROUP - RECURRING SAVINGS:						
Chief Executives Office Staffing Restructure	Total proposed reduction of 10.4 posts across the teams in CEO. Arising from reduction from 9 to 5 O&S Committees; re-prioritising and movement to generic teams, including review of team management; review of admin support and Emergency Planning.	490				490
Communications - shared services	Staffing restructure plus efficiencies in web costs	30				30
Communications - Review of NY Times	Review of NY Times. Sum saved is dependent on which option for future provision is taken forward.	200				200
Customer Services post / Income generation	Service pressures give challenges to achieving savings. Need to invest in further systems support where business case can be demonstrated. Service standards to be reviewed and hours of opening etc. Income generation prospects may be good going forward.	25	75			100
HR Staffing Savings	Staffing review including HR advisers & managers; recruitment administration and opportunities arising from STIC & other systems improvements.	270	62			332
People Strategy	Reduction in corporate budget. Risk = higher need to invest in staff at times of change and uncertainty?		50	150		200
Democratic Services Committee Administrator	Reduction of 2 FTE in Committee Services direct staff whilst maintaining current workload.	48	7			55
Legal and Democratic Services Admin and Support (various)	Savings in admin support by closer integration of Legal and Democratic admin and support staff plus implementation of Democratic services software & Impulse appeals software including automation of register of interests. This development will, however, require investment of £40k.	49	40			89
Reorganisation of legal service	Review of the structure to reflect business needs. There will be a reduction in senior managers and an increase in team leaders, and adjustment of career grade for lawyer posts also potential reduction arising from legal work relating to property currently diminishing (though may be subject to change), and a reduction in capacity arising from Government proposals to abolish Standards for England Framework.		113			113

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
CHIEF EXECUTIVE - RECURRING SAVINGS (Continued):						
Reduction in cost of practicing certificates		11				11
Members - review of scrutiny arrangements	Reflects move from 9 to 5 O&S Committees - saving in SRA	8				8
Members - Executive arrangements	Reduction by 2 executive Members	15				15
Members (inc Member support)	Review of political assistants & mileage rate reduction		86			86
Chairman's Fund	Less civic functions	5				5
Supplies & Services - general - tighter housekeeping in CEG	Tighter housekeeping within CEG	20				20
CCfA Use new grant to support core activity in scrutiny function and partnership work.	Use new grant to support core activity in scrutiny function and partnership work.	15				15
Consultation savings	Investigate more efficient approach to consultations (across the Council)	10				10
Grants & Subscriptions	Cash limit grants given and reduction in LGYH subs	37	13			50
LINKs funding	Propose reduced support to LINKs in line with any grant reduction. Risk = backlash from third sector and LINKs.	100				100
Community Safety	Propose reduced support to CDRPs in line with any grant reduction. Risk = backlash from LSPs and CDRPs.	50				50
Mileage reduction	Reduction in the number of business miles across CEG	7				
Contingency			8		6	14
Reduction in Coroners budgets.	Review of consumable Budgets to establish where cost savings are possible.	25				25
Extending RFID.	Technology to support the automated recording of book issues to be rolled out to 15 additional sites.	30				30
Further reduction in static/mobile libraries, including proportionate reduction in management costs.	Slippage in the start dates for some 11-12 schemes but savings plan now approved by Executive meeting in November 2011.	994	500	500		1,994
Accelerated Savings		-140	46	50	44	0
TOTAL		2,299	1,000	700	50	4,049

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
CHILDREN & YOUNG PEOPLE'S SERVICES - RECURRING SAVINGS:						
Business Support and Training	Review all aspects of whole Directorate Business Support, Admin and Training, which will create a single unit for the Directorate Workforce Initiative. A review of the various offices with professional staff and supporting administrative staff to look at the potential for home and flexible working and revised admin procedures taking advantage of new technology and savings on supplies and services.	400	100		100	600
Social Care Transformation	Rationalisation of properties within CYPS, including the potential for joint use with partners and greater use of Children's Centres; also fundamental review of CSC workforce, processes and systems to maximise efficiency	200	145	240		585
Integrated Services	Review of Integrated Services/Locality provision once the service network has been completed. This includes preventative work through Common Assessments, early intervention, children's centres and extended schools. Will also look at the Children's Fund projects (all service areas).	1,138	150			1,288
Integration of Youth and Youth Support	Integration of Youth & Youth Support Services and related LYS changes. This will include reductions in non-staffing support costs, premises costs, management numbers and costs.	755			130	885
School Improvement	Q&I: fundamental review and restructuring of School Improvement Services and of discretionary services to schools and pupils, taking account of changing national policy framework.	2,288	375			2,663
Music Service	Music Service - removal of County Council subsidy over a 2-year period by a combination of savings and increase in fees. Service also vulnerable to potential loss of grant funding – awaiting results of national review.	80	220	120		420
Home to School Transport	Home to School Transport - changes to policy, procurement and charges. Review includes discretionary items in the policy, including denominational transport, post 16 charges for young people with SEN, removal of "equivalent cost" payments. Review also to consider ability to charge a levy on all transport.	1,991	400	0	459	2,850
Procurement (incl Child Placements)	Procurement savings across all purchasing budgets. Areas for priority attention will including commissioning of placements for Looked After Children, children with Learning Difficulties and Disabilities, Specialist and Treatment Foster Care services, purchase of IT and savings on revenue costs. These are in addition to other projects mentioned here.	225	100	100	325	750
Severance Scheme for School Teachers	Removal of Severance Scheme for School Teachers and budget for redundancy – will continue to meet statutory requirements only.	350				350

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	
		TARGET	TARGET	TARGET	TARGET	TOTAL
		£'000	£'000	£'000	£'000	£'000
CHILDREN & YOUNG PEOPLE'S SERVICES - RECURRING SAVINGS (Continued):						
Outdoor Education	Outdoor Education - removal of County Council subsidy and review of service, including number of centres – supported by Schools Forum.	700	300			1,000
SEN/BESD Review	A number of savings in support services, projects and training arising from the roll out of an extended local network of specialist provision with outreach.	65	95		150	310
Staffing Efficiencies/Productivity	Staffing Efficiencies/Productivity (additional to other projects)	350	210			560
Management Productivity	Management Productivity (additional to other projects)	470	325			795
Maximising DSG Headroom	Our approach is to ensure that all relevant costs are correctly charged to the DSG but also to continue to maximise the funding in schools' directly-managed budgets. Subject to discussion and agreement with the Schools Forum, however, it might be possible to allocate some very limited funding within DSG to support a very small number of public/curriculum-related priorities in radically reconfigured arrangements, if these are seen as high priorities which add value.	653				653
Learning Difficulties and Disabilities (LDD) integration	A review of provision for care and support, including residential services, will be undertaken to achieve closer integration, increased flexibility, more even county coverage and greater flexibility. It will also consider residential placements in CYPS establishments, and preventative support to families.	366		9	250	625
Joint Services	Reduced Funding to Joint Services where the County Council is a statutory partner in a number of multi-agency services	200	200			400
Grant-related expenditure to be stopped	Expenditure funded by grants which have now gone or been reduced in the settlement.	1,116				1,116
Accelerated Savings		-2,197	340	871	986	0
TOTAL		9,150	2,960	1,340	2,400	15,850

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
FINANCE & CENTRAL SERVICES - RECURRING SAVINGS:						
Assistant Director post not replaced	Arising from the retirement of a post-holder in August 2010, and restructuring of duties	34				34
Project officer (Seconded Officer)	Ending of secondment at end Nov 2010 - based on £115k ongoing budget provision	77				77
Review of the structure and budgets of Corporate & ACS Accountancy Teams	Review of structure of accountancy teams, and options for shared resources.	9	9			18
Review the structure and budgets of CYPS Accountancy Team	Review of team	180				180
Review the structure and budgets of BES Accountancy Team	Review of team	30				30
Accountancy Teams - Phase 2 Review	Further review		60	60		120
CIPFA/AAT Trainees	Miss a year in recruitment and then manage via turnover vacancies	13				13
Central Finance Service Unit	Review of business processes in Payroll/Exchequer/Credit Control	40	20			60
Internal Audit (via Veritau)	Reduce audit days. (1 auditor = 192 days= 7.8% reduction in Audit Plan). Based on Veritau charge rate	42		42		84
CPM - staffing changes in CAM and CLU	Mini- restructure of CAM (net £20k), plus reduction of 1 Landlord Officer by natural wastage	29				29
CPM - Phase 2 review	Reduction of 2 x CLS managers, plus 1 x PSO post	118	4			122
CPM - GPTA fees	Reduction in provision available for third party professional support	20				20
ICT - Phase 1 review of vacancies & fixed term contracts	Staff reduction in ICT arising from rationalisation of functions/services provided etc	110				110
ICT - Phase 2 review post Microsoft transition	Further review following this transition which is expected to lead to more efficient support arrangements			100	150	250
Review of property arrangements - Corporate accommodation operational costs	Review of costs following BOS as well as review of accommodation requirements and potential for efficiencies in running costs.	100	0	0		100

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
FINANCE & CENTRAL SERVICES - RECURRING SAVINGS (Continued):						
Review of property arrangements - Budget for redeployed properties	The budget covers the costs incurred at properties that are surplus to requirements, in advance of bringing these into alternative use, or arranging sale. The reduction reflects recent trends of spend (£70k in 2010/11 and £30k in 2011/12). Any impact will depend on the extent of future property redeployments, but should arise from reduced delays in property disposals due to advance knowledge of Directorate intentions.	30				30
Review of property arrangements - Corporate R&M/Smallholdings	£310k is reduction in the corporate R and M budget	310	0	0		310
Reduction in corporate funding for schools related property support and advice	The funding for the support for schools is now being met via DSG	335	0			335
Procurement Support Service - review as part of re-tendering exercise	Contract retendered 2012		20			20
Jacobs - end of transition payment at end of primary contract period	Primary contract period expires 31/3/12. End of transition payment		60			60
Review of running costs and "house-keeping" budgets.	Savings from a review of operational costs in Financial Services, including those arising from process and transactional reviews	3	3	15	50	71
SDT recharges (based on 20 PCs)	Reduced staff leads to reduced PC requirement	3	4			7
Mileage savings	Implementation of 10% mileage reduction target - across Directorate	10	10			20
Accelerated savings		-493	410	83		0
TOTAL		1,000	600	300	200	2,100

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
HEALTH & ADULT SERVICES - RECURRING SAVINGS:						
Reablement (intensive home care)	Retraining of in-house domiciliary staff to provide intensive 6 week rehabilitation support to enable people to live at home longer. This will deliver savings by reducing the level of ongoing support required.	703	614			1,317
Natural reduction of in-house domiciliary care linked to the introduction of START.	Present proposal is to transform 80% of in-house domiciliary care provision to provide a reablement service, retaining a minimal amount of traditional domiciliary care provision. This proposal is to reduce the domiciliary care workforce and purchase the care within the independent sector. In later years the size of the reablement teams will be reduced.		1,102	1,500		2,602
Transitional workers	Working with young people aged 14+ to provide advice and information in their move to adulthood. Presently HAS become involved at year 11 reviews due to capacity issues. PIP funding is being used to target appropriate year 9 children to ensure that the most cost effective services are achieved in conjunction with parents and carers.		-124			-124
Transforming Learning Disability Services.	There is a need to modernise services in line with the "Valuing People Now" agenda, and to make the service more efficient.	1,335	442	1,400		3,177
Reduce funding for the Learning Disability Partnership Board arrangements	Top slice funding for the four Partnership Boards by £100,000 per annum with a view to reducing Boards from 4 to 1.	100				100
EPH closure linked Extra Care Programme	Reprovision of remaining EPH's and modernising of day time activities			360	160	520
Residential Placements.	Reduced reliance on residential and nursing home placements, supporting people where possible in their own homes for longer, and negotiation of fees.	2,600	2,600			5,200
Re-provision of night services.	Closure of the dedicated night time service currently located in Harrogate, Craven and Selby linked to the development of a county wide night responder service.		1,036			1,036
Reduced carers budgets.	Reduction in the level of funding in respect of carers grants and funding for the infrastructure and support arrangements.	257	200			457
End subsidised meals	NYCC will cease to contract for the delivery of meals and instead provide signposting to alternative providers such as Women's Royal Volunteer Service.	136				136
Restructuring of management and support arrangements .	Reduction in the level of operational management by increasing spans of control, and in localised admin and support arrangements.	800	300			1,100
Reducing the cost of operational staff cover.	Minimising the use of agency staffing and where still required to achieve savings through the new Agency Staff contract.	20				20
Budget 2 savings linked to health resources	Demographic demand and health related issues	3,000	3,000			6,000
TOTAL		8,951	9,170	3,260	160	21,541

BUDGET SAVINGS 2011/12 TO 2014/15

Directorate and Savings Project Area	Description	2011/12	2012/13	2013/14	2014/15	TOTAL
		TARGET	TARGET	TARGET	TARGET	
		£'000	£'000	£'000	£'000	£'000
CORPORATE MISCELLANEOUS: RECURRING SAVINGS:						
Employee Terms & Conditions Savings	Estimated £2 million in Savings to be made from making various changes to NYCC Employee Terms and Conditions: 2011/12: 1) Mileage Rate cut from 47p to 40p, and changes to length of time Officers are entitled to receive Home to Work Mileage 2) Removal of a number of central Pay & Reward Budgets 3) Extension of CRB re-checks for certain groups of staff from 3 to 5 years 2012/13: 4) Payment of over-time payments at flat-rate 5) Unpaid Christmas Leave for 2 days from 2012/13 for all staff 6) Amendments to increment entitlements for certain groups of staff for poor performance and/or excessive sickness absence 7) Reduction from 2 years to 1 year the length of time re-deployed Officers are entitled to receive Pay Protection	750	1,250			2,000
Community Fund	Fund reduced to forecast commitments from 2011/12, manly relating to affordable housing initiative	600	25	300		925
Area Committee Grants	Budget for Area Committee grants removed as part of Savings proposals agreed in February 2011	357				357
Pay & Reward Fund	Fund reduced to known commitments achieving one off savings of £411k in 2011/12 and recurring savings of £110k pa from 2011/12.	110				110
Pay Award Contingency Removal	Initial budget provision made was removed as part of the Budget 2 savings proposals in May	500				500
Additional Savings Required (Budget 2)	This residual balance of Budget 2 savings is being held in Corporate Miscellaneous with the expectation that it will be found from a combination of investment / borrowing performance, potential debt re-scheduling opportunities, the continued use of internal cash balances rather than borrowing to finance the Capital Plan, reduced Audit Fees, increased YPO dividend etc and various other miscellaneous items. However due to the conditions (now and forecast) in the financial markets (ie. Low Interest Rates), the balance of this saving (£1.867 m) will not be achieved. The situation has therefore been redressed in the base budget for 2012/13.	1,916	-49			1,867
TOTAL		4,233	1,226	300	0	5,759

Corporate Miscellaneous Budgets - 2012/13 - 2014/15:

Budget	Latest Base Budget	2012/13				2013/14				2014/2015			
		Increase Current MTFS	Updated Increase Required	+/- Difference	Updated Budget Required	Increase Current MTFS	Updated Increase Required	+/- Difference	Updated Budget Required	Increase Current MTFS	Updated Increase Required	+/- Difference	Updated Budget Required
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Contingency - General Provision	368.4	0.0	131.6	131.6	500.0	0.0	0.0	0.0	500.0	0.0		0.0	500.0
Contingency - Transport Inflation	0.0	0.0	1,000.0	1,000.0	1,000.0	0.0	0.0	0.0	1,000.0			0.0	1,000.0
Contribution to Pension Fund Deficit	300.0	150.0	420.0	270.0	720.0	300.0	1,380.0	1,080.0	2,100.0	0.0	0.0	0.0	2,100.0
Contribution to Redundancy Reserve - Funded from PIP	2,500.0	-2,500.0	-2,500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0
Budget 2 - Savings Required	-1,916.0	49.0	1,916.0	1,867.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0
Capital Financing Charges	32,456.8	-631.5	-2,231.5	-1,600.0	30,225.3	-378.1	98.5	476.6	30,323.8	-200.0	697.0	897.0	31,020.8
Interest Earned	-1,663.0	-964.0	324.8	1,288.8	-1,338.2	-1,184.0	-230.0	954.0	-1,568.2	0.0	-1,487.8	-1,487.8	-3,056.0
Continuing Pension Liability	41.3	-3.0		3.0	41.3	-2.8	0.0	2.8	41.3			0.0	41.3
Audit Fees	233.5	7.0	-30.6	-37.6	202.9	7.2	4.9	-2.3	207.8	0.0	5.0	5.0	212.8
Bank Charges	75.4	0.0	11.1	11.1	86.5	0.0	0.0	0.0	86.5	0.0		0.0	86.5
Discontinued Services	-4.8	0.3	0.0	-0.3	-4.8	0.3	0.1	-0.2	-4.7	0.0	0.2	0.2	-4.5
Probation Loan Charges	18.4	-0.9	-0.9	0.0	17.5	-0.9	-0.9	0.0	16.6	0.0	-0.9	-0.9	15.7
Magistrates Courts Loan Charges	57.8	-2.9	-3.2	-0.3	54.6	-2.9	-2.7	0.2	51.9	0.0	-2.8	-2.8	49.1
Transformation Fund	299.4	0.0		0.0	299.4	0.0	0.0	0.0	299.4	0.0	0.0	0.0	299.4
Financing Income	-271.1	0.0	21.1	21.1	-250.0	0.0	0.0	0.0	-250.0	0.0		0.0	-250.0
Carbon Reduction Initiative	0.0	0.0	179.0	179.0	179.0	0.0	22.0	22.0	201.0	0.0	355.0	355.0	556.0
Community Fund (Affordable Housing)	350.0	100.0	100.0	0.0	450.0	25.0	25.0	0.0	475.0	0.0	0.0	0.0	475.0
Pay & Reward Initiatives	-329.0	411.0	428.0	17.0	99.0	0.0	0.0	0.0	99.0	0.0		0.0	99.0
Employee Costs - Terms and Conditions	-25.0	-1,250.0	-1,250.0	0.0	-1,275.0	0.0	0.0	0.0	-1,275.0	0.0		0.0	-1,275.0
DSG Contrib. to Corporate Overheads	-1,576.9	-22.0	16.9	38.9	-1,560.0	-22.0	-20.0	2.0	-1,580.0	0.0	-20.0	-20.0	-1,600.0
YPO Dividend	-225.0	0.0	-125.0	-125.0	-350.0	0.0	0.0	0.0	-350.0	0.0		0.0	-350.0
Flood Defence Levy	0.0	38.0		-38.0	0.0	40.0	0.0	-40.0	0.0	0.0		0.0	0.0
Sea Fisheries Committee Levy	0.0	6.7		-6.7	0.0	5.0	0.0	-5.0	0.0	0.0		0.0	0.0
New Homes Bonus Grant	-200.0	-200.0	-649.0	-449.0	-849.0	-200.0	0.0	200.0	-849.0	0.0		0.0	-849.0
Council Tax Freeze Grant 2011/12	-6,149.0	0.0	6,149.0	6,149.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Council Tax Freeze Grant - 2012/13	0.0	0.0	-6,162.0	-6,162.0	-6,162.0		6,162.0	6,162.0	0.0			0.0	0.0
Sub-Total	24,341.2	-4,812.3	-2,254.7	2,557.6	22,086.5	-1,413.2	7,438.9	8,852.1	29,525.4	-200.0	-454.3	-254.3	29,071.1
Pending Issues Provision -	1,971.0	4,847.0	3,294.0	-1,553.0	5,265.0	3,991.0	4,998.0	1,007.0	10,263.0	-6,828.0	-2,178.0	4,650.0	8,085.0
Corporate Miscellaneous Total	26,312.2	34.7	1,039.3	1,004.6	27,351.5	2,577.8	12,436.9	9,859.1	39,788.4	-7,028.0	-2,632.3	4,395.7	37,156.1

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26-Jan-12

NORTH YORKSHIRE COUNTY COUNCIL

TREASURY MANAGEMENT POLICY STATEMENT

1.0 BACKGROUND

- 1.1 The County Council has adopted the **CIPFA Code of Practice on Treasury Management in the Public Services** as updated in 2011. This Code sets out a framework of operating procedures to reduce treasury risk and improve understanding and accountability regarding the Treasury position of the County Council.
- 1.2 The CIPFA Code of Practice on Treasury Management requires the County Council to adopt the following four clauses of intent:
- (a) the County Council will create and maintain as the cornerstone for effective Treasury Management
 - (i) a strategic **Treasury Management Policy Statement** (TMPS) stating the policies, objectives and approach to risk management of the County Council to its treasury management activities
 - (ii) a framework of suitable **Treasury Management Practices** (TMPs) setting out the manner in which the County Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities. The Code recommends 12 TMPs
 - (b) the County Council (full Council and/or Executive) will receive reports on its Treasury Management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid year review and an annual report after its close, in the form prescribed in the TMPs
 - (c) the County Council delegates responsibility for the implementation and regular monitoring of its Treasury Management policies and practices to the Executive and for the execution and administration of Treasury Management decisions to the Corporate Director – Finance and Central Services who will act in accordance with the Council’s TMPS, TMPs, as well as CIPFA’s Standard of Professional Practice on Treasury Management
 - (d) the County Council nominates the Audit Committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategies and Policies.
- 1.3 The **CIPFA Prudential Code for Capital Finance in Local Authorities** (updated in 2011) and the terms of the **Local Government Act 2003**, together with ‘statutory’ Government Guidance, establish further requirements in relation to treasury management matters, namely

- (a) the approval, on an annual basis, of a set of **Prudential Indicators**
- (b) the approval, on an annual basis, of an **Annual Treasury Management Strategy**, an **Annual Investment Strategy**, and an annual **Minimum Revenue Provision (MRP)** policy statement with an associated requirement that each is monitored on a regular basis with a provision to report as necessary both in-year and at the financial year end

1.4 This current Treasury Management Policy Statement (TMPS) was approved by County Council on 15 February 2012.

2.0 **TREASURY MANAGEMENT POLICY STATEMENT (TMPS)**

2.1 Based on the requirements detailed in **paragraph 1.2 (a) (i)** above a TMPS stating the policies and objectives of the treasury management activities of the County Council is set out below.

2.2 The County Council defines the policies and objectives of the treasury management activities of the County Council as follows:

- (a) the management of the County Council's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks
- (b) the identification, monitoring and control of risk will be the prime criteria by which the effectiveness of the treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the County Council and any financial instrument entered into to manage these risks
- (c) effective treasury management will provide support towards the achievement of the business and service objectives of the County Council as expressed in the Council Plan. The County Council is committed to the principles of achieving value for many in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management

2.3 As emphasised in the revised 2011 Treasury Management Code of Practice, responsibility for risk management and control of Treasury Management activities lies wholly with the County Council and all officers involved in Treasury Management activities are explicitly required to follow Treasury Management policies and procedures.

3.0 **TREASURY MANAGEMENT PRACTICES (TMPs)**

3.1 As referred to in **paragraph 1.2 (a) (ii)** above the CIPFA Code of Practice on Treasury Management requires a framework of Treasury Management Practices (TMPs) which:

- (a) set out the manner in which the County Council will seek to achieve the policies and objectives set out in **paragraph 2.2** above; and
- (b) prescribe how the County Council will manage and control those activities

3.2 The CIPFA Code of Practice recommends 12 TMPs. These were originally approved by Members in March 2004 and are in the process of being updated in the light of the new Codes from CIPFA and Statutory Guidance from the Government. The updated documents will be submitted to Members early in 2012/13.

3.3 A list of the 12 TMPs is as follows:

- TMP 1 Risk management
- TMP 2 Performance measurement
- TMP 3 Decision-making and analysis
- TMP 4 Approved instruments, methods and techniques
- TMP 5 Organisation, clarity and segregation of responsibilities, and dealing arrangements
- TMP 6 Reporting requirements and management information arrangements
- TMP 7 Budgeting, accounting and audit arrangements
- TMP 8 Cash and cash flow management
- TMP 9 Money Laundering
- TMP 10 Training and qualifications
- TMP 11 Use of external service providers
- TMP 12 Corporate governance

4.0 PRUDENTIAL INDICATORS

4.1 The Local Government Act 2003 underpins the Capital Finance system introduced on 1 April 2004 and requires the County Council to “have regard to” the **CIPFA Prudential Code for Capital Finance in Local Authorities**. This Code, as revised in 2009 and then again in November 2011, requires the County Council to set a range of Prudential Indicators for the next three years

- (a) as part of the annual Budget process, and
- (b) before the start of the financial year

to ensure that capital spending plans are affordable, prudent and sustainable.

4.2 The Prudential Code also requires appropriate arrangements to be in place for the monitoring, reporting and revision of Prudential Indicators previously set.

4.3 The required Prudential Indicators are as follows

- Estimated ratio of capital financing costs to the Net Revenue Budget
- Estimates of the incremental impact of capital investment decisions on the Council Tax
- Capital Expenditure - Actual and Forecasts
- Capital Financing Requirement
- Net Borrowing Requirement
- Authorised Limit for External Debt
- Operational Boundary for External Debt
- Actual External Debt
- Adoption of the CIPFA Code of Practice for Treasury Management
- Interest Rate Exposures
- Maturity Structure of Borrowing
- Total Principal Sums Invested for periods longer than 364 days

4.4 The County Council will approve the Prudential Indicators for a three year period alongside the annual Revenue Budget/Medium Term Financial Strategy at its February meeting each year. The Indicators will be monitored during the year and necessary revisions submitted as necessary via the Quarterly Performance and Budget Monitoring reports.

4.5 In addition to the above formally required Prudential Indicators, the County Council has also set two local ones as follows:

- (a) to cap Capital Financing costs to 11% of the net annual revenue budget; and
- (b) a 30% limit on money market borrowing as opposed to borrowing from the Public Works Loan Board.

5.0 **ANNUAL TREASURY MANAGEMENT AND INVESTMENT STRATEGY**

5.1 A further implication of the Local Government Act 2003 is the requirement for the County Council to set out its Treasury Management Strategy for borrowing and to approve an Annual Investment Strategy (which sets out the County Council's policies for managing its investments and for giving priority to the security and liquidity of those investments).

5.2 The Government's guidance on the Annual Investment Strategy, updated in 2009, states that authorities can combine the Treasury Management Strategy Statement and Annual Investment Strategy into one report. The County Council has adopted this combined approach.

5.3 Further statutory Government guidance was issued in February 2008 and updated again from April 2012 in relation to an authority's charge to its Revenue Budget each year for debt repayment. A Minimum Revenue Provision (MRP) policy

statement must be prepared each year and submitted to the full Council for approval before the start of the financial year.

5.4 The County Council's Annual Treasury Management and Investment Strategy will therefore cover the following matters:

- treasury limits in force which will limit the treasury risk and activities of the County Council
- Prudential and Treasury Indicators
- the current treasury position
- the Borrowing Requirement and Borrowing Limits
- Borrowing Policy
- prospects for interest rates
- Borrowing Strategy
- capping of capital financing costs
- review of long term debt and debt rescheduling
- Minimum Revenue Provision Policy
- Annual Investment Strategy
- other treasury management issues
- arrangements for monitoring / reporting to Members

5.5 The County Council will approve this combined Annual Strategy alongside the annual Revenue Budget/Medium Term Financial Strategy at its February meeting each year.

6.0 REVIEW OF THIS POLICY STATEMENT

6.1 Under Financial Procedure Rule 15, the Corporate Director – Finance and Central Services is required to periodically review this Policy Statement and all associated documentation. A review of this Statement, together with the associated annual strategies, will therefore be undertaken annually as part of the Revenue Budget process, together with a mid year review as part of the Quarterly Treasury Management reporting process and at such other times during the financial year as considered necessary by the Corporate Director – Finance and Central Services.

Approved by County Council 15 February 2012

NORTH YORKSHIRE COUNTY COUNCIL

ANNUAL TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2012/13

1.0 INTRODUCTION

1.1 Treasury Management is defined as

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

1.2 The Local Government Act 2003, and supporting regulations, require the County Council to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential Indicators for the next three years to ensure that the County Council’s capital investment plans are affordable, prudent and sustainable.

1.3 The Act also requires the County Council to set out its **Annual Treasury Management Strategy** for borrowing and to prepare an **Annual Investment Strategy** (as required by Investment Guidance issued subsequent to the Act) which sets out the County Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments. For practical purposes these two strategies are combined in this document.

1.4 This Strategy document for 2012/13 therefore covers the following

- Treasury Limits in force which will limit the treasury risk and activities of the County Council (**paragraph 2**)
- Prudential Indicators (**paragraph 3**)
- current treasury position (**paragraph 4**)
- Borrowing Requirement and Borrowing Limits (**paragraph 5**)
- Borrowing Policy (**paragraph 6**)
- prospects for interest rates (**paragraph 7**)
- Borrowing Strategy (**paragraph 8**)
- capping of capital financing costs (**paragraph 9**)
- review of long term debt and debt rescheduling (**paragraph 10**)
- Minimum Revenue Provision Policy (**paragraph 11**)
- Annual Investment Strategy (**paragraph 12**)
- other treasury management issues (**paragraph 13**)
- arrangements for monitoring/reporting to Members (**paragraph 14**)

- summary of key elements of this Strategy (**paragraph 15**)
- Specified Investments (**Schedule A**)
- Non-Specified Investments (**Schedule B**)
- Approved Lending List (**Schedule C**)
- Approved Countries for Investments (**Schedule D**)

1.5 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the County Council to produce a balanced Annual Revenue Budget. In particular, Section 32 requires a local authority to calculate its Budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This means that increases in capital expenditure must be limited to a level whereby additional charges to the Revenue Budget arising from:-

- (a) increases in interest and principal charges caused by increased borrowing to finance additional capital expenditure, and/or
- (b) any increases in running costs from new capital projects

are affordable within the projected revenue income of the County Council for the foreseeable future.

1.6 These issues are addressed and the necessary assurances provided by the Section 151 officer (the Corporate Director – Finance and Central Services) in the 2012/13 Revenue Budget and Medium Term Financial Strategy report considered separately by the Executive on 31 January 2012 and approved by the County Council on 15 February 2012.

1.7 This Strategy document was approved by the County Council on 15 February 2012.

2.0 **TREASURY LIMITS FOR 2012/13 TO 2014/15**

2.1 It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations for the County Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the **Affordable Borrowing Limit**.

2.2 The County Council must have regard to the Prudential Code when setting the Affordable Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon future Council Tax levels is acceptable. In practice, it is equivalent to the Authorised Limit as defined for the Prudential Indicators (therefore see **paragraph 3** below).

2.3 Whilst termed an Affordable Borrowing Limit, the spending plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability such as credit arrangements. The Affordable Borrowing Limit has to be set on a rolling basis for the forthcoming financial year and two successive financial years.

3.0 PRUDENTIAL INDICATORS FOR 2012/13 TO 2014/15

3.1 A separate Report incorporating an updated set of Prudential Indicators for the three year period to 31 March 2015, as required by the CIPFA Prudential Code for Capital Finance in Local Authorities, was also approved by the County Council on 15 February 2012.

3.2 These Prudential Indicators include a number relating to external debt and treasury management that are appropriately incorporated into this Annual Treasury Management Strategy for 2012/13.

3.3 Full details of the Prudential Indicators listed below are contained in the separate **Revision of Prudential Indicators** report referred to in **paragraph 3.1** above.

3.4 The following Prudential Indicators are relevant for the purposes of setting an integrated Annual Treasury Management Strategy.

(a) **Estimated ratio of capital financing costs to the Net Revenue Budget**

(i) formally required indicator net of interest earned

2010/11 actual	8.1%
2011/12 probable	8.6%
2012/13 estimate	8.4%
2013/14 estimate	8.4%
2014/15 estimate	8.1%

(ii) Local Indicator capping capital financing costs to 11% of the annual Net Revenue Budget

2010/11 actual	9.4%
2011/12 probable	9.1%
2012/13 estimate	8.9%
2013/14 estimate	8.7%
2014/15 estimate	8.8%

(b) **Estimates of the incremental impact of capital investment decisions on the Council Tax requirement**

For a Band D Council Tax	
	£ p
2012/13 estimate	0.80
2013/14 estimate	2.41
2014/15 estimate	4.85

(c) **Capital Expenditure - Actual and Forecasts**

	£m
2010/11 actual	130.8
2011/12 probable	100.0
2012/13 estimate	88.1
2013/14 estimate	79.8
2014/15 estimate	72.6

(d) **Capital Financing Requirement (as at 31 March)**

	Borrowing £m	Other Long Term Liabilities £m	Total £m
31 March 2011 actual	408.8	6.5	415.3
31 March 2012 probable	402.4	6.3	408.7
31 March 2013 estimate	394.1	6.0	400.1
31 March 2014 estimate	394.5	5.8	400.3
31 March 2015 estimate	382.4	5.8	388.2

(e) **Net Borrowing Requirement** (external borrowing net of investments)

	£m
As at 31 March 2011 actual	247.8
As at 31 March 2012 probable	266.5
As at 31 March 2013 estimate	267.8
As at 31 March 2014 estimate	274.5
As at 31 March 2015 estimate	269.1

(f) **Authorised Limit for external debt**

	External Borrowing £m	Other Long Term Liabilities £m	Total Borrowing Limit £m
2011/12	444.6	6.3	450.9
2012/13	450.9	6.0	456.9
2013/14	431.8	5.8	437.6
2014/15	457.9	5.8	463.7

(g) **Operational Boundary for external debt**

	External Borrowing £m	Other Long Term Liabilities £m	Total Borrowing £m
2011/12	424.6	6.3	430.9
2012/13	430.9	6.0	436.9
2013/14	411.8	5.8	417.6
2014/15	437.9	5.8	443.7

(h) **Actual External Debt**

	Borrowing £m	Other Long Term Liabilities £m	Total £m
at 31 March 2011 actual	390.1	6.5	396.6
at 31 March 2012 probable	391.2	6.3	397.5
at 31 March 2013 estimate	384.2	6.0	390.2
at 31 March 2014 estimate	386.3	5.8	392.1
at 31 March 2015 estimate	378.1	5.8	383.9

(i) **Limit of Money Market Loans** (Local Indicator)

Borrowing from the money market for capital purposes is to be limited to 30% of the County Council's total external debt outstanding at any one point in time.

(j) **Adoption of CIPFA Code of Practice for Treasury Management in the Public Services**

The County Council agreed to adopt the latest updated Code issued in November 2011 on 15 February 2012.

(k) **Interest Rate exposures**

Borrowing	%age of outstanding principal sums
Limits on fixed interest rate exposures	60 to 100
Limits on variable interest rate exposures	0 to 40
Investing	
Limits on fixed interest rate exposures	0 to 30
Limits on variable interest rate exposures	70 to 100
Combined net borrowing/investment position	
Limits on fixed interest rate exposures	110 to 160
Limits on variable interest rate exposures	-10 to -60

(l) **Maturity Structure of borrowing**

The amount of projected borrowing maturing in each period as a percentage of total projected borrowing that is fixed rate.

	Lower Limit %	Upper Limit %
under 12 months	0	50
12 months and within 24 months	0	15
24 months and within 5 years	0	45
5 years and within 10 years	0	75
10 years and within 25 years	10	100
25 years and within 50 years	10	100

(m) **Total principal sums invested for periods longer than 364 days**

Based on estimated levels of funds and balances over the next three years, the need for liquidity and day-to-day cash flow requirements, it is forecast that a maximum of £12m of 'core cash funds' available for investment can be held in aggregate in Non-Specified Investments over 364 days.

4.0 **CURRENT TREASURY POSITION**

4.1 The County Council's treasury portfolio position at 31 March 2011 consisted of:

Item	Principal £m	Average Rate at 31 March 2011 %
Debt Outstanding		
Fixed Rate funding		
PWLB	370.1	4.63
Variable Rate funding		
Market LOBO's	20.0	3.95
Total Debt Outstanding	390.1	4.59
Investments		
Managed in house	169.7	1.13
Net Borrowing	220.4	

5.0 **BORROWING REQUIREMENT AND BORROWING LIMITS**

5.1 The County Council's annual borrowing requirement consists of the capital financing requirement generated by capital expenditure in the year plus replacement borrowing for debt repaid less a prudent Minimum Revenue Provision charged to revenue for debt payment. These borrowing requirements are set out below.

Year	Basis	£m	Comment
2010/11	actual	75.0	This is the actual sum borrowed in 2010/11. The total requirement was £84.9m (which included a balance of premature debt repaid in previous years and the full 2009/10 borrowing requirement being rolled forward to 2010/11) with the balance of £8.9m being financed internally from cash balances.
2011/12	requirement	14.5	includes £8.1m capital borrowing requirement rolled over from 2010/11
2012/13	estimate	19.7	} see paragraphs 5.8 and 5.9
2013/14	estimate	7.6	
2014/15	estimate	31.6	

- 5.2 The Prudential Indicators set out in **paragraph 3.4** above include an Authorised Limit and Operational Boundary for external debt for each of the three years to 2013/14. These figures are referenced at **paragraphs 3.4(f) and 3.4(g)** respectively of this Strategy.
- 5.3 The **Operational Boundary** reflects an estimate of the most likely, prudent but not worst case scenario of external debt during the course of the financial year. The **Authorised Limit** is based on the same estimate as the **Operational Boundary** but allows sufficient headroom (£20m) over this figure to allow for unusual cash movements.
- 5.4 The **Authorised Limit** therefore represents the maximum amount of external debt which the County Council approves can be incurred at any time during the financial year and includes both capital and revenue requirements. It is not, however, expected that the County Council will have to borrow up to the Limit agreed.

5.5 The agreed **Operational Boundary** and **Authorised Limits** for external debt up to 2014/15 are derived as follows:

Item	2011/12 probable £m	2012/13 estimate £m	2013/14 estimate £m	2014/15 estimate £m
Debt outstanding at start of year				
PWLB	370.1	} 391.2	} 384.2	} 386.3
Other Institutions	20.0			
Sub-total	390.1	391.2	384.2	386.3
+ External borrowing requirements				
Capital financing requirement	9.5	7.4	15.8	3.4
Replacement borrowing	13.4	26.7	5.5	39.8
MRP charged to Revenue etc	-16.1	-15.9	-15.7	-15.7
Borrowing rolled over from 2010/11	8.1	0	0	0
Internally funded variations	-0.4	1.5	2.0	4.1
Sub-total	14.5	19.7	7.6	31.6
- External debt repayment	-13.4	-26.7	-5.5	-39.8
= Forecast debt outstanding at end of year	391.2	384.2	386.3	378.1
+ Other 'IFRS' long term liabilities which are regarded as debt outstanding for Pls				
PFI	5.1	4.9	4.7	4.7
Leases	1.2	1.1	1.1	1.1
= Total debt outstanding including 'other long term liabilities' (PI8)	397.5	390.2	392.1	383.9
+ Provision for				
Debt rescheduling	15.0	15.0	15.0	15.0
Potential capital receipts slippage	5.0	5.0	5.0	5.0
New borrowing taking place before principal repayments made	13.4	26.7	5.5	39.8
= Operational Boundary for year (PI8)	430.9	436.9	417.6	443.7
+ Provision to cover unusual cash movements	20.0	20.0	20.0	20.0
= Authorised Limit for year (PI6)	450.9	456.9	437.6	463.7

5.6 Therefore the 2012/13 Limits are as follows:

	£m
Operational Boundary for external debt	436.9
+ provision to cover unusual cash movements during the year	20.0
= Authorised Limit for 2012/13	456.9

- 5.7 All the debt outstanding estimates referred to in **paragraph 5.5** and the Prudential Indicators relating to external debt referred to in **paragraph 3.4** are based on annual capital borrowing requirements being taken externally and therefore increasing debt outstanding levels. As explained in **paragraphs 6.9 and 8.4 to 8.12**, consideration will be given however to delaying external borrowing throughout this period and funding annual borrowing requirements from revenue cash balances (ie running down investments). This has the potential for achieving short term revenue savings and also has the benefit of reducing investment exposure to credit risk.
- 5.8 The annual borrowing requirements reported in the tables in **paragraphs 5.1 and 5.5** above (£14.5m in 2011/12, £19.7m in 2012/13, £7.6m in 2013/14 and £31.6m in 2014/15) are much lower than about £50m per annum up to 2010/11. This is because the 2011/12 Local Government Finance Settlement reflected all Government Capital approvals from 2011/12 being funded from Capital Grants rather than the previous mix of grants and borrowing approvals.
- 5.9 This change has had significant implications on the County Council's future Treasury Management operations and consequential Prudential Indicators in terms of
- reduced annual borrowing requirement and consequential debt levels from 2011/12 by about £33m per annum, which was the approximate total of such borrowing approvals in recent years
 - the potential for the annual Minimum Revenue Provision (MRP) for debt repayment in the year resulting in a net debt repayment required with potential early repayments penalties (premiums)
 - reduced capital financing costs (interest + MRP) which were built into the 2011/12 Revenue Budget/MTFS
 - significant impact on many Prudential Indicators (see **paragraph 3.4** above).

6.0 **BORROWING POLICY**

- 6.1 The policy of the County Council for the financing of capital expenditure is set out in Treasury Management Practice Note 3 which supports the Treasury Management Policy Statement.
- 6.2 In practical terms the policy is to finance capital expenditure by borrowing from the Public Works Loan Board (for periods up to 50 years) or the money markets (for periods up to 70 years) whichever reflects the best possible value to the County Council. Individual loans are taken out over varying periods depending on the perceived relative value of interest rates at the time of borrowing need and the need to avoid a distorted loan repayment profile. Individual loans are not linked to the cost of specific capital assets or their useful life span. Decisions to borrow are made in consultation with the County Council's Treasury Management Advisor (Sector).
- 6.3 Access to PWLB loans since 1 April 2004 is based on the Prudential Indicators and approved 'borrowing requirements' of individual authorities. Loans from the PWLB

have previously been very competitive with other forms of borrowing as they reflect prices on the gilt market for Government securities. They became less competitive however after 20 October 2010 following the Chancellor announcing the Government's spending review actions and ambitions which included asking the PWLB to increase the margin above the Government's cost of borrowing to an average of 1% with immediate effect. Borrowing costs from the PWLB thus rose by about 0.7% across all periods.

- 6.4 In addition to the PWLB the County Council can borrow from the money market (principally banks and building societies) and the financial instrument generally used for this purpose is a LOBO (Lender Option, Borrower Option). Such loans feature an initial fixed interest period followed by a specified series of calls when the lender has the option to request an interest rate increase. The borrower then has the option of repaying the loan (at no penalty) or accepting the higher rate.
- 6.5 The time period for LOBO borrowing by the County Council was increased to a maximum of 70 years (from 50 years) as part of the 2008/09 Strategy. In reality borrowing for 70 years is little different to taking a 50 year loan. The risk of taking such long period loans is that the County Council could potentially be locked into paying current interest rates on a loan for up to 70 years which would be disadvantageous if medium/long term rates subsequently fell below current rates at some point in the future. In practice, however, it is highly unlikely that such loans would ever run the full period because if at some point interest rates rise above the fixed rate agreed, the lender would request an increase and the County Council would have the option of repaying the loan.
- 6.6 Borrowing from the money market for capital purposes is limited to 30% of the County Council's total external debt outstanding at any one point in time (per **Prudential Indicator 9**).
- 6.7 The County Council will always look to borrow from the PWLB and money markets at the most advantageous rate. The Corporate Director – Finance and Central Services will monitor this situation closely throughout the year to determine whether at any stage, money market loans are more appropriate and advantageous to the County Council than PWLB loans.
- 6.8 At present all County Council long term borrowing is from the PWLB or via equally advantageous money market loans. However some short term money market borrowing may take place during the financial year in order to take advantage of low interest rates or to facilitate any debt restructuring exercise (see **paragraph 10** below).
- 6.9 Depending on the relationship between short term variable interest rates and the fixed term PWLB or LOBO rates for longer periods, some capital expenditure may be financed by short term borrowing from either the County Council's revenue cash balances or outside sources (see **paragraphs 8.4 to 8.12**).

Policy on borrowing in advance of need

- 6.10 The Prudential Code allows external 'borrowing for capital purposes' in advance of need within the constraints of relevant approved Prudential Indicators. Thus taking estimated capital borrowing requirements up to 31 March 2015 any time after 1 April

2012 is allowable under the Prudential Code. There are risks, however, in such borrowing in advance of need and the County Council has not taken any such borrowing to date and there are no current plans to do so. Furthermore the County Council will not borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed.

6.11 Any decision to borrow in advance of need will only be considered where there is

- a clear business case for doing so for the current Capital Plan
- to finance future debt maturity repayments
- value for money can be demonstrated
- the County Council can ensure the security of such funds which are subsequently invested.

6.12 Thus in any future consideration of whether borrowing will be undertaken in advance of need the County Council will:

- ensure that there is a clear link between the Capital Plan and maturity of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
- consider the impact of borrowing in advance (until required to finance capital expenditure) on temporarily increasing investment cash balances and the consequent increase in exposure to counter party risk and other risks, and the level of such risks given the controls in place to minimise them.

7.0 PROSPECTS FOR INTEREST RATES

7.1 Whilst recognising the continuing volatility and turbulence in the financial markets, the following paragraphs present a pragmatic assessment of key economic factors as they are likely to impact on interest rates over the next three years.

7.2 In terms of the key economic background and forecasts, looking ahead the current position is as follows:

(a) **Global Economy**

- the outlook for the global economy remains clouded with uncertainty with the UK economy struggling to generate sustained recovery that offers any optimism for the outlooks for 2012, or possibly even into 2013. Consumer and business confidence levels are low and with little to boost sentiment, it is not easy to see potential for a significant increase in the growth rate in the short term
- at the centre of much of the uncertainty is the ongoing **Eurozone sovereign debt crisis** which has intensified, rather than dissipated throughout 2011. The main problem has been **Greece**, where, even with an Eurozone/IMF/ECB bailout package and the imposition of austerity measures aimed at deficit reduction, the lack of progress and the ongoing deficiency in addressing the underlying lack of competitiveness of the Greek economy, has seen an escalation of their problems. These look certain to result in a default of some kind but it currently remains unresolved if this will be either “orderly” or “disorderly”, and/or also include exit from the €uro bloc
- in addition there is growing concern about the situation in **Italy** and the risk that contagion has not been contained. Italy is the third biggest debtor country in the world but its prospects are limited given the poor rate of economic growth over the last decade and the apparent lack of political will to address the need for fundamental reforms in the economy. As far as the financial markets are concerned, the Eurozone has a track record of doing too little too late to deal with crises of this kind; this augurs poorly for future prospects, especially given the rising level of electoral opposition in the northern EU countries to bailing out profligate southern countries
- **the US economy** provides limited optimism. With the next Presidential elections due in November 2012, the current administration has been hamstrung by political gridlock with the two representative houses split between the main parties. In Quarter 3 the Federal Reserve started “Operation Twist” in an effort to re-ignite the economy in which growth has been stalling. High levels of consumer indebtedness, unemployment and a moribund housing market are weighing heavily on consumer confidence and suppress the ability to generate sustained economic growth
- hopes for a broad based recovery have, therefore, focussed on the **emerging markets** but these areas have been struggling with inflationary pressures in their previously fast growth economies. China, though, has maintained its growth pattern, despite tightening monetary policy to suppress inflationary pressures, but some forward looking indicators are causing concern that there may not be a soft landing ahead, which would then be a further dampener on world economic growth.

(b) **UK Economy**

- the Government’s austerity measures, aimed at getting the public sector deficit into order over the next four years, have yet to fully impact on the economy. However, coming at a time when economic growth has virtually flatlined and concerns at the risk of a technical recession (two quarters of negative growth) in 2012, it looks likely that the private sector will not

- economic growth - GDP growth has, basically, flatlined since the election of 2010 and, worryingly, the economic forecasts have been revised lower on a near quarterly basis as the UK recovery has, effectively, stalled. With fears of a potential return to recession the Bank of England embarked on a second round of Quantitative Easing to stimulate economic activity
- **unemployment** - with the impact of the Government's austerity strategy being reflected in the trend for steadily increasing unemployment, there are limited prospects for any improvement in 2012 given the deterioration of growth prospects
- **inflation and bank rate** - for the last two years, the MPC's contention has been that high inflation was the outcome of temporary external factors and other one offs (eg changes in VAT); that view remains in place with CPI inflation standing at 5.2% at the start of Quarter 4 2011. The MPC remains of the view that the rate will fall back to, or below, the 2% target level within the two year horizon.
- **AAA rating** - the ratings agencies have recently reaffirmed the UK's AAA sovereign rating and have expressed satisfaction with the Government's policy for deficit reduction. They have, though, warned that this could be reviewed if the policy were to change, or was seen to be failing to achieve its desired outcome. This credit position has ensured that the UK government is able to fund itself at historically low levels and with the safe haven status from Eurozone debt also drawing in external investment the pressure on rates has been down, and looks set to remain so for some time to come.

(c) **A Forward View**

- economic forecasting remains troublesome with so many external influences weighing on the UK. There does, however, appear to be consensus among analysts that the economy remains weak and whilst there is still a broad range of views as to potential performance, they have all been downgraded throughout 2011. Key areas of uncertainty include:
 - ➔ a worsening of the Eurozone debt crisis and heightened risk of the breakdown of the bloc or even of the currency itself
 - ➔ the impact of the Eurozone crisis on financial markets and the banking sector
 - ➔ the impact of the Government's austerity plan on confidence and growth and the need to rebalance the economy from services to exporting manufactured goods
 - ➔ the under-performance of the UK economy which could undermine the Government's policies that have been based upon levels of growth that increasingly seem likely to undershoot
 - ➔ a continuation of high levels of inflation

- the sluggish economic performance of the UK's trading partners, in particular the EU and US, with some analysts suggesting that recession could return to both
 - stimulus packages failing to generate growth
 - elections due in the US, Germany and France in 2012 and 2013
 - potential for protectionism (ie an escalation of the currency war / trade dispute between the US and China)
- the overall balance of risks remains weighted to the downside. Lack of economic growth, both domestically and overseas, will impact on confidence putting upward pressure on unemployment. It will also further suppress levels of demand which will bring the threat of recession back into focus
 - the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries
 - given the weak outlook for economic growth, the prospects for any interest rate changes before mid 2013 are very limited. There is potential for the start of Bank Rate increases to be even further delayed if growth continues to disappoint.

7.3 The County Council has appointed Sector Treasury Services as its treasury management advisor and part of their service is to assist in formulating a view on interest rates. By drawing together a number of current city forecasts for short term (Bank rate) and longer fixed interest rates a consensus view for bank rate, PWLB borrowing rates and short term investment rates is as follows:-

	Bank Rate	PWLB Borrowing Rates				Short Term Investment Rates	
		5 year	10 year	25 year	50 year	3 Months	1 Year
	%	%	%	%	%	%	%
Current	0.50	2.07	3.19	4.10	4.17	0.80	1.70
Mar 2012	0.50	2.30	3.30	4.20	4.30	0.70	1.50
June 2012	0.50	2.30	3.30	4.20	4.30	0.70	1.50
Sept 2012	0.50	2.30	3.40	4.30	4.40	0.70	1.50
Dec 2012	0.50	2.40	3.40	4.30	4.40	0.70	1.60
Mar 2013	0.50	2.50	3.50	4.40	4.50	0.75	1.70
June 2013	0.50	2.60	3.60	4.50	4.60	0.80	1.80
Sept 2013	0.75	2.70	3.70	4.60	4.70	0.90	1.90
Dec 2013	1.00	2.80	3.80	4.70	4.80	1.20	2.20
Mar 2014	1.25	2.90	4.00	4.80	4.90	1.40	2.40
June 2014	1.50	3.10	4.20	4.90	5.00	1.60	2.60
Sept 2014	2.00	3.30	4.40	5.00	5.10	2.10	3.10
Dec 2014	2.25	3.50	4.60	5.10	5.20	2.40	3.20
Mar 2015	2.50	3.70	4.80	5.20	5.30	2.60	3.30

7.4 Thus based on paragraphs 7.2 and 7.3 above

Bank Rate

- growth in the UK economy is expected to be weak in the next two years and there is a risk of a technical recession (ie two quarters of negative growth)
- bank rate, currently at 0.5%, underpins investment returns and is not expected to start increasing until around September 2013 despite inflation currently being well above the MPC's target
- it will then continue to rise along with economic recovery reaching 1.25% in March 2014 and 2.5% by March 2015
- there is potential for the onset of bank rate increases to be delayed even further if economic growth disappoints.

PWLB Rates

- fixed interest borrowing rates are based on UK gilt yields. The outlook for borrowing rates is currently much more difficult to predict. The UK total national debt is forecast to continue rising until 2015/16; the consequent increase in gilt issuance is, therefore, expected to be reflected in an increase in gilt yields over this period. However, gilt yields are currently at historically low levels due to investor concerns over Eurozone sovereign debt and have been subject to exceptionally high levels of volatility as events in the Eurozone debt crisis have evolved.
- PWLB borrowing rates are forecast to rise gradually throughout the next three years in all the periods as follows:

Period	March 2012	March 2015	Increase
	%	%	%
5 years	2.30	3.70	+ 1.40
10 years	3.30	4.80	+ 1.50
25 years	4.20	5.20	+ 1.00
50 years	4.30	5.30	+ 1.00

Short Term Investment Rates

- short term investment returns are likely to remain relatively low during 2012/13
- returns are expected to increase along with bank rate increases but potentially ahead of the first bank rate increase expected around September 2013.

8.0 **BORROWING STRATEGY**

8.1 Based on the interest rate forecast outlined in **paragraph 7** above, there is a range of potential options available for the Borrowing Strategy for 2012/13. Consideration will therefore be given to the following:

- (a) based on the analysis presented in **paragraph 7.3**, the cheapest borrowing will be internal borrowing achieved by running down cash balances and foregoing interest earned at historically low rates (see **paragraphs 8.4 to 8.12**). However in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking market loans at long term rates which will be higher in future years.
- (b) variable rate borrowing for PWLB loans for up to 10 years is expected to be cheaper than long fixed term borrowing and will therefore be attractive throughout the year compared to simply taking long fixed term rate borrowing.
- (c) long term fixed market loans at rates significantly below (0.25% to 0.5%) PWLB rates for the equivalent maturity period (where available) and to maintaining an appropriate balance between PWLB and market debt in the debt portfolio. The current market availability of such loans is, however, very limited.
- (d) PWLB borrowing for periods under 10 years where rates are expected to be significantly lower than rates for longer periods. This offers a range of options for new borrowing which will spread debt maturities away from a concentration in longer dated debt. The downside of such shorter term borrowing is the loss of long term stability in interest payments that longer term fixed interest rate borrowing provides.
- (e) consideration will be given to PWLB borrowing by annuity and Equal Instalments of Principal (EIP) in addition to maturity loans, which have been preferred in recent years.
- (f) rates are expected to start increasing towards the end of the financial year so it would therefore be advantageous to time any new borrowing earlier in the year.
- (g) borrowing rates are currently attractive but may remain low for some time, thus the timing of any borrowing will need to be monitored carefully. There will also remain a 'cost of borrowing' with any borrowing undertaken that results in an increase in investment cash incurring a revenue loss between borrowing costs and investment returns.

8.2 Based on the PWLB rates set out in **paragraphs 7.3 and 7.4**, suitable trigger rates for considering new fixed rate PWLB or equivalent money market borrowing will be:

	%
– 5 year period	2.3
– 10 year period	3.3
– 25 year period	4.2
– 50 year period	4.3

The aim however will be to secure loans at rates below these levels if available.

- 8.3 The forecast rates and trigger points for new borrowing will be continually reviewed in the light of movements in the slope of the yield curve, the spread between PWLB new borrowing and early repayment rates, and any other changes that the PWLB may introduce to their lending policy and operations.

External -v- internal borrowing

- 8.4 The County Council's net borrowing figures (external borrowing net of investments) are significantly below the defined Capital Financing Requirements (CFR) because of two main reasons
- (a) a significant level of investments (surplus cash borrowing – core cash plus cash flow generated) (**paragraph 8.7**)
 - (b) internally funded capital expenditure (**paragraph 8.5**).

The relative figures are shown in **paragraphs 3.4 (d) and 3.4 (e)** of this report and covered in more detail in Prudential Indicators 4 and 5 in the separate Prudential Indicators report.

- 8.5 Such internal borrowing stood at £19.6m at 31 March 2011, principally as a result of funding company loans (see **paragraph 12.6**) from internal, rather than external borrowing, and not taking up the full 2010/11 borrowing requirement by 31 March 2011. The level of this internal capital borrowing depends on a range of factors including:
- (a) premature repayment of external debt
 - (b) the timing of any debt rescheduling exercises
 - (c) the timing of taking out annual borrowing requirements
 - (d) policy considerations on the relative impact of financing capital expenditure from cash balances compared with taking new external debt with the balance of external and internal borrowing being generally driven by market conditions.
- 8.6 The County Council continues to examine the potential for undertaking further early repayment of some external debt in order to reduce the difference between the gross and net debt position. However the introduction by the PWLB of significantly lower repayment rates than new borrowing rates in November 2007 compounded by a considerable further widening of the difference between new borrowing and repayment rates in October 2010, has meant that large premiums would be incurred by such actions which could not be justified on value for money grounds. This

situation will be monitored closely in case the differential is narrowed by the PWLB at some future dates.

- 8.7 This internal capital borrowing option is possible because of the County Council's cash balance with the daily average being £179m in 2010/11. This consisted of cash flow generated (creditors etc), core cash (reserves, balances and provisions etc) and cash managed on behalf of other organisations. Consideration does therefore need to be given to the potential merits of internal borrowing.
- 8.8 As 2012/13 is expected to continue as a year of historically low bank interest rates, this extends the current opportunity for the County Council to fundamentally review its strategy of undertaking new external borrowing.
- 8.9 Over the next three years investment rates are expected to be below long term borrowing rates. A value for money consideration would therefore indicate that value could be obtained by avoiding/delaying some or all new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external debt. This would maximise short term savings but is not risk free.
- 8.10 The use of such internal borrowing, which runs down investments, also has the benefit of reducing exposure to low interest rates on investments, and the credit risk of counterparties.
- 8.11 In considering this option however, two significant risks to take into account are
- (a) the implications of day to day cash flow constraints, and
 - (b) short term savings by avoiding/delaying new long external borrowing in 2012/13 must be weighed against the loss of longer term interest rate stability. Thus there is the potential for incurring long term extra costs by delaying unavoidable new external borrowing until later years by which time PWLB long term rates are forecast to be significantly higher.
- 8.12 **The general strategy for this “Internal Capital Financing” option will therefore be to continue to actively consider and pursue this approach on an ongoing basis in order to reduce the difference between the gross and net debts levels (paragraph 8.4) together with achieving short term savings and mitigating the credit risk incurred by holding investments in the market.**

Overall Approach to Borrowing in 2012/13

- 8.13 Given the market conditions, economic background and interest rate forecasts set out in **paragraphs 7.1 to 7.4** above, caution will be paramount within the County Council's 2012/13 Treasury Management operations. The Corporate Director – Finance and Central Services will monitor the interest rates closely and adopt a pragmatic approach to changing circumstances – any key strategic decision that deviates from the Borrowing Strategy outlined above will be reported to the Executive at the next available opportunity.

Sensitivity of the Strategy

- 8.14 The main sensitivities of the Strategy are likely to be the two scenarios below. The Corporate Director - Finance and Central Services will, in conjunction with the County Council's Treasury Management Advisor, continually monitor both the prevailing interest rates and the market forecasts, adopting the following responses to a significant change of market view:
- (a) *if it is felt that there was a significant risk of a sharp fall in both long and short term rates, (eg due to a marked increase of risks around the relapse into recession or of risks of deflation), then long term borrowing will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
 - (b) *if it were felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast (perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks), then the portfolio position will be re-appraised with the likely action that fixed rate funding will be taken whilst interest rates are still relatively cheap.*
- 8.15 As mentioned, however, in **paragraphs 8.4 to 8.12**, consideration will be given to delaying external borrowing in 2012/13 and funding part or even all of the year's borrowing requirement from internal sources (ie running down the investment of surplus cash balances). This has the potential for achieving short term revenue savings in 2012/13 and also has the benefit of reducing investment exposure to credit risk.

9.0 CAPPING OF CAPITAL FINANCING COSTS

- 9.1 During the preparation of the Revenue Budget/Medium Term Financial Strategy 2008/09 concerns were expressed about the possible ongoing impact on the annual Net Revenue Budget of capital expenditure generated either by government borrowing approvals or approved locally under the Prudential Borrowing regime.
- 9.2 As a result Members approved a local policy to cap capital financing charges as a proportion of the annual Net Revenue Budget. This cap was set at 11% which accommodated existing Capital Plan requirements and will act as a regulator if Members are considering expanding the Capital Plan using Prudential Borrowing. Members do of course have the ability to review the cap at any time but this would have to be done in the light of its explicit impact on the Revenue Budget/Medium Term Financial Strategy.
- 9.3 The relationship between levels of capital expenditure and the consequential capital financing costs that they generate is demonstrated in the following table.

Year	Forecast Annual Net Budget (ANB) £m	Budgeted Capital Financing Costs £m	Costs as a %age of ANB %	1% of ANB £m	Potential Capital Spend from 1% on ANB £m
	(a)	(b)	(c)	(d)	(e)
2011/12	368.7	33.4	9.1	3.7	} 40.0
2012/13	363.4	32.2	8.9	3.6	
2013/14	370.3	32.3	8.7	3.7	
2014/15	372.5	32.9	8.8	3.7	

(b÷a) (a/100)

9.4 The above table reflects the following

- the impact of the Local Government Finance Settlement for 2011/12 and 2012/13 in terms of:
 - (a) a changed 'forecast annual net budget' reflecting many former specific grants being rolled into general formula grant which has the effect of increasing the 'net budget requirement' and grant cuts which result in a reduced 'net revenue budget'.
 - (b) significantly reduced borrowing requirements and consequential reduced capital financing costs resulting from all Government capital approvals from 2011/12 being funded from grants rather than the previous mix of grant and supported borrowing approvals.
- budgeted capital financing costs include interest on external debt plus lost interest earned on internally financed capital expenditure, together with a prudent Minimum Revenue Provision for debt repayment

9.5 In addition to showing explicitly the direct link between the level of capital spend and impact on the Revenue Budget to date, the table also includes an estimate of the impact that planned levels of future capital expenditure (based on the current Capital Plan) will have on the proportion of the Annual Revenue Budget that will be required to meet the consequential capital financing costs (see **column (c)**).

9.6 The table also shows, at **column (e)**, how much additional capital spend a 1% increase in the annual Budget (**column (d)**) will support.

9.7 On the basis of the above table, the 11% cap set in 2008/09 is being retained for the 2012/13 Revenue Budget and MTFs up to 2014/15.

10.0 REVIEW OF LONG TERM DEBT AND DEBT RESCHEDULING

- 10.1 The long term debt of the County Council is under continuous review.
- 10.2 Discussions with the County Council's Treasury Management Advisor about the long term financing strategy are ongoing and any debt rescheduling opportunity will be fully explored.
- 10.3 The introduction by the PWLB in 2007 of a spread between the rates applied to new borrowing and repayment of debt, which was compounded in October 2010 by a considerable further widening of the difference between new borrowing and repayment rates, has meant that PWLB to PWLB debt restructuring is now much less attractive than it was before both of these events. In particular, consideration has to be given to the large premiums which would be incurred by prematurely repaying existing PWLB loans and it is very unlikely that these could be justified on value for money grounds if using replacement PWLB refinancing. However, some interest savings might still be achievable through using LOBO (Lenders Option Borrowers Option) loans and other market loans, in rescheduling exercises rather than using PWLB borrowing as the source of replacement financing. An issue in relation to such PWLB/LOBO rescheduling however is that only a proportion of the County Council's debt portfolio should consist of money market loans (30% of total debt outstanding – see **paragraph 6.6**) which limits the extent of such rescheduling. Also unlike PWLB loans which can be rescheduled at regular intervals, once a LOBO loan has been taken, future rescheduling opportunities are more limited.
- 10.4 Due to short term borrowing rates being expected to be considerably cheaper than longer term rates throughout 2012/13, there may be potential for some opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the size of the premiums incurred, their short term nature and the likely costs of refinancing those short term loans once they mature, compared to the current rates of longer term debt in the existing debt portfolio. Any such rescheduling and repayment of debt will contribute towards a flattening of the debt maturity profile as in recent years there has been a skew towards longer dated PWLB and Money Market LOBO loans.
- 10.5 Consideration will also be given to indentify if there is any residual potential left for making savings by running down investment balances by repaying debt prematurely as short term rates on investments are likely to be lower than rates paid on currently held debt. However, this will need careful consideration in light of the debt repayment premiums that may be incurred by such a course of action and other financial considerations.
- 10.6 The reasons for undertaking any rescheduling will include:
- (a) the generation of cash savings at minimum risk
 - (b) in order to help fulfil the Borrowing Strategy outlined in **paragraph 8** above, and
 - (c) in order to enhance the balance of the long term portfolio (ie amend the maturity profile and/or the balance of volatility)

- 10.7 Members will appreciate that with long term debt forecast to be £391.2m by the end of 2012/13 (see **paragraph 5.5**) and with an annual interest cost (net) to the Revenue Budget of about £16m the savings or additional costs, attached to even a small interest rate variation can be significant. To put this into context for every 0.1% that the interest rate can be reduced it saves £0.4m on interest charges in the Revenue Budget. Any proposals to restructure debt or change the policy laid out earlier in this Strategy, therefore demand careful attention. Any debt rescheduling will, however, be in accordance with the Borrowing Strategy position outlined in **paragraph 8** above.
- 10.8 No new debt rescheduling activities have been undertaken by the County Council in 2011/12 to date with none being expected during the remainder of the financial year.
- 10.9 The rescheduling of debt involves the early repayment of existing debt and its replacement with new borrowing. This can result in one-off costs or benefits called, respectively, premiums and discounts. These occur where the rate of the loan repaid varies from comparative current rates. Where the interest rate of the loan to be repaid is higher than the current rates, a premium is charged by the PWLB for repayment. Where the interest rate of the loan to be repaid is lower than the current rate, a discount on repayment is paid by the PWLB.
- 11.0 **MINIMUM REVENUE PROVISION (MRP) POLICY 2011/12**
- 11.1 The statutory requirement for local authorities to charge the Revenue Account each year with a specific sum for debt repayment was replaced in February 2008 with more flexible statutory guidance which came into effect from 2008/09.
- 11.2 The new, and simpler, statutory duty (Statutory Instrument 2008) is that a local authority shall determine for the financial year an amount of minimum revenue provision (MRP) that it considers to be prudent. This replaces the previous prescriptive requirement that the minimum sum should be 4% of the Capital Financing Requirement (CFR); the CFR consists of external debt plus capital expenditure financed by borrowing from internal sources (surplus cash balances).
- 11.3 To support the statutory duty the Government also issued fresh guidance in February 2008 which requires that a Statement on the County Council's policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate. The County Council are therefore legally obliged to have regard to this MRP guidance in the same way as applies to other statutory guidance such as the CIPFA Prudential Code, the CIPFA Treasury Management Code and the CLG guidance on Investments.
- 11.4 The MRP guidance offers four options under which MRP might be made, with an overriding recommendation that the County Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the asset created by the capital expenditure is estimated to provide benefits (ie estimated useful life of the asset being financed). The previous system of 4% MRP did not necessarily provide that link.

- 11.5 The guidance also requires an annual review of MRP policy being undertaken and it is appropriate that this is done as part of this Annual Treasury Management Strategy.
- 11.6 The move to International Financial Reporting Standards (IFRS) from 2010/11 involves Private Finance Initiative (PFI) contracts and some leases (being reclassified as finance leases instead of operating leases) coming onto Local Authority Balance Sheets as long term liabilities. This new accounting treatment impacts on the CFR mentioned in **paragraph 11.2** above with the result that an annual MRP provision is required for PFI contracts and certain leases.

To ensure that this change has no overall financial impact on local authority budgets, the Government updated their "Statutory MRP Guidance" with effect from 31 March 2010. This updated Guidance allows MRP to be equivalent to the existing lease rental payments and "capital repayment element" of annual payments to PFI Operators and the implications of these changes are reflected in the County Council's MRP policy for 2012/13 as set out in **paragraph 11.8** below.

- 11.7 The 'Statutory MRP Guidance' has again recently been updated with the changes coming into effect from 1 April 2012. The amendments, however, relate only to those authorities with responsibility for housing. MRP guidance remains the same for all other authorities.
- 11.8 The County Council's MRP policy up to 2009/10 was based on the Statutory Guidance issued in February 2008 and for 2010/11 was changed to reflect the IFRS changes referred to in **paragraph 11.6** and the consequential updated Government Guidance. Following a review of this policy, no changes are considered necessary and the policy for 2012/13 is therefore as follows:-

- (a) for all **capital expenditure incurred before 1 April 2008**, MRP will be based on 4% of the Capital Financing Requirement (CFR) at that date. This will include expenditure supported by Government borrowing approvals and locally agreed Prudential Borrowing up to 31 March 2008. This is in effect a continuation of the old MRP regulations for all capital expenditure up to 31 March 2008 that has been financed from borrowing
- (b) for **capital expenditure incurred after 1 April 2008 which is supported by Government Borrowing approvals**, MRP to be based on 4% of such sums as reflected in subsequent CFR updates. This reflects the fact that the Revenue Support Grant formula for supported borrowing approvals will still be calculated on this basis. It should be noted however that as part of the 2011/12 Local Government Finance Settlement, no supported borrowing approvals have been issued for the period after 2010/11
- (c) for **locally agreed Prudential Borrowing on capital expenditure incurred after 1 April 2008**, MRP will be calculated based on equal annual instalments over the estimated useful life of the asset for which the borrowing is undertaken. This method is a simpler alternative to depreciation accounting

In view of the variety of different types of capital expenditure incurred by the County Council, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most

reasonably reflects the anticipated period of benefit that arises from the expenditure. Also whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure, and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

The estimated life of relevant assets will be assessed each year based on types of capital expenditure incurred but in general will be 25 years for buildings, 50 years for land, and 5 to 7 years for vehicles, plant and equipment. To the extent that the expenditure does not create a physical asset (eg capital grants and loans), and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the County Council.

However in the case of long term debtors arising from loans or other types of capital expenditures incurred by the County Council which will be repaid under separate arrangements (eg loans to NYnet and Yorwaste), there will be no MRP made. The County Council is satisfied that a prudent provision will be achieved after exclusion of these capital expenditure items.

This approach also allows the County Council to defer the introduction of an MRP charge for new capital projects/land purchases until the year after the new asset becomes operational rather than in the year borrowing is required to finance the capital spending. This approach is beneficial for projects that take more than one year to complete and is therefore included as part of the MRP policy.

- (d) for “**on balance sheet**” **PFI schemes**, MRP will be equivalent to the “capital repayment element” of the annual service charge payable to the PFI Operator and for **finance leases**, MRP will be equivalent to the annual rental payable under the lease agreement.

11.9 Therefore the County Council’s total MRP provision from 1 April 2012, will be the sum of (a) + (b) + (c) + (d) (as defined above) which is considered to satisfy the prudent provision requirement. Based on this policy, total MRP in 2012/13 will be about £15.9m (including £0.2m PFI and finance leases).

11.10 An annual review of the County Council’s MRP Policy will be undertaken and reported to Members as part of this Annual Treasury Management Strategy.

12.0 ANNUAL INVESTMENT STRATEGY

Background

12.1 Under the Local Government Act 2003 the County Council is required to have regard to Government Guidance in respect of the investment of its cash funds. This Guidance was revised in 2009. The Guidance leaves local authorities free to make their own investment decisions, subject to the fundamental requirement of an Annual Investment Strategy being approved by the County Council before the start of the financial year.

12.2 This Annual Investment Strategy must define the investments the County Council has approved for prudent management of its cash balances during the financial year under the headings of **specified investments** and **non specified investments**.

12.3 This Annual Investment Strategy therefore sets out

- revisions to the Annual Investment Strategy (**paragraph 12.4**)
- the Investment Policy (**paragraph 12.5**)
- the policy regarding loans to companies in which the County Council has an interest (**paragraph 12.6**)
- specified and non specified investments (**paragraph 12.7**)
- Creditworthiness Policy - security of capital and the use of credit ratings (**paragraph 12.8**)
- the Investment Strategy to be followed for 2012/13 (**paragraph 12.9**)
- investment reports to members (**paragraph 12.10**)
- investment of money borrowed in advance of need (**paragraph 12.11**)
- investment training (**paragraph 12.12**)

Revisions to the Annual Investment Strategy

12.4 In addition to this updated **Investment Strategy**, which requires approval before the start of the financial year, a revised Strategy will be submitted to County Council for consideration and approval under the following circumstances:

- (a) significant changes in the risk assessment of a significant proportion of the County Council's investments
- (b) any other significant development(s) that might impact on the County Council's investments and the existing strategy for managing those investments during 2012/13.

Investment Policy

12.5 The parameters of the Policy are as follows:

- (a) the County Council will have regard to the Government's Guidance on Local Government Investments as revised with effect from 1 April 2010, and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes.
- (b) the County Council's investment policy has two fundamental objectives
 - the security of capital (protecting the capital sum from loss); and then
 - the liquidity of its investments (keeping the money readily available for expenditure when needed)

- (c) the County Council will also aim to seek the highest return (yield) on its investments provided that proper levels of security and liquidity are achieved. The risk appetite of the County Council is low in order to give priority to the security of its investments
- (d) the borrowing of monies purely to invest or lend and make a return is unlawful and the County Council will not engage in such activity
- (e) investment instruments for use in the financial year listed under **specified** and **non-specified investment** categories (see **paragraph 12.7**)
- (f) counterparty limits will be set through the County Council's Treasury Management Practices Schedules.

Policy regarding loans to companies in which the County Council has an interest

- 12.6
- (a) the County Council's general investment powers under this Annual Treasury Management and Investment Strategy come from the Local Government Act 2003 (Section 12). Under this Act a local authority has the power to invest for any purpose relevant to its functions or for the purpose of the prudent management of its financial affairs
 - (b) in addition to investment, the County Council has the power to provide loans and financial assistance to Limited Companies under the Local Government Act 2000 which introduced general powers for a local authority to do anything which it considers likely to achieve the promotion or improvement of the economy, social or environmental well being of its area. This well being power includes a power for a local authority to incur expenditure, give financial assistance to any person and to enter into arrangements with any person
 - (c) any such loans to limited companies by the County Council, will therefore be made under these 'well being powers'. They will not however be classed as investments made by the County Council and will not impact on this Investment Strategy. Instead they will be classed as capital expenditure by the County Council under the Local Authorities (Capital Finance and Accounting) Regulations 2003, and will be approved, financed and accounted for accordingly
 - (d) at present the County Council has made loans to two companies in which it has an equity investment (ie Yorwaste and NYnet). In both cases loan limits are set, and reviewed periodically, by the Executive.

Specified and non-specified Investments

12.7 Based on Government Guidance as updated from 1 April 2010.

- (a) investment Instruments identified for use in the forthcoming financial year are listed in the Schedules attached to this Strategy under the **specified** and **non-specified** Investment categories

- (b) all **specified** Investments (see **Schedule A**) are defined by the Government as options with “relatively high security and high liquidity” requiring minimal reference in investment strategies. In this context, the County Council has defined Specified Investments as being sterling denominated, with maturities up to a maximum of 1 year meeting the minimum high credit quality
- (c) **Non-specified** investments (see **Schedule B**) attract a greater potential of risk. As a result, a maximum local limit of 20% of “core cash” funds available for investment has been set which can be held in aggregate in such investments
- (d) for both **specified** and **non-specified** investments, the attached Schedules indicate for each type of investment :-
- the investment category
 - minimum credit criteria
 - circumstances of use
 - why use the investment and associated risks
 - maximum % age of total investments
 - maximum maturity period
- } (Non-Specified only)
- (e) there are other instruments available as Specified and Non-Specified investments which the County Council will NOT currently use. Examples of such investments are:-

Specified Investments	<ul style="list-style-type: none"> - Commercial Paper - Gilt funds and other Bond Funds - Treasury Bills
Non-Specified Investments	<ul style="list-style-type: none"> - Sovereign Bond issues - Corporate Bonds - Floating Rate notes - Equities - Open Ended Investment Companies - Derivatives

A proposal to use any of these instruments would require detailed assessment and be subject to approval by Members as part of this Strategy. Under existing scrutiny arrangements, the County Council’s Audit Committee will also look at any proposals to use the instruments referred to above.

Creditworthiness Policy - Security of Capital and the Use of Credit Ratings

12.8 The financial markets have experienced a period of considerable turmoil since 2008 and as a result attention has been focused on credit standings of counterparties with whom the County Council can invest funds.

It is paramount that the County Council’s money is managed in a way that balances risk with return, but with the overriding consideration being given to the security of the invested capital sum followed by the liquidity of the investment. The Approved Lending List will, therefore, reflect a prudent attitude towards organisations with whom funds may be deposited.

The rationale and purpose of distinguishing specified and non-specified investments is detailed in **paragraph 12.7** above. Part of the definition for a Specified investment is that it is an investment made with a body which has been awarded a high credit rating with maturities of no longer than 364 days

It is, therefore, necessary to define what the County Council considers to be a “high” credit rating in order to maintain the security of the invested capital sum.

The methodology and its application in practice will, therefore, be as follows:-

- (a) the County Council will rely on credit ratings published by the three credit rating agencies (Fitch, Moody’s and Standard & Poor) to establish the credit quality (ability to meet financial commitments) of counterparties (to whom the County Council lends) and investment schemes. Each agency has its own credit rating components to complete their rating assessments. These are as follows:

Fitch Ratings

- | | |
|------------|---|
| Long Term | - generally cover maturities of up to five years and act as a measure of the capacity to service and repay debt obligations punctually. Ratings range from AAA (highest credit quality) to D (indicating an entity has defaulted on all of its financial obligations) |
| Short Term | - cover obligations which have an original maturity not exceeding one year and place greater emphasis on the liquidity necessary to meet financial commitments. The ratings range from F1+ (the highest credit quality) to D (indicating an entity has defaulted on all of its financial obligations) |
| Viability | - a measure of an institution’s intrinsic safety and soundness on a stand-alone basis. This rating is designed to assess an institution’s exposure to risk and, as a result, represents Fitch’s view on the likelihood that it would run into difficulties which would require support. These ratings are graded from aaa (very strong) to f (an institution that has either defaulted or, in Fitch’s opinion, would have defaulted if it had not received external support). |
| Support | - a view of the likely presence of a lender of last resort, either government or parent, with the willingness and the resources to aid a failing financial institution. The rating is graded from 1 (a bank with an extremely high probability of external support) to 5 (external support cannot be relied on). |

Moody's Ratings

- Long Term - an opinion of the relative credit risk of obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honoured as promised. Ratings range from Aaa (highest quality, with minimal credit risk) to C (typically in default, with little prospect for recovery of principal or interest)
- Short Term - an opinion of the ability of issuers to honour short-term financial obligations. Ratings range from P-1 (a superior ability to repay short-term debt obligations) to P-3 (an acceptable ability to repay short-term obligations)
- Financial Strength - an opinion of a bank's intrinsic safety and soundness. This rating measures how likely an institution is to need assistance from third parties and range from A (highest level, showing intrinsic financial strength) to E (very modest strength, with a higher likelihood of periodic outside support).

Standard & Poor Ratings

- Long Term - considers the likelihood of payment. Ratings range from AAA (best quality borrowers, reliable and stable) to D (has defaulted on obligations)
- Short Term - generally assigned to those obligations considered short-term in the relevant market. Ratings range from A-1 (capacity to meet financial commitment is strong) to D (used upon the filing of a bankruptcy petition).

In addition, all three credit rating agencies produce a Sovereign Rating which assesses a country's ability to support a financial institution should it get into difficulty. The ratings are the same as those used to measure long term credit.

- (b) the County Council will review the "ratings watch" and "outlook" notices issued by all three credit rating agencies referred to above. An agency will issue a "watch", (relating to a short term scenario), or "outlook", (relating to a long term scenario), when it anticipates that a change to a credit rating may occur in the forthcoming 6 to 24 months. The "watch" or "outlook" could reflect either a positive (increase in credit rating), negative (decrease in credit rating) or developing (uncertain whether a rating may go up or down) outcome.
- (c) no combination of ratings can be viewed as entirely fail safe and all credit ratings, watches and outlooks are monitored on a daily basis. This is achieved through the use of Sector's creditworthiness service. This employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies. The credit ratings of counterparties are then supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the County Council to determine the duration for investments. The County Council will therefore use counterparties within the following durational bands:-

Colour	Maximum Investment Duration
Purple	2 Years
Orange	1 Year
Blue	1 Year (UK nationalised / semi nationalised banks only)
Red	6 months
Green	3 months
No colour	No investments to be made

- (d) the County Council will also take into account the Sovereign Rating for the country in which an organisation is domiciled. As a result, only an institution which is domiciled in a country with a minimum Sovereign Rating of AA- from Fitch or equivalent, would be considered for inclusion on the County Council's Approved Lending List (subject to them meeting the criteria above). Organisations which are domiciled in a Country whose Sovereign Rating has fallen below the minimum criteria will be suspended, regardless of their own individual score/colour. The list of countries that currently qualify using this credit criteria are shown in **Schedule D**. This list will be amended should ratings change, in accordance with this policy.
- (e) the County Council will not use the approach suggested by CIPFA of using the lowest rating from all three rating agencies to determine creditworthy counterparties as Moodys tend to be more aggressive in giving low ratings than the other two agencies. This would therefore be unworkable and leave the County Council with few banks on its Approved Lending List. The Sector creditworthiness service does though, use ratings from all three agencies, but by using a risk weighted scoring system, does not give undue weighting to the rating of just one agency.
- (f) in order to reflect current market sentiment regarding the credit worthiness of an institution the County Council will also take into account current trends within the Credit Default Swap (CDS) Market. Since they are a traded

instrument they reflect the market's current perception of an institution's credit quality unlike credit ratings which often focus on a longer term view. These trends will be monitored through the use of Sector's creditworthiness service which compares the CDS Market position for each institution to the average for the market. Should the deviation be great, then market sentiment suggests that there is a fear that an institution's credit quality will fall. Organisations with such deviations will be monitored and their standing reduced by one colour band (**paragraph 12.8 (c)**) as a precaution. Where the deviation is great, the organisation will be awarded 'no colour' until market sentiment improves.

- (g) fully and part nationalised banks within the UK currently have credit ratings which are not as high as other institutions. This is the result of the banks having to have to accept external support from the UK Government and, consequently, being awarded low Viability, Support and Financial Strength ratings. However, due to this Central Government involvement, these institutions now effectively take on the credit worthiness of the Government itself (ie deposits made with them are effectively being made to the Government). This position is expected to take a number of years to unwind and would certainly not be done so without a considerable notice period. As a result, institutions which are significantly or fully owned by the UK Government will be assessed to have a high level of credit worthiness.
- (h) all of the above will be monitored on a weekly basis through Sector's creditworthiness service with additional information being received and monitored on a daily basis should credit ratings change and/or watch/outlook notices be issued. Sole reliance will not be placed on the information provided by Sector however. In addition the County Council will also use market data and information available from other sources such as the financial press and other agencies and organisations.
- (i) in addition, the County Council will set maximum investment limits for each organisation which also reflect that institution's credit worthiness – the higher the credit quality, the greater the investment limit. These limits also reflect UK Government involvement (ie Government ownership or being part of the UK Government guarantee of liquidity). These limits are as follows:-

Maximum Investment Limit	Criteria
£60m	UK "Nationalised" banks / UK banks with UK Central Government involvement
£50m	Selected UK "Clearing Banks"
£40m	Other UK "Clearing Banks" and high quality organisations
£30m	Other UK based banks and selected high quality Foreign Banks

- (j) should a score/colour awarded to a counterparty or investment scheme be amended during the year due to rating changes, market sentiment etc, the County Council will take the following action:-
- reduce or increase the maximum investment term for an organisation dependent on the revised score / colour awarded (in line with the boundaries and colours set in **paragraph 12.8(c)**)
 - temporarily suspend the organisation from the Approved Lending List should their score fall outside boundary limits and not be awarded a colour
 - seek to withdraw an investment as soon as possible, within the terms and conditions of the investment made, should an organisation be suspended from the Approved Lending List
- (k) if a counterparty / investment scheme, not currently included on the Approved Lending List is subsequently upgraded, (resulting in a score which would fulfil the County Council's minimum criteria), the Corporate Director – Finance & Central Services has the delegated authority to include it on the County Council's Approved Lending List with immediate effect,
- (l) a copy of the current Approved Lending List, showing maximum investment and time limits is attached at **Schedule C**. The Approved Lending List will be monitored on an ongoing daily basis and changes made as appropriate. Given current market conditions, there continues to be a very limited number of organisations which fulfil the criteria for non specified investments. This situation will be monitored on an ongoing basis with additional organisations added as appropriate with the approval of the Corporate Director – Finance and Central Services.

The Investment Strategy to be followed for 2012/13

12.9 Recognising the categories of investment available and the rating criteria detailed above

- (a) the County Council currently manages all its cash balances internally
- (b) ongoing discussions are held with the County Council's Treasury Management Advisor on whether to consider the appointment of a external fund manager(s) or continue investing in-house – any decision to appoint an external fund manager will be subject to Member approval
- (c) the County Council's cash balances consist of two basic elements. The first element is **cash flow derived** (debtors/creditors/timing of income compared to expenditure profile). The second, **core element**, relates to specific funds (reserves, provisions, balances, capital receipts, funds held on behalf of other organisations etc)
- (d) having given due consideration to the County Council's estimated level of funds and balances over the next three financial years, the need for liquidity and day to day cash flow requirements it is forecast that a maximum of £12m

of the overall balances can be prudently committed to longer term investments (eg between 1 and 3 years)

- (e) investments will accordingly be made with reference to this core element and the County Council's ongoing cash flow requirements (which may change over time) and the outlook for short term interest rates (ie rates for investments up to 12 months)
- (f) the County Council currently has no non-specified investments over 364 days
- (g) bank rate has been unchanged at 0.5% since March 2009 and underpins investment returns. It is not expected to start increasing until about September 2013 despite inflation currently being well above the Monetary Policy Committee inflation target.

The County Council will, therefore, avoid locking into long term deals while investment rates are down at historically low levels unless attractive rates are available with counterparties of particularly high creditworthiness which make longer term deals worthwhile and within a 'low risk' parameter. Thus no trigger rates will be set for longer term deposits (two or three years) but this position will be kept under constant review and discussed with the Treasury Management Advisor on a regular basis.

Based on current bank rate forecasts, as outlined above, an overall investment return of about 1.15% is likely in 2012/13 which includes the impact of previously locking into some investments during 2011/12 at rates above 2.0%.

- (h) for its cash flow generated balances the County Council will seek to utilise 'business reserve accounts' (deposits with certain banks and building societies), 15 and 30 day accounts and short dated deposits (overnight to three months) in order to benefit from the compounding of interest.

Investment Reports to Members

12.10 Reporting to Members on investment matters will be as follows:

- (a) in-year investment reports will be submitted to the Executive as part of the Quarterly Performance and Budget Monitoring reports
- (b) at the end of the financial year a comprehensive report on the County Council's investment activity will be submitted to the Executive as part of the Annual Treasury Management Outturn report
- (c) the regular meetings between the Corporate Director – Finance and Central Services, the Corporate Affairs Portfolio Holder and the Deputy Leader provide an opportunity to consider and discuss issues arising from the day to day management of Treasury Management activities.

(see **paragraph 14** for full details).

Investment of Money Borrowed in Advance of Need

- 12.11 The Borrowing Policy covers the County Council's policy on Borrowing in Advance of Spending Needs (**paragraph 6.10**).

Although the County Council has not borrowed in advance of need to date and has no current plans to do so in the immediate future, any such future borrowing would impact on investment levels for the period between borrowing and capital spending.

Any such investments would, therefore, be made within the constraints of the County Council's current Annual Investment Strategy, together with a maximum investment period related to when expenditure was expected to be incurred.

Investment Training

- 12.12 The training needs of the County Council's staff involved in investment management (within the Corporate Accountancy Service Unit of Finance and Central Services) are monitored, reviewed and addressed on an ongoing basis. In practice most training needs are addressed through attendance at courses and seminars provided by CIPFA, the LGA and others on a regular ongoing basis.

These training arrangements will also be available to Members as referred to in **paragraph 14** below.

13.0 OTHER TREASURY MANAGEMENT ISSUES

Policy on the use of External Treasury Management Service Providers

- 13.1 The County Council uses Sector Treasury Services as its external treasury management adviser. Sector provide a source of contemporary information, advice and assistance over a wide range of Treasury Management areas but particularly in relation to investments and debt administration.
- 13.2 Whilst the County Council recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources, it fully accepts that responsibility for Treasury Management decisions remains with the authority at all times and will ensure that undue reliance is not placed upon advice of the external service provider.
- 13.3 Sector were re-appointed in July 2009 for three years, following a full tender exercise with the terms of appointment being documented. Following a review of their advice to date, and under the terms of the contract, this appointment has recently been extended for a further two years to July 2014. The value and quality of the services they provide are monitored and reviewed on an ongoing basis.

The scheme of delegation and role of the section 151 officer in relation to Treasury Management

- 13.4 The Government's Investment Guidance (**paragraph 12.1**) requires that a local authority includes details of the Treasury Management schemes of delegation and the role of the Section 151 officer in the Annual Treasury Management/Investment Strategy.
- 13.5 The key elements of delegation in relation to Treasury Management are set out in the following Financial Procedure Rules (FPR):-
- (a) FPR 15.1 – the Council adopts CIPFA's "Treasury Management in the Public Services Code of Practice 2011" (as amended) as described in Section 5 of the Code and will have regard to the associated guidance notes
 - (b) FPR 15.2 – the County Council will create and maintain as the cornerstone for effective Treasury Management
 - (i) a strategic Treasury Management Policy Statement (TMPS) stating the County Council's policies, objectives and approach to risk management of its treasury management activities
 - (ii) a framework of suitable Treasury Management Practices (TMPs) setting out the manner in which the County Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities. The Code recommends 12 TMPs
 - (c) FPR 15.3 – the full Council and/or Executive will receive reports on its Treasury Management policies, practices and activities including, as a minimum, an Annual Treasury Management and Investment Strategy and associated report on Prudential Indicators in advance of the year, a mid year review of Treasury Management Activities and an Annual report after its close, in the form prescribed in the TMPs
 - (d) FPR 15.4 – the County Council delegates responsibility for the implementation and regular monitoring of its Treasury Management policies and practices to the Executive and for the execution and administration of Treasury Management decisions to the Corporate Director – Finance and Central Services who will act in accordance with the Council's TMPs, as well as CIPFA's Standard of Professional Practice on Treasury Management
 - (e) FPR 15.5 – the Audit Committee shall be responsible for ensuring effective scrutiny of the Treasury Management Strategy and Policies
 - (f) FPR 15.6 – the Corporate Director – Finance and Central Services shall periodically review the Treasury Management Policy Statement and associated documentation and report to the Executive on any necessary changes, and the Executive shall make recommendations accordingly to the County Council

(g) FPR 15.7 – all money in the possession of the Council shall be under the control of the officer designated for the purposes of Section 151 of the Local Government Act 1972 (ie the Corporate Director of Finance and Central Services)

13.6 The Treasury Management reporting arrangements in relation to the above are covered in more detail in **section 14**.

13.7 In terms of the Treasury Management role of the Section 151 officer (the Corporate Director – Finance and Central Services), the key areas of delegated responsibility are as follows

- recommending treasury management policies and practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports to Members
- submitting budgets and budget variations to Members
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers

Operational Leasing

13.8 Up to 2004/05 the County Council used operational leasing to acquire plant and vehicles. The main reason was that such financing did not impact on the level of capital resources (capital receipts and Government borrowing approvals) otherwise available to the County Council. However because this rationale no longer applies under the Prudential Code there is now the option of undertaking additional unsupported borrowing to finance such items.

13.9 The option to finance by operational leasing is, of course, still available and therefore the use of leasing for periods greater than one year is approved within the schedule of Treasury Management Practices which support the County Council's Treasury Management Policy Statement. Furthermore the Financial Procedure Rules of the County Council require that the Corporate Director – Finance and Central Services shall undertake the negotiation of all leasing arrangements.

13.10 A detailed option appraisal on whether to operationally lease, finance lease or fund from borrowing is undertaken each year as it may be the case that the best value option will change over time (eg as market conditions fluctuate). Between 2004/05 and 2009/10 this option appraisal resulted in all such plant and vehicle purchases being financed from Prudential borrowing with consequential financing costs being

recharged to Directorates in lieu of lease rentals. For 2010/11 and 2011/12, however, acquisitions totalling £1m and £0.3m respectively were funded by operational leasing, following a full option appraisal.

- 13.11 The capital value of plant, equipment and vehicles to be purchased in 2012/13 is estimated to be approximately £0.5m (£0.3m in 2011/12) and a further option appraisal will be carried out during the year to determine whether financing should be through leasing or Prudential borrowing.

Other Issues

- 13.12 The County Council continues to monitor potential PFI opportunities and assess other innovative methods of funding.
- 13.13 The County Council has awarded a Waste Management Contract under the Private Finance Initiative (PFI) to AmeyCespa for the service operation of 25 years with an option to extend for up to 5 years. The contract has yet to settle the final financial terms pending the outcome of the planning application now under consideration, as explained in paragraph 9 of the report to the Executive on 30 November 2010. The project is intended to be debt funded by AmeyCespa, however various funding options may be considered should debt funding ultimately prove not to provide value for money at the point of financial close; the financing costs of the debt will be recovered by the contractor through the unitary charge to the County Council. The Corporate Director – Finance and Central Services will monitor the position as it progresses through the year and report as and when necessary to the Executive.
- 13.14 Opportunities to progress investment for Extra Care and Affordable Housing may also be pursued during 2012/13 which may involve funding methods not currently approved under this Strategy. As with the Waste PFI the Corporate Director – Finance and Central Services will report to Members as and when necessary.

14.0 ARRANGEMENTS FOR MONITORING / REPORTING TO MEMBERS

- 14.1 Taking into account the matters referred to in this Strategy, the monitoring and reporting arrangements in place relating to Treasury Management activities are now as follows:
- (a) an annual report to Executive and County Council as part of the Budget process that sets out the County Council's **Treasury Management Strategy and Policy** for the forthcoming financial year.
 - (b) an annual report to Executive and County Council as part of the Budget process that sets the various **Prudential Indicators**, together with a mid year update of these indicators as part of the Q1 Performance Monitoring report submitted to the Executive (see **(d)** below).
 - (c) **annual outturn reports** to the Executive for both Treasury Management and Prudential Indicators setting out full details of activities and performance during the preceding financial year.

- (d) a quarterly report on Treasury Matters to Executive as part of the **Quarterly Performance and Budget Monitoring** report.
- (e) **regular meetings** between the Corporate Director – Finance and Central Services, the Corporate Affairs Portfolio Holder and the Deputy Leader to discuss issues arising from the day to day management of Treasury Management activities.
- (f) copies of the reports mentioned in (a) to (d) above are provided to the **Audit Committee** who are also consulted on any proposed changes to the County Council's Treasury Management activities.

15.0 SUMMARY OF KEY ELEMENTS OF THIS STRATEGY

15.1 For the financial year 2012/13 the County Council approves the following:-

- (a) an Authorised Limit for external debt of £456.9m in 2012/13
- (b) an Operational Boundary for external debt of £436.9m in 2012/13
- (c) a borrowing limit on fixed interest exposures of between 60% to 100% of outstanding principal sums and a limit on variable interest rate exposures of between 0 to 40% of outstanding principal sums
- (d) borrowing from the money market for capital purposes is to be limited to 30% of external debt outstanding at any one point in time
- (e) an investment limit on fixed interest exposures of 0 to 30% of outstanding principal sums and a limit on variable interest rate exposure of between 70% to 100% of outstanding principal sums
- (f) a limit of £12m of the total 'core' cash sums available for investment (both in house and externally managed) to be invested in Non-Specified investments over 364 days
- (g) a 11% cap on capital financing costs as a proportion of the annual Net Revenue Budget
- (h) a Minimum Revenue Provision (MRP) policy for debt repayment to be charged to Revenue in 2012/13 as set out in **paragraph 11**
- (i) the Corporate Director - Finance and Central Services to report to the County Council if and when necessary during the year on any changes to this Strategy arising from the use of operational leasing, PFI or other innovative methods of funding

JOHN MOORE
Corporate Director – Finance and Central Services

20 December 2011

NORTH YORKSHIRE COUNTY COUNCIL ANNUAL INVESTMENT STRATEGY 2012/13 - SPECIFIED INVESTMENTS

Investment	Security / Minimum Credit Rating	Circumstances of use
Term Deposits with the UK Government or with UK Local Authorities (as per Local Government Act 2003) with maturities up to 1 year	High security as backed by UK Government	In-house
Term Deposits with credit rated deposit takers (banks & building societies), including callable deposits with maturities less than 1 year	Organisations assessed as having "high credit quality" plus a minimum Sovereign rating of AA- for the country in which an organisation is domiciled	In-house
Certificates of Deposits issued by credit rated deposit takers (banks & building societies) up to 1 year		Fund Manager or In-house buy & hold after consultation from Treasury Management Advisor
Forward deals with credit rated banks & building societies less than 1 year (i.e. negotiated deal plus period of deposit)	Fund must be AAA rated	In-house via a broker or direct
Money Market Funds i.e. collective investment scheme as defined in SI 2004 No 534 <i>These funds have no maturity date</i>		In-house limited to £20m but as yet not used
Gilts (with maturities of up to 1 year) <i>Custodial arrangements prior to purchase</i>	Government backed	Fund Manager or In-house buy & hold after consultation from Treasury Management Advisor
Bonds issued by a financial institution that is guaranteed by the UK Government (as defined in SI 2004 No 534) with maturities under 12 months <i>Custodial arrangements required prior to purchase</i>		After consultation with Treasury Management Advisor

**NORTH YORKSHIRE COUNTY COUNCIL
ANNUAL INVESTMENT STRATEGY 2012/13
NON-SPECIFIED INVESTMENTS**

Investment	A) B) Why use it ? Associated risks ?	Security / Minimum Credit Rating	Circumstances of use	Max % of overall investments or cash limits in each category	Maximum investment with any one counterparty	Maximum Maturity Period
<p>Term Deposit with credit rated deposit takers (banks & building societies), UK Government and other Local Authorities with maturities greater than 1 year</p>	<p>A) Certainty of return over period invested which would be useful for budget purposes</p> <p>B) i) Not Liquid, cannot be traded or repaid prior to maturity ii) Return will be lower if interest rates rise after making deposit iii) Credit risk as potential for greater deterioration of credit quality over a longer period</p>	<p>Organisations assessed as having "high credit quality"</p> <p>Plus a minimum Sovereign rating of AA- for the country in which an organisation is domiciled</p>	<p>In-house via money market broker or direct</p>	<p>100% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£12m based on estimate for 2012/13)</p>	<p>£5m</p>	
<p>Certificates of Deposit with credit rated deposit takers (banks & building societies) with maturities greater than 1 year</p> <p><i>Custodial arrangement prior to purchase</i></p>	<p>A) Attractive rates of return over period invested and in theory tradable</p> <p>B) Market or "interest rate" risk; the yield is subject to movement during life of CD which could negatively impact on its price</p>		<p>Fund Manager or in-house buy & hold after consultation with Treasury Management Advisor</p>	<p>25% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£3m)</p>	<p>£3m</p>	<p>2 years subject to potential future review with a maximum of no longer than 5 years</p>
<p>Callable Deposits with credit rated deposit takers (banks & building societies) with maturities greater than 1 year</p>	<p>A) Enhanced Income - potentially higher return than using a term deposit with a similar maturity</p> <p>B) i) Not Liquid - only borrower has the right to pay back the deposit; the lender does not have a similar call period over which the investment will actually be held is not known at the outset ii) Interest rate risk; borrower will not pay back deposit if interest rates rise after the deposit is made</p>		<p>To be used in-house after consultation with Treasury Management Advisor</p>	<p>50% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£6m)</p>	<p>£5m</p>	

**NORTH YORKSHIRE COUNTY COUNCIL
ANNUAL INVESTMENT STRATEGY 2012/13
NON-SPECIFIED INVESTMENTS**

Investment	A) B) Why use it ? Associated risks ?	Security / Minimum Credit Rating	Circumstances of use	Max % of overall investments or cash limits in each category	Maximum investment with any one counterparty	Maximum Maturity Period
Forward Deposits with a credit rated bank or building society > 1 year (i.e. negotiated deal) period plus period of deposits	A) B) i) ii) Known rate of return over the period the monies are invested - aids forward planning Credit risk is over the whole period not just when monies are invested Cannot renege on making the investment if credit quality falls or interest rates rise in the interim period	Organisations assessed as having "high credit quality" Plus a minimum Sovereign rating of AA- for the country in which an organisation is domiciled	To be used in-house after consultation with Treasury Management Advisor	25% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£3m)	£3m	
Bonds issued by a financial institution that is guaranteed by the UK Government (as defined in SI 2004 No 534) with maturities in excess of 1 year <i>Custodial arrangements required prior to purchase</i>	A) i) ii) iii) iv) B) Excellent credit quality Relatively Liquid If held to maturity, yield is known in advance Enhanced rate in comparison to gilts Market or "interest rate" risk; yield subject to movement during life off bond which could impact on price	AA or Government backed	In-house on a "buy and hold" basis after consultation with Treasury Management Advisor or use by Fund Managers	25% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£3m)	N/A	2 years subject to potential future review with a maximum of no longer than 5 years
Bonds issued by Multilateral development banks (as defined in SI 2004 No 534) with maturities in excess of 1 year <i>Custodial arrangements required prior to purchase</i>	A) i) ii) iii) iv) B) Excellent credit quality Relatively Liquid If held to maturity, yield is known in advance Enhanced rate in comparison to gilts Market or "interest rate" risk; yield subject to movement during life off bond which could negatively impact on price	AA or Government backed	In-house on a "buy and hold" basis after consultation with Treasury Management Advisor	25% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£3m)	£3m	

**NORTH YORKSHIRE COUNTY COUNCIL
ANNUAL INVESTMENT STRATEGY 2012/13
NON-SPECIFIED INVESTMENTS**

Investment	A) Why use it ? B) Associated risks ?	Security / Minimum Credit Rating	Circumstances of use	Max % of overall investments or cash limits in each category	Maximum investment with any one counterparty	Maximum Maturity Period
<p>UK Government Gilts with maturities in excess of 1 year</p> <p><i>Custodial arrangement required prior to purchase</i></p>	<p>A) i) Excellent credit quality ii) Liquid iii) If held to maturity, yield is known in advance iv) If traded, potential for capital appreciation</p> <p>B) Market or "interest rate" risk: yield subject to movement during life of the bond which could impact on price</p>	Government backed	Fund Manager	25% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£3m)	N/A	2 years subject to potential future review with a maximum of no longer than 5 years
<p>Collateralised Deposit</p>	<p>A) Excellent credit quality</p> <p>B) i) Not Liquid, cannot be traded or repaid prior to maturity ii) Credit risk as potential for greater deterioration of credit quality over a longer period</p>	Backed by collateral of AAA rated local authority LOBO's	In-house via money market broker or direct	100% of agreed proportion (20%) of core cash balance that can be invested for more than 1 year (£12m based on estimate for 2012/13)	£5m	

APPROVED LENDING LIST FOR 2012/13

Maximum sum invested at any time (The overall total exposure figure covers both Specified and Non-Specified investments)

	Country	Specified Investments (up to 1 year)		Non-Specified Investments (over 1 year)	
		Total Exposure £m	Time Limit *	Total Exposure £m	Time Limit *
UK "Nationalised" banks / UK banks with UK Central Government involvement					
Royal Bank of Scotland	GBR	60.0	364 days	-	-
Natwest Bank	GBR				
Ulster Bank Ltd	GBR				
Bank of Scotland	GBR	60.0	364 days	-	-
Lloyds TSB	GBR				
UK "Clearing Banks" and organisations covered by the UK Government guarantee of liquidity					
Santander UK plc (includes Cater Allen)	GBR	40.0	3 months	-	-
Barclays Bank	GBR	50.0	3 months	-	-
HSBC	GBR	30.0	3 months	-	-
Clydesdale Bank (trading as Yorkshire Bank)	GBR	30.0	Temporarily suspended	-	-
Nationwide Building Society	GBR	30.0	3 months	-	-
Other UK based banks and high quality Foreign Banks					
National Australia Bank	AUS	See Clydesdale above		-	-
Canadian Imperial Bank of Commerce	CAN	20.0	3 months	-	-
Deutsche Bank	DEU	20.0	3 months	-	-
Nordea Bank Finland	FIN	20.0	3 months	-	-
Credit Industriel et Commercial	FRA	20.0	3 months	-	-
BNP Paribas Fortis	FRA	20.0	3 months	-	-
Nordea Bank AB	SWE	20.0	3 months	-	-
Svenska Handelsbanken	SWE	30.0	3 months	-	-
Local Authorities					
County / Unitary / Metropolitan / District Councils		20.0	364 days	5.0	2 years
Police / Fire Authorities		20.0	364 days	5.0	2 years
National Park Authorities		20.0	364 days	5.0	2 years
Other Deposit Takers					
Money Market Funds		20.0	364 days	5.0	2 years
UK Debt Management Account		100.0	364 days	5.0	2 years

* Based on data as at 20th January 2012

APPROVED COUNTRIES FOR INVESTMENTS

Sovereign Rating	Country
AAA	Australia Canada Denmark Finland Germany Luxembourg Netherlands Norway Singapore Sweden Switzerland U.K.
AA+	France Hong Kong USA
AA	Belgium UAE
AA-	Japan Qatar Saudi Arabia

**PRUDENTIAL INDICATORS FOR PERIOD 2012/13 to 2014/15
(EXECUTIVE – 31 JANUARY 2012)**

CAPITAL EXPENDITURE & EXTERNAL DEBT INDICATORS		Comment																		
1	<p>Estimated Ratio of capital financing costs to the net Revenue Budget</p> <p><i>Formally Required Indicator</i></p> <p>This reflects capital financing costs (principal plus interest) on external debt plus PFI and finance leasing charges, less interest earned on the temporary investments of surplus cash balances.</p> <p>The estimated ratios of financing costs to the net Revenue Budget for the current and future years, and the actual figure for 2010/11 are as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Executive 23 Aug 2011 Basis %</th> <th>Update for 2012/13 Basis %</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td align="center">8.1</td> <td align="center">actual 8.1</td> </tr> <tr> <td>2011/12</td> <td align="center">8.6</td> <td align="center">probable 8.6</td> </tr> <tr> <td>2012/13</td> <td align="center">8.6</td> <td align="center">estimate 8.4</td> </tr> <tr> <td>2013/14</td> <td align="center">8.3</td> <td align="center">estimate 8.4</td> </tr> <tr> <td>2014/15</td> <td align="center">n/a</td> <td align="center">estimate 8.1</td> </tr> </tbody> </table>	Year	Executive 23 Aug 2011 Basis %	Update for 2012/13 Basis %	2010/11	8.1	actual 8.1	2011/12	8.6	probable 8.6	2012/13	8.6	estimate 8.4	2013/14	8.3	estimate 8.4	2014/15	n/a	estimate 8.1	<p>The estimates of financing costs include current Capital Plan commitments based on the latest Capital Plan, and are as reflected in the 2012/13 Revenue Budget and MTFS.</p> <p>The updated figures up to 2014/15 reflect the net effect of a range of factors, principally</p> <p>(a) savings being achieved through the policy of financing capital borrowing requirements internally from cash balances</p> <p>(b) variations in the level of annual borrowing requirements resulting from a range of factors</p> <p>(c) variations in borrowing costs (interest plus a revenue provision for debt repayment) reflecting latest interest rate forecasts to 2014/15</p> <p>(d) reduction in interest earned on cash balances resulting from the continuing current historically low interest rates but partially offset by continuing higher levels of surplus cash balances (formal Indicator only)</p> <p>(e) changes to the 'net budget' element of this calculation.</p>
Year	Executive 23 Aug 2011 Basis %	Update for 2012/13 Basis %																		
2010/11	8.1	actual 8.1																		
2011/12	8.6	probable 8.6																		
2012/13	8.6	estimate 8.4																		
2013/14	8.3	estimate 8.4																		
2014/15	n/a	estimate 8.1																		

CAPITAL EXPENDITURE & EXTERNAL DEBT INDICATORS	Comment																																								
<p>(b) <i>Local Indicator</i></p> <p>This Local Indicator reflects a policy decision to cap capital financing costs to 11% of the net annual Revenue Budget. The Indicator is different to the formally required Indicator at (a) above in that it only reflects the cost components of interest on external debt plus lost interest on internally financed capital expenditure, together with a revenue provision for debt repayment. Unlike the formally required PI it does not reflect interest earned on surplus cash balances or PFI / Finance leasing charges</p> <table border="1" data-bbox="596 1899 844 2029"> <thead> <tr> <th>Year</th> <th></th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>9.4</td> </tr> <tr> <td>2011/12</td> <td>9.1</td> </tr> <tr> <td>2012/13</td> <td>9.1</td> </tr> <tr> <td>2013/14</td> <td>9.1</td> </tr> <tr> <td>2014/15</td> <td>n/a</td> </tr> </tbody> </table> <table border="1" data-bbox="596 1525 844 1845"> <thead> <tr> <th colspan="2">Executive 23 Aug 2011</th> </tr> <tr> <th>Basis</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>actual</td> <td>9.4</td> </tr> <tr> <td>estimate</td> <td>9.1</td> </tr> <tr> <td>estimate</td> <td>9.1</td> </tr> <tr> <td>estimate</td> <td>9.1</td> </tr> <tr> <td>estimate</td> <td>n/a</td> </tr> </tbody> </table> <table border="1" data-bbox="596 1133 844 1469"> <thead> <tr> <th colspan="2">Update for 2012/13</th> </tr> <tr> <th>Basis</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>actual</td> <td>9.4</td> </tr> <tr> <td>probable</td> <td>9.1</td> </tr> <tr> <td>estimate</td> <td>8.9</td> </tr> <tr> <td>estimate</td> <td>8.7</td> </tr> <tr> <td>estimate</td> <td>8.8</td> </tr> </tbody> </table>	Year		2010/11	9.4	2011/12	9.1	2012/13	9.1	2013/14	9.1	2014/15	n/a	Executive 23 Aug 2011		Basis	%	actual	9.4	estimate	9.1	estimate	9.1	estimate	9.1	estimate	n/a	Update for 2012/13		Basis	%	actual	9.4	probable	9.1	estimate	8.9	estimate	8.7	estimate	8.8	<p>See comments for formal indicator at 1 (a) above.</p>
Year																																									
2010/11	9.4																																								
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Prudential Indicator	Comment												
<p>2 Estimates of the incremental impact of capital investment decisions on the Council Tax</p> <p>In considering its programme for future capital investment, the County Council is required within the Prudential Code to have regard to:</p> <ul style="list-style-type: none"> ➔ affordability (eg implications for Council Tax) ➔ prudence and sustainability (eg implications for external borrowing) ➔ value for money (eg option appraisal) ➔ stewardship of assets (eg asset management planning) ➔ service objectives (eg strategic planning for the authority) ➔ practicality (eg achievability of the Capital Plan) <p>A key measure of affordability is the incremental impact on Council Tax. The County Council can consider different options for its capital investment programme based on their differential impact on the Council Tax.</p> <p>The estimate of the incremental impact on Council Tax (at Band D) of past capital investment decisions which are reflected in the latest Capital Plan and also in the Revenue Budget for 2012/13, compared with the 2011/12 Council Tax are:</p> <table border="1" data-bbox="1034 1153 1230 2027"> <thead> <tr> <th>Year</th> <th>Executive 23 Aug 2011 Basis £ - p</th> <th>Update for 2012/13 Basis £ - p</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>estimate + 2.51</td> <td>estimate + 0.80</td> </tr> <tr> <td>2013/14</td> <td>estimate + 4.77</td> <td>estimate + 2.41</td> </tr> <tr> <td>2014/15</td> <td>estimate n/a</td> <td>estimate + 4.85</td> </tr> </tbody> </table>	Year	Executive 23 Aug 2011 Basis £ - p	Update for 2012/13 Basis £ - p	2012/13	estimate + 2.51	estimate + 0.80	2013/14	estimate + 4.77	estimate + 2.41	2014/15	estimate n/a	estimate + 4.85	<p>This Indicator shows the incremental impact on Band D Council Tax of the capital financing costs resulting from unsupported prudential borrowing required to fund the forecast Capital Plan. This borrowing includes the funding shortfall of Capital Bids approved by Executive on 3 February 2004, as part of the 10 year Capital Forecast projection, together with a number of subsequent funding approvals. The 10 year Capital Forecast is due to be reviewed during the 2012/13 financial year using a new capital prioritisation methodology.</p> <p>Debt charges resulting from Invest to Save schemes and certain other capital provisions are, however, excluded as these are deemed to be self financed from within Directorate revenue budgets and thus do not impact on Council Tax levels.</p> <p>As indicated above, all debt charges resulting from borrowing approvals issued by the Government in the years prior to 2011/12 are also excluded from this calculation.</p> <p>The updated figures differ from those previously reported as a result of</p> <p>(a) capital financing cost variations as a result of new Prudential Borrowing approvals, capital expenditure slippage between years and variations in the cost of borrowing</p> <p>(b) the 2012/13 figures are compared with the 2011/12 Council Tax whereas the previous ones are compared with 2010/11 Council Tax levels</p>
Year	Executive 23 Aug 2011 Basis £ - p	Update for 2012/13 Basis £ - p											
2012/13	estimate + 2.51	estimate + 0.80											
2013/14	estimate + 4.77	estimate + 2.41											
2014/15	estimate n/a	estimate + 4.85											

Prudential Indicator	Comment																		
<p>3 Capital Expenditure - Actual and Forecasts</p> <p>The actual capital expenditure that was incurred in 2010/11 and the estimates of capital expenditure to be incurred for the current and future years are:</p> <table border="1" data-bbox="475 1899 746 2029"> <thead> <tr> <th>Year</th> <th>Executive 23 Aug 2011 Basis £m</th> <th>Update for 2012/13 Basis £m</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>actual 130.8</td> <td>actual 130.8</td> </tr> <tr> <td>2011/12</td> <td>estimate 115.1</td> <td>probable 100.0</td> </tr> <tr> <td>2012/13</td> <td>estimate 93.9</td> <td>estimate 88.1</td> </tr> <tr> <td>2013/14</td> <td>estimate 78.2</td> <td>estimate 79.8</td> </tr> <tr> <td>2014/15</td> <td>estimate n/a</td> <td>estimate 72.6</td> </tr> </tbody> </table> <p>The above estimates and those for certain other Prudential Indicators incorporate a number of figures that are based on:-</p> <ul style="list-style-type: none"> (a) the latest Capital Plan approved by Executive on 22 November 2011 (b) expenditure on fixed assets funded directly from the Revenue Budget and not included in the Capital Plan (c) other known self funded variations (d) forecast expenditure slippage between years (e) various other refinements 	Year	Executive 23 Aug 2011 Basis £m	Update for 2012/13 Basis £m	2010/11	actual 130.8	actual 130.8	2011/12	estimate 115.1	probable 100.0	2012/13	estimate 93.9	estimate 88.1	2013/14	estimate 78.2	estimate 79.8	2014/15	estimate n/a	estimate 72.6	<p>The updated figures for 2011/12 to 2014/15 reflect the following variations compared with the figures submitted to Executive on 23 August 2011.</p> <ul style="list-style-type: none"> (a) the Government's Capital allocations announced as part of the 2012/13 Provisional Local Government Settlement (b) a number of additional provisions and variations to existing provisions which are self funded from capital grants and contributions and revenue contributions (including the Pending Issues Provision) (c) capital expenditure rephasing between years (d) the addition of a further year 2014/15 which includes bids approved in 2004 as part of the 10 year capital forecast (e) certain CYPs ICT funding streams now being regarded wholly as revenue, rather than capital spend (f) various other approvals and refinements to the Capital Plan.
Year	Executive 23 Aug 2011 Basis £m	Update for 2012/13 Basis £m																	
2010/11	actual 130.8	actual 130.8																	
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2014/15	estimate n/a	estimate 72.6																	

	Prudential Indicator	Comment																																																					
<p>4 Capital Financing Requirement</p> <p>Actuals and estimates of the Capital Financing Requirement (CFR) at the defined year ends are as follows:</p> <table border="1" data-bbox="391 772 821 2072"> <thead> <tr> <th rowspan="2">Date</th> <th colspan="3">Executive 23 Aug 2011</th> <th colspan="3">Update for 2012/13</th> </tr> <tr> <th>Basis</th> <th>Borrowing £m</th> <th>Other Long Term Liabilities (PFI etc) £m</th> <th>Total</th> <th>Borrowing £m</th> <th>Other Long Term Liabilities (PFI etc) £m</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>31 Mar 11</td> <td>actual</td> <td>408.8</td> <td>6.5</td> <td>415.3</td> <td>408.8</td> <td>6.5</td> <td>415.3</td> </tr> <tr> <td>31 Mar 12</td> <td>estimate</td> <td>408.1</td> <td>6.2</td> <td>414.3</td> <td>402.4</td> <td>6.3</td> <td>408.7</td> </tr> <tr> <td>31 Mar 13</td> <td>estimate</td> <td>403.1</td> <td>6.0</td> <td>409.1</td> <td>394.1</td> <td>6.0</td> <td>400.1</td> </tr> <tr> <td>31 Mar 14</td> <td>estimate</td> <td>406.3</td> <td>5.8</td> <td>412.1</td> <td>394.5</td> <td>5.8</td> <td>400.3</td> </tr> <tr> <td>31 Mar 15</td> <td>estimate</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>382.4</td> <td>5.8</td> <td>388.2</td> </tr> </tbody> </table> <p>The CFR measures the underlying need for the County Council to borrow for capital purposes. In accordance with best professional practice, the County Council does not earmark borrowing to specific items or types of expenditure. The County Council has an integrated treasury management approach and has adopted the CIPFA Code of Practice for Treasury Management. The County Council has, at any point in time, a number of cashflows, both positive and negative, and manages its treasury position in terms of its overall borrowings and investments in accordance with its approved Annual Treasury Management Strategy. In day to day cash management, no distinction is made between revenue and capital cash. External borrowing arises as a consequence of all the financial transactions of the County Council as a whole and not simply those arising from capital spending. In contrast, the CFR Indicator reflects the County Council's underlying need to borrow for capital purposes only.</p>	Date	Executive 23 Aug 2011			Update for 2012/13			Basis	Borrowing £m	Other Long Term Liabilities (PFI etc) £m	Total	Borrowing £m	Other Long Term Liabilities (PFI etc) £m	Total	31 Mar 11	actual	408.8	6.5	415.3	408.8	6.5	415.3	31 Mar 12	estimate	408.1	6.2	414.3	402.4	6.3	408.7	31 Mar 13	estimate	403.1	6.0	409.1	394.1	6.0	400.1	31 Mar 14	estimate	406.3	5.8	412.1	394.5	5.8	400.3	31 Mar 15	estimate	n/a	n/a	n/a	382.4	5.8	388.2	<p>The updated figures recommended for approval as part of the 2012/13 Budget process reflect the following main variations compared with the previous figures approved by the Executive on 23 August 2011.</p> <p>(a) the estimates for the years after 31 March 2011 reflect the implications of all Government Capital approvals from 2011/12 now being in the form of Capital Grants rather than the previous mix of grants and borrowing approvals. This has the impact of reducing annual Capital borrowing requirements (and consequential debt levels) by about £33m – the previous level of annual Supported Borrowing approvals.</p> <p>(b) Other factors reflected in this latest update include</p> <ul style="list-style-type: none"> capital expenditure re-phasing between years that is funded from borrowing capital receipts re-phasing between years (including Company Loan repayments) that affects year on year borrowing requirements addition of 2014/15 including forecast new Prudential borrowing for bids previously agreed various other approvals and refinements that impact on annual capital borrowing requirements.
Date		Executive 23 Aug 2011			Update for 2012/13																																																		
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Prudential Indicator	Comment																		
<p>5 Net Borrowing Requirement</p> <p>The revised Prudential Code issued in 2009 emphasises that in order to ensure that over the medium term net borrowing will only be for a capital purpose, the County Council should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year, plus the estimate of any additional capital financing requirement for the current and next two financial years.</p> <p>This Prudential Indicator is referred to as net borrowing requirement and its comparison with the capital financing requirement (Indicator 4) is a key indicator of prudence.</p> <table border="1" data-bbox="687 1850 963 2018"> <thead> <tr> <th>Date</th> <th>Executive 23 Aug 2011 Basis</th> <th>Update for 2012/13 Basis</th> </tr> </thead> <tbody> <tr> <td>31 Mar 11</td> <td>247.8</td> <td>actual 247.8</td> </tr> <tr> <td>31 Mar 12</td> <td>296.2</td> <td>probable 266.5</td> </tr> <tr> <td>31 Mar 13</td> <td>276.8</td> <td>estimate 267.8</td> </tr> <tr> <td>31 Mar 14</td> <td>287.2</td> <td>estimate 275.4</td> </tr> <tr> <td>31 Mar 15</td> <td>n/a</td> <td>estimate 269.1</td> </tr> </tbody> </table> <p>The Corporate Director – Finance and Central Services has previously reported that the County Council had no difficulty in meeting this requirement up to 2010/11 nor are any difficulties envisaged for the current or future years of the Medium Term Financial Strategy. This opinion takes into account spending commitments, existing and proposed Capital Plans and the proposals in the separate Revenue Budget 2012/13 and Medium Term Financial Strategy report.</p>	Date	Executive 23 Aug 2011 Basis	Update for 2012/13 Basis	31 Mar 11	247.8	actual 247.8	31 Mar 12	296.2	probable 266.5	31 Mar 13	276.8	estimate 267.8	31 Mar 14	287.2	estimate 275.4	31 Mar 15	n/a	estimate 269.1	<p>These net borrowing figures (external borrowing net of investments) are significantly below the Capital Financing Requirement (CFR) figures shown in Indicator 4 for three main reasons:</p> <ul style="list-style-type: none"> (a) a significant level of investments (cash balances – core cash plus cash flow generated). (b) internally funded capital expenditure which is included in the CFR (this is covered in more detail in paragraphs 8.4 to 8.12 of the Annual Treasury Management and Investment Strategy). (c) other long term liabilities (PFI and finance leases) being reflected in the CFR from 2009/10 onwards (IFRS related) but not included in this definition of net borrowing. <p>The Prudential Code requires that where there is a significant difference between the net borrowing figure and the gross borrowing requirement, as demonstrated by the CFR, then the risks and benefits associated with this strategy should be clearly stated in the annual Treasury Management Strategy. This is covered in paragraphs 8.4 to 8.12 of the Annual Treasury Management and Investment Strategy.</p> <p>The updated figures differ from those previously approved on 23 August 2011 as a result of:</p> <ul style="list-style-type: none"> (a) refinements which are also common to the Capital Financing Requirement (see Indicator 4) (b) continuing high level of cash balances available for investment but forecast to reduce in future years
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Prudential Indicator	Comment																																																	
<p>6 Authorised Limit for External Debt</p> <p>In respect of external debt, it is recommended that the County Council specifically approves the following Authorised Limits for its total external debt for the next three financial years.</p> <p>The Prudential Code requires external borrowing and other long term liabilities to be identified separately.</p> <p>The authorised limit for 2012/13 will be the statutory limit determined under section 3(1) of the Local Government Act 2003.</p> <table border="1" data-bbox="627 1917 952 2072"> <thead> <tr> <th>Year</th> <th colspan="3">Executive 23 Aug 2011</th> <th colspan="3">Update for 2012/13</th> </tr> <tr> <th></th> <th>External Borrowing</th> <th>Other Long Term Liabilities</th> <th>Total Borrowing Limit</th> <th>External Borrowing</th> <th>Other Long Term Liabilities</th> <th>Total Borrowing Limit</th> </tr> <tr> <th></th> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>450.3</td> <td>6.2</td> <td>456.5</td> <td>444.6</td> <td>6.3</td> <td>450.9</td> </tr> <tr> <td>2012/13</td> <td>460.0</td> <td>6.0</td> <td>466.0</td> <td>450.9</td> <td>6.0</td> <td>456.9</td> </tr> <tr> <td>2013/14</td> <td>443.6</td> <td>5.8</td> <td>449.4</td> <td>431.8</td> <td>5.8</td> <td>437.6</td> </tr> <tr> <td>2014/15</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>457.9</td> <td>5.8</td> <td>463.7</td> </tr> </tbody> </table>	Year	Executive 23 Aug 2011			Update for 2012/13				External Borrowing	Other Long Term Liabilities	Total Borrowing Limit	External Borrowing	Other Long Term Liabilities	Total Borrowing Limit		£m	£m	£m	£m	£m	£m	2011/12	450.3	6.2	456.5	444.6	6.3	450.9	2012/13	460.0	6.0	466.0	450.9	6.0	456.9	2013/14	443.6	5.8	449.4	431.8	5.8	437.6	2014/15	n/a	n/a	n/a	457.9	5.8	463.7	<p>The Corporate Director - Finance and Central Services confirms that these authorised limits are consistent with the County Council's current commitments, existing Capital Plan and the financing thereof, the proposals in the respective 2012/13 Revenue Budget and Medium Term Financial Strategy, and with its approved Treasury Management Policy Statement.</p> <p>The Corporate Director - Finance and Central Services also confirms that the limits are based on the estimate of the most likely, prudent, but not worst case, scenario with sufficient headroom over and above this to allow for operational issues (eg unusual cash movements). To derive these limits a risk analysis has been applied to the Capital Plan, estimates of the capital financing requirement and estimates of cashflow requirements for all purposes.</p> <p>The updated figures reflect a number of refinements which are common to the Capital Financing Requirement (see Indicator 4 above) and Operational Boundary for External Debt (see Indicator 7). Explanations for these changes are provided under Indicators 4 and 7 respectively.</p> <p>The most significant reason for the figures reducing year on year in future is the removal of Government Supported Borrowing approvals from 2011/12 (see comment (a) for Indicator 4)</p>
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<p>7 Operational Boundary for External Debt</p> <p>It is recommended that the County Council approves the following Operational Boundary for external debt for the same period.</p> <p>The proposed operational boundary for external debt is based on the same estimates as the Authorised Limit (ie Indicator 6 above) but reflects an estimate of the most likely prudent, but not worst case, scenario without the additional headroom included within the Authorised Limit (to allow for eg unusual cash flows).</p> <table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="3">Executive 23 Aug 2011</th> <th colspan="3">Update for 2012/13</th> </tr> <tr> <th>External Borrowing</th> <th>Other Long Term Liabilities</th> <th>Total Borrowing</th> <th>External Borrowing</th> <th>Other Long Term Liabilities</th> <th>Total Borrowing Limit</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>£m 430.3</td> <td>£m 6.2</td> <td>£m 436.5</td> <td>£m 424.6</td> <td>£m 6.3</td> <td>£m 430.9</td> </tr> <tr> <td>2012/13</td> <td>440.0</td> <td>6.0</td> <td>446.0</td> <td>430.9</td> <td>6.0</td> <td>436.9</td> </tr> <tr> <td>2013/14</td> <td>423.6</td> <td>5.8</td> <td>429.4</td> <td>411.8</td> <td>5.8</td> <td>417.6</td> </tr> <tr> <td>2014/15</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>437.9</td> <td>5.8</td> <td>443.7</td> </tr> </tbody> </table>	Year	Executive 23 Aug 2011			Update for 2012/13			External Borrowing	Other Long Term Liabilities	Total Borrowing	External Borrowing	Other Long Term Liabilities	Total Borrowing Limit	2011/12	£m 430.3	£m 6.2	£m 436.5	£m 424.6	£m 6.3	£m 430.9	2012/13	440.0	6.0	446.0	430.9	6.0	436.9	2013/14	423.6	5.8	429.4	411.8	5.8	417.6	2014/15	n/a	n/a	n/a	437.9	5.8	443.7	<p>The Operational Boundary represents a key management tool for the in year monitoring of external debt by the Corporate Director - Finance and Central Services.</p> <p>The updated figures reflect refinements which are common to the Capital Financing Requirement (see Indicator 4 above) together with</p> <p>(a) relative levels of capital expenditure funded from surplus internal cash balances rather than taking external debt</p> <p>(b) loan repayment cover arrangements and the timing of such arrangements</p> <p>These two financing transactions affect external debt levels at any one point of time during the financial year but do not impact on the Capital Financing requirement.</p> <p>As described under Indicator 4 – comment (a), the most significant reason for the figures reducing year on year in future is the removal of Government Supported Borrowing Approvals from 2011/12.</p>
Year		Executive 23 Aug 2011			Update for 2012/13																																					
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<p>8 Actual External Debt</p> <p>The County Council's actual external debt is set out below and consists of external borrowing plus other long term liabilities such as PFI and finance leases which are classified as external debt for this purpose.</p> <table border="1" data-bbox="443 582 842 2072"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="3">Executive 23 Aug 2011</th> <th colspan="3">Update for 2012/13</th> </tr> <tr> <th>Basis</th> <th>Borrowing £m</th> <th>Other Long Term Liabilities (PFI etc) £m</th> <th>Total</th> <th>Borrowing £m</th> <th>Other Long Term Liabilities (PFI etc) £m</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>31 March 2011</td> <td>actual</td> <td>390.1</td> <td>6.5</td> <td>396.6</td> <td>390.1</td> <td>6.5</td> <td>396.6</td> </tr> <tr> <td>31 March 2012</td> <td>estimate</td> <td>396.9</td> <td>6.2</td> <td>403.1</td> <td>391.2</td> <td>6.3</td> <td>397.5</td> </tr> <tr> <td>31 March 2013</td> <td>estimate</td> <td>393.2</td> <td>6.0</td> <td>399.2</td> <td>384.2</td> <td>6.0</td> <td>390.2</td> </tr> <tr> <td>31 March 2014</td> <td>estimate</td> <td>398.1</td> <td>5.8</td> <td>403.9</td> <td>386.3</td> <td>5.8</td> <td>392.1</td> </tr> <tr> <td>31 March 2015</td> <td>estimate</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>378.1</td> <td>5.8</td> <td>383.9</td> </tr> </tbody> </table> <p>It should be noted that actual external debt is not directly comparable to the Authorised Limit (Indicator 6 above) and operational boundary (Indicator 7 above) since the actual external debt reflects a position at one point in time (ie at the end of each financial year).</p>	Year	Executive 23 Aug 2011			Update for 2012/13			Basis	Borrowing £m	Other Long Term Liabilities (PFI etc) £m	Total	Borrowing £m	Other Long Term Liabilities (PFI etc) £m	Total	31 March 2011	actual	390.1	6.5	396.6	390.1	6.5	396.6	31 March 2012	estimate	396.9	6.2	403.1	391.2	6.3	397.5	31 March 2013	estimate	393.2	6.0	399.2	384.2	6.0	390.2	31 March 2014	estimate	398.1	5.8	403.9	386.3	5.8	392.1	31 March 2015	estimate	n/a	n/a	n/a	378.1	5.8	383.9	<p>The move to International Financial Reporting Standards (IFRS) involves PFI contracts and some leases (being classified as finance leases instead of operating leases) coming onto local authority balance sheets as long term liabilities. These items are therefore now being regarded as 'external debt' for Prudential Indicator purposes.</p> <p>The updated estimates reflect refinements which are common to the Capital Financing Requirement (see Indicator 4 above), together with the relative levels of capital expenditure internally funded from cash balances rather than taking external debt.</p>
Year		Executive 23 Aug 2011			Update for 2012/13																																																		
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<p>9 Limit of Money Market Loans (Local Indicator)</p> <p>Borrowing from the money market for capital purposes is to be limited to 30% of the County Council's total external debt outstanding at any one point in time.</p> <p>The actual position at 31 March 2011 was 5% (£20m out of a total of £390.1m) against the upper limit of 30%.</p>	<p>This limit was introduced as a new Local Prudential Indicator in 2009/10, although the 30% limit has featured as part of the Borrowing Policy section of the Annual Treasury Management and Investment Strategy for several years.</p>																																																						

Prudential Indicator	Comment																														
TREASURY MANAGEMENT INDICATORS																															
<p>10 Adoption of CIPFA Code of Practice for Treasury Management</p>	<p>The County Council formally adopted the 2009 revised CIPFA Code of Practice for Treasury Management in the Public Service at its meeting on 17 February 2010, and is being asked to adopt the revised 2011 Code on 15 February 2011 as part of the Separate Treasury Management report to Executive on 31 January 2012.</p>																														
<p>11 Interest Rate Exposures</p> <p>In accordance with the Code of Practice the County Council sets upper and lower limits on its fixed and variable interest rate exposures as a percentage of outstanding principals sums for 2012/13, 2013/14 and 2014/15 as set out below:</p> <table border="1" data-bbox="737 1034 1053 1859"> <thead> <tr> <th></th> <th>Lower %</th> <th>Upper %</th> </tr> </thead> <tbody> <tr> <td>Borrowing</td> <td></td> <td></td> </tr> <tr> <td>• Fixed</td> <td>60</td> <td>100</td> </tr> <tr> <td>• Variable</td> <td>0</td> <td>40</td> </tr> <tr> <td>Investments</td> <td></td> <td></td> </tr> <tr> <td>• Fixed</td> <td>0</td> <td>30</td> </tr> <tr> <td>• Variable</td> <td>70</td> <td>100</td> </tr> <tr> <td>Combined Net Borrowing and Investments</td> <td></td> <td></td> </tr> <tr> <td>• Fixed</td> <td>110</td> <td>160 *</td> </tr> <tr> <td>• Variable</td> <td>- 10</td> <td>- 60 *</td> </tr> </tbody> </table> <p>* previously 150 and -50</p>		Lower %	Upper %	Borrowing			• Fixed	60	100	• Variable	0	40	Investments			• Fixed	0	30	• Variable	70	100	Combined Net Borrowing and Investments			• Fixed	110	160 *	• Variable	- 10	- 60 *	<p>No changes are being proposed to the borrowing and investments limits for 2012/13.</p> <p>This means that the Corporate Director – Finance and Central Services, will</p> <p>for borrowing manage fixed interest rate exposure within the range 60% to 100% of outstanding principal and variable interest rate exposure within the range 0% to 40% of outstanding principal</p> <p>for investments will manage fixed interest rate exposure within the range 0% to 30% of outstanding principal and variable rate exposure within the range 70% to 100% of outstanding principal. The split of investments between fixed and variable rates is based on the market convention that investments up to 365 days are regarded as being at variable rates.</p> <p>The combined net borrowing and investment position represents the formal Prudential Indicator for Interest Rate Exposures. On its own however it does not show clearly how borrowing and investments will be managed, hence the two separate 'local indicators' shown above. The upper limits have been changed for 2012/13 to reflect the continuing high level of investments at short term variable interest rates.</p>
	Lower %	Upper %																													
Borrowing																															
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Prudential Indicator	Comment																																								
<p>12 Maturity Structure of Borrowing</p> <p>In accordance with the Code of Practice, the County Council sets upper and lower limits for the maturity structure of County Council borrowings as follows.</p> <p>The amount of projected borrowing maturing in each period as a percentage of total projected borrowing that is fixed rate:</p> <table border="1" data-bbox="558 1052 1005 1411"> <thead> <tr> <th>Period</th> <th>Lower Limit %</th> <th>Upper Limit %</th> <th>Memo item - actual at 1 April 10 %</th> <th>Memo item - actual at 1 April 11 %</th> </tr> </thead> <tbody> <tr> <td>under 12 months</td> <td>0</td> <td>50</td> <td>4</td> <td>6</td> </tr> <tr> <td>12 months & within 24 months</td> <td>0</td> <td>15</td> <td>7</td> <td>7</td> </tr> <tr> <td>24 months & within 5 years</td> <td>0</td> <td>45</td> <td>16</td> <td>11</td> </tr> <tr> <td>5 years & within 10 years</td> <td>0</td> <td>75</td> <td>13</td> <td>21</td> </tr> <tr> <td>10 years & within 25 years</td> <td>10</td> <td>100</td> <td>18</td> <td>16</td> </tr> <tr> <td>25 years & within 50 years</td> <td>10</td> <td>100</td> <td>42</td> <td>39</td> </tr> <tr> <td></td> <td></td> <td></td> <td>100</td> <td>100</td> </tr> </tbody> </table>	Period	Lower Limit %	Upper Limit %	Memo item - actual at 1 April 10 %	Memo item - actual at 1 April 11 %	under 12 months	0	50	4	6	12 months & within 24 months	0	15	7	7	24 months & within 5 years	0	45	16	11	5 years & within 10 years	0	75	13	21	10 years & within 25 years	10	100	18	16	25 years & within 50 years	10	100	42	39				100	100	<p>No changes to these limits approved by Executive on 8 February 2010 and reconfirmed on 23 August 2011 are proposed.</p> <p>The lower limits of 10% for the periods 10 to 25 years and 25 to 50 years is designed to ensure that the County Council does not have the risk of having to repay all debt within a ten year period.</p>
Period	Lower Limit %	Upper Limit %	Memo item - actual at 1 April 10 %	Memo item - actual at 1 April 11 %																																					
under 12 months	0	50	4	6																																					
12 months & within 24 months	0	15	7	7																																					
24 months & within 5 years	0	45	16	11																																					
5 years & within 10 years	0	75	13	21																																					
10 years & within 25 years	10	100	18	16																																					
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			100	100																																					

Prudential Indicator	Comment
<p>13 Total Principal Sums Invested for periods longer than 364 days</p> <p>The 2011/12 aggregate limit of £12m for 'non specified' investments longer than 364 days is based on a maximum of 20% of 'core cash funds' being made available for such investments.</p> <p>As a result of forecast reductions in core cash funds (reserves, provisions and balances etc) over the next three years, however, the current £12m limit is likely to exceed the 20% maximum level previously agreed. However, given the forecasts for overall cash balances over the next three years, the need for liquidity and day to day cash flow requirements, it is still forecast that £12m can be prudently committed to longer term investments over 364 days.</p> <p>The purpose of this prudential limit for principal sums invested for longer than 364 days is for the County Council to contain its exposure to the possibility of loss that might arise as a result of its having to seek early repayment or redemption of principal sums invested.</p>	<p>The maximum sum of £12m proposed for investments longer than 364 days is the same as for 2011/12.</p> <p>The County Council currently has no such investments that fall into this category.</p> <p>Prior to 1 April 2004, regulations generally prevented local authorities from investing for longer than 364 days. As a result of the new Prudential Regime however, these prescriptive regulations were abolished and replaced with Government Guidance from April 2004.</p> <p>This Guidance gives authorities more freedom in their choice of investments (including investing for periods longer than 364 days) and recognises that a potentially higher return can be achieved by taking a higher (ie longer term) risk.</p> <p>The new flexibility requires authorities to produce an Annual Investment Strategy that classifies investments as either Specified (liquid, secure, high credit rating & less than 365 days) or Non Specified (other investments of a higher risk). Non Specified investments are perfectly allowable but the criteria and risks involved must be vigorously assessed, including professional advice, where appropriate. Therefore investments for 364 days+ are now allowable as a Non Specified investment under Government Guidance. The use of such investments is therefore now incorporated into the County Council's Annual Treasury Management and Investment Strategy.</p>

Appendix 1 – Draft revised Equality and Diversity Policy Statement

DRAFT North Yorkshire County Council Equality and Diversity Policy Statement

Our commitment

North Yorkshire County Council welcomes and celebrates diversity and the strengths this brings to our communities and workforce. The council aims to provide excellent and efficient local services enabling everyone to fulfil their potential. To do this we must give everyone equal access to services and job opportunities.

Treating everyone the same does not necessarily give people equality of opportunity. Sometimes we need to treat different people in a different way to give them equal access to a service or job.

Our responsibilities

The Equality Act 2010 says that we must not treat people unfairly because of age, disability, sex (gender), gender reassignment, sexual orientation, race, religion or belief, pregnancy or maternity, marriage or civil partnership. These are called “protected characteristics”.

As a local authority we must:

- stop unlawful discrimination, harassment and victimisation;
- make sure that people have equality of opportunity whether or not they have a particular protected characteristic; and
- build good relations between people who share a protected characteristic and those who don't.

North Yorkshire is a very rural county and people living outside the larger towns can find it difficult to access services. We will treat people fairly wherever they live and make sure they get the services they need.

There are other factors which affect people's lives. Examples of these are income, education and occupation. We will work to deliver the best possible outcomes for all our communities and citizens.

Meeting our responsibilities

Everyone, including the County Council, has a part to play to realize our vision for North Yorkshire to be an even better place for everyone to live, work or visit. We will work with our communities and partners to achieve our vision.

As part of meeting our responsibilities we make the following commitments.

- We will treat staff and customers with dignity and respect.
- We will develop our councillors and staff to help us meet our equality duties.
- We will use information and talk to people to identify where inequality exists so that we can plan to tackle it.
- When it will help us to improve our services and to understand how we are meeting our equality duties, we will ask questions about people's protected characteristics, including age, race, gender and disability. We will always make it clear that people do not have to

answer these questions and that they will still receive the services they need. We will keep personal data confidential.

- We will consider equality issues when we deliver our services. Our service plans will include any major equality actions that we plan to undertake. We will have at least one equality objective which will help us focus on some of the areas which we want to improve.
- When we think about changing our services we will make sure that those making the decision know how the change could affect people with any of the protected characteristics. We will collect information about how people might be affected before making a decision. If the change might cause difficulties for people with a protected characteristic, we will do our best to find ways to reduce this impact. If we can't then we should think carefully about whether we need to make the change to achieve a legitimate aim.
- We have a duty to make reasonable changes to the way we do things so that disabled people can use our services and work for us. We recognise that everyone is different and we will treat people as individuals.
- We will make sure that anyone who provides a service for us treats people fairly. We will do this through our procurement process and by monitoring their work.
- We will recruit, select, train and promote staff fairly. We will try to get the make up of our staff to match our communities. We will have clear systems for staff to complain if they are treated unfairly.
- We will make it easy for customers to complain if something goes wrong and we will respond quickly and efficiently. If legal action is intended or underway, complaints will be suspended until the legal process is resolved.
- If we find that anyone has broken our equality policy we will investigate and take disciplinary action if appropriate.
- We will monitor our equality actions through our usual reporting systems.
- We will publish information each year to show how we are meeting our equality duties.

Appendix 2 - Draft Easy Read Version of the Equality and Diversity Policy Statement

North Yorkshire County Council Equality and diversity policy statement (easy read)

We used Photosymbols (www.photosymbols.com) to make this document.



We are all different. It is OK to be different.



The council must help everyone in North Yorkshire to get the services they need.



The council must stop people being unkind to other people.



The council must treat everyone in a fair way.



It is fair to give more help to people who need it.



The council must help people to get on well together.



The council will treat everyone with respect.



The council will think carefully before changing something. If we think a change is bad for people we will try to make it better.



The council will make it easy for people to tell us if we do something wrong. When we are wrong we will put it right.

Application Form



Name



Address



Education



Work Experience

The council will give people jobs in a fair way.



The council will be fair to people at work.

Equality Impact Assessment

North Yorkshire County Council

Equality and Diversity Policy Statement

If you would like this information in another language or format such as Braille, large print or audio, please contact the Communications Unit on 01609 53 2013 or email communications@northyorks.gov.uk.

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو براہ مہربانی ہم سے پوچھئے۔



Name of the Directorate and Service Area	CEG: Policy, Performance & Partnerships			
Name of the service/policy being assessed	North Yorkshire County Council Equality and Diversity Policy Statement			
Is this the area being impact assessed a	Policy & its implementation?	X	Service?	
	Function		Initiative?	
	Project?		Procedure & its implementation?	
Is this an Equality Impact Assessment for a	Existing service or a policy and its implementation?			
(Note: the Equality Impact Assessment (EIA) is concerned with the policy itself, the procedures or guidelines which control its implementation and the impact on the users)	Proposed service or a policy and its implementation?			
	Change to an existing service or a policy and its implementation?			
	Service or Policy carried out by an organisation on behalf of NYCC?			
How will you undertake the EIA? Eg team meetings, working party, project team, individual Officer	Lead officer, input from Corporate Equality and Engagement Group, 3 month public consultation.			
Names and roles of people carrying out the Impact Assessment	Tom Jenkinson, Corporate Development Officer – lead officer Members of the Corporate Equality and Engagement Group			
Lead Officer and contact details	Tom Jenkinson, Corporate Development Officer. 01609 533808 tom.jenkinson@northyorks.gov.uk			
Date EIA started	12 July 2011			
Date EIA Completed	1 December 2011			
Sign off by Service Head/ Business Unit Head	2 December 2011			
Sign off by Assistant Director (or equivalent)	Neil Irving			
Date of Publication of EIA				
Monitoring and review process for EIA				

1. Operating Context

Please consider issues around impacts (positive or negative) raised for **all [protected characteristics](#)** and show your evidence

1.1 Describe the service/policy

What does the service/policy do and how? How would you describe the policy to someone who knows very little about Council Services?

If there is a proposal to change the service or policy, describe what it looks like now and what it is intended to look like in the future. What are the drivers for this proposed change?

Who does it benefit? What are its intended outcomes? Who is affected by the policy? Who is intended to benefit from it and how? Who are the stakeholders? identify those protected characteristics for which this service is likely to have an impact (positive or negative)

Are there any other policies or services which might be linked to this one? Have you reviewed the EIA for these policies/services? What do they tell you about the potential impact?

How will the policy be put into practice? Who is responsible for it?

The North Yorkshire County Council Equality and Diversity Policy Statement provides our customers and staff with information about the council's commitment to equality and diversity including a high level description of the way we will act and the things we will do to meet our commitment.

We identified a need to update our Policy Statement to reflect new legislation, namely the Equality Act 2010 and the Public Sector Equality Duty.

The beneficiaries should be all our customers and employees but it should particularly benefit all who have one or more of the protected characteristics identified in the Equality Act 2010 i.e. age, disability, sex, gender reassignment, sexual orientation, race, religion or belief, pregnancy or maternity, marriage or civil partnership. The policy statement sets a general context within which we will work to meet the needs of all who use our services in the way most appropriate for them and to draw upon the widest pool of talent for our employees.

Stating our commitment to best practice in equalities and diversity in a relatively short and simple document will help employees and customers understand our general approach to meeting our responsibilities and issue a challenge if our actions or behaviours which do not seem to live up to our stated intentions. The policy will benefit the council as it establishes the culture and practices which should enable us to meet our legal obligations thereby avoiding costs of defending ourselves against legal challenge and accompanying loss of reputation.

The policy is the highest level statement of our approach to equality

and diversity issues. It is supported by our EIA or equivalent process for identifying potential impacts of our actions on protected groups. Our collection and analysis of equality data and setting of equality objectives are specific ways of fulfilling the commitment made in the policy.

All employees will be responsible for putting the policy into practice. The Corporate Equality and Engagement Group, which has cross-council membership, will provide support and guidance to managers and members who will monitor adherence to the policy through existing structures.

In relation to employees the Authority supports the principle of equality of opportunity in employment and is committed to the fundamental principle that procedures to determine the pay and conditions of employment for all employees do not discriminate unlawfully and are free from bias. There are a range of procedures which support this principle including those on job evaluation which has been established as an integral part of the grading of posts at the County Council in order to achieve a fair pay structure which meets legal requirements on equal pay.

The revised policy statement will replace the existing policy statement on the internet. Our website has been awarded the Shaw Trust Web Accreditation which means that it has been tested by people with a wide range of disabilities and found to be accessible. The attention of staff, volunteers and members will be drawn to it during induction processes. We have produced an easy-read version of the policy statement which will also be published on the website.

Our equality and diversity policy will be delivered through the way we carry out our functions. We embed our equalities and diversity work into our "business as usual".

1.2 How do people use the policy/service?

How is the policy/service delivered? How do people find out about the policy/service? Do they need specialist equipment or information in different formats? How do you meet customer needs through opening times/locations/facilities? Can customers contact your service in different ways? How do you demonstrate that your service/policy is welcoming to all groups within the community?

Does the policy/service support customers to access other services? Do you charge for your services? Do these charges affect everyone equally? Do some customers incur greater costs or get 'less for their money'? Are there eligibility criteria for the service/policy?

How do you ensure that staff/volunteers delivering the service follow the Council's equality policies? Does the Council deliver this policy in partnership or through contracts with other organisations? How do you monitor that external bodies comply with the Council's equality requirements?

2. Understanding the Impact (using both qualitative and quantitative data)

Please consider issues around impacts (positive or negative) raised for all protected characteristics and show your evidence

2.1 What information do you use to make sure the service meets the needs of all customers?

What data do we use now? Is it broken down across protected characteristics (and are these categories consistent across all data sets)? How current is the data? Where is it from? Is it relevant?

What engagement work have you already done that can inform this impact assessment? Who did you talk to and how? What are the main findings? Can you analyse the results of this consultation across the protected characteristics? Are there differences in response between different groups? How has this changed the plans for the policy/service?

We carried out a full public consultation on the Equality and Diversity Policy Statement. This ran as an online consultation on our website from 1 August to 4 November 2011. In addition to the draft policy statement and four consultation questions, a contextual introduction and draft equality impact assessment were available. It was also decided to ask consultees the full range of equality monitoring questions although it was made clear that there was no obligation to answer these questions. An easy read version of the policy statement and questions were also published online. There was also direct engagement with some identified 'harder to reach' groups including the Physical and Sensory Impairment Board and the Older People's Partnership Board.

Only 8 responses were received from the consultation – 6 online and 2 resulting from attendance at face to face meetings. Although this was disappointing it was not particularly surprising. Comments from respondents indicated that people find it quite hard to engage with high level policy statements of this kind and much easier to respond to consultations about operational plans where any impacts upon individual lives or communities are clear to see. On a more positive note there were responses from organisations representing various protected groups. Organisations included a network for issues of "race", a social support and campaigning group on behalf of the lesbian, gay, bisexual and trans community and a rural locality health and social care group. In addition, the face to face meetings elicited

feedback from representatives of older people and disabled people.

The small return rate obviously means that we should not place undue weight upon the responses received. However, 63% of those returning consultation forms felt that the policy statement was clear or very clear about what we are trying to achieve and agreed that the actions under the heading 'Meeting our responsibilities' would help us to make sure that we treat people fairly. Consideration has been given to some of the detailed comments received both via the forms and from meetings and some changes incorporated into the draft policy statement before you. An example of a change made is the strengthening of the statement to make specific reference to our responsibility to make “reasonable adjustments” to enable people with disabilities to access services or continue or take up employment. Whilst understanding the comments of one group that the policy statement does not contain detailed information about particular groups or specific actions this is not the purpose of the policy statement.

Unison and teaching unions were consulted about the draft policy statement, but did not request or suggest any amendments.

We use data from the Office of National Statistics as well as data we collect about our citizens and service users to understand our customers. STREAM, our new local information system, pulls together a lot of useful data about our communities. As the Equality and Diversity Policy affects our entire customers and employees base we have considered county wide data.

Our residents

North Yorkshire is the largest county in England, covering around 3,102 square miles stretching from Scarborough on the North Sea coast to Bentham in the West, and from the edge of Teesside to south of the M62. It includes the urban areas of Harrogate and Scarborough, the Yorkshire Dales and North York Moors National Parks, 28 market towns and many small villages and hamlets.

2.2 What does the information tell you?

Are there any differences in outcome for different groups e.g.differences in take up rates or satisfaction levels across groups? Does it identify the level of take-up of services by different groups of people? Does it identify how potential changes in demand for services will be tracked over time, and the process for service change?

Please include data and analysis as an appendix

2009 mid-year population figures estimate that 597,700 people live in the County, and population density is low.

23.6% of the population is over 65 (men) or over 60 (women) and this figure is expected to rise. As rates of disability increase with age we anticipate an increase in residents who are disabled and a resultant rise in the number of carers. 17.5% of residents are aged 0-15. 49.3% of residents are male and 50.8% female (statistics round hence slight discrepancy).

The 2001 census only identified 1.1% of our residents as belonging to non-white ethnic groups. The white British residents numbered 552,039 and those from other white groups numbered 8,527. 1,613 residents were of Asian ethnicity and 665 of Black ethnicity. This can make it quite difficult for us to identify and support these residents, who may be isolated within the majority white population.

Also in the 2001 census a majority of residents, 80.3%, identified as Christian. The second largest group was those with no religion, 11.96%, followed by those who did not state a religion, 6.97%. Muslims accounted for 0.18%, Buddhists 0.16%, Hindus 0.11%, Jews 0.1%, Sikhs 0.02%. Other religions accounted for 0.19%.

In the 2008 Place Survey 74.3% of respondents believed that local public services treat all types of people fairly. Whilst this figure is above the national (70.8%) and Regional (68.3%) responses there is plenty of room for improvement. In the same survey 79.6% of North Yorkshire respondents said that they had been treated with respect and consideration by their local public services in the last year. Again the figure was higher than the figure for England (72.4%) or for Yorkshire and Humber Region (70.9%). 80.7% said that their local area is a place where people of different backgrounds get on well together (76.4% England; 71.6% Yorkshire and Humber). However, 20.45 thought that there was a problem with people not treating each other with respect and consideration in their local area (31.2% England; 32.5% Yorkshire and Humber).

The economy is very varied. Generally, unemployment is low, and labour market participation rates high. Small businesses dominate with 85% of businesses employing fewer than 10 people. There are high levels of self employment. In the private sector, tourism (around 12% of the workforce) and agriculture (around 3%) are very significant - particularly in the rural uplands where they account for as much as 50% of the workforce.

People in North Yorkshire are strongly in touch with the rural nature of the county. The largest segments of the population identified by the Personix Geo classification system are 'Country Pursuits', 'Wildlife and the Environment', 'Retired and Rural' and 'Rural Connections', all at around 3 times the proportions seen in the national population.

Our employees

Employee data from 2008/09 indicates a large male:female imbalance with 81% of employees being female and 19% male.

The 2001 census found that 1.12% of our economically active population were from Black and Minority Ethnic backgrounds and this group were slightly under-represented in the workforce at 1.02% of employees. The % for BME and white other employees is 2.91%.

1.48% of the workforce in 2008/09 were disabled, a very small decrease on previous years.

We have limited data on the use of services or make-up of our workforce by sexual orientation. We have tended to focus in the past on collecting data relating to age, disability and gender. Based on the estimate that 6% of the population are likely to be gay or lesbian we would assume the same level within our population and would hope for that proportion to be reflected across our workforce. We have the facility to request equality information across all protected characteristics from respondents to consultations etc and guidance is available on our intranet to help staff decide what data is relevant to

2.3 Are there areas where we need more information? How could we get this information?

What data is available? Do other directorates, partners or other organisations hold relevant information? Is there relevant information held corporately e.g. compliments and complaints? Are there national datasets that would be useful? Is there relevant census data? Do you need to collect more data? How could you do this?

<p>Do you need to do more engagement work to inform this impact assessment? Have you identified information in other sections of this EIA that you need to assess the impact on different groups of people? What do you want to find out? Which existing mechanisms can you use to get this information?</p> <p>Please refer to the Community Engagement toolkit on the NYCC intranet</p>	<p>their service and therefore appropriate to collect.</p> <p>We have not collected information relating to gender reassignment to date and would wish to be careful about our approach to this topic given the small numbers of people within this group and the consequent risk of data being used to identify them. As above our first stages will be to draw conclusions from national data.</p> <p>Information was acquired through our consultation process (see 2.1).</p>
<p>2.4 How will you monitor progress on your policy/service, or take-up of your service?</p> <p>What monitoring techniques would be most effective? What performance indicators or targets would be used to monitor the effectiveness of the policy/service? How often does the policy/service need to be reviewed? Who would be responsible for this?</p>	<p>As our approach is to embed procedures and processes to support equality and diversity outcomes into normal working practice we will monitor adherence to the policy through our management and democratic structures.</p>

3. Assessing the Impact

Please consider issues around impacts (positive or negative) raised for **all protected characteristics** and show your evidence.

<p>3.1 Has an adverse impact been identified for one or more groups?</p> <p>Has this assessment shown anything in the policy, plan or service that results in (or has the potential for) disadvantage or discrimination towards people of different groups? Which groups?</p> <p>Do some needs/ priorities 'miss out' because they are a minority not the majority? Is there a better way to provide the service to all sections of the community?</p>	<p>No adverse impacts identified. A suggestion to make our commitment to disabled people more visible has been incorporated into the policy statement.</p>
<p>3.2 How could the policy be changed to remove the impact?</p>	<p>A suggestion to make our commitment to disabled people more visible has been incorporated into the policy statement.</p>

Which options have been considered? What option has been chosen?	
3.3 Can any adverse impact be justified? If the adverse impact will remain, can this be justified in relation to the wider aims of the policy or on the grounds of promoting equality of opportunity for one target group?	Not applicable.
Please seek legal advice on whether this can be justified.	
3.4 Are you planning to consult people on the outcome of this impact assessment? When and how will you do this? How will you incorporate your findings into the policy?	Consultation took place on the policy, which was accompanied by a draft EIA, from 1 st August to 4 th November 2011. No comments were made about the EIA. This completed EIA reflects the limited feedback from our consultation and will accompany the policy when it goes to the council's executive and then full council for approval.
3.5 How does the service/policy promote equality of opportunity and outcome? Does the new/revised policy/service improve access to services? Are resources focused on addressing differences in outcomes?	The policy seeks to make clear to members, staff and customers the approach of North Yorkshire County Council to meeting its legal obligations to people with protected characteristics and to promote good relations amongst our diverse communities whilst acknowledging that everyone is an individual.

Action Plan					
What are you trying to change (outcome)?	Action	Officer responsible	Deadline	Other plans this action is referenced in (e.g. Service Performance Plan, work plan)	Performance monitoring
Ensure Policy Statement informed by public	Consultation Process (August – November 2011)	Tom Jenkinson	1/8/2011 (start)	Corporate Equality & Engagement Group	Completed.

consultation. Executive Approval	Policy statement to Executive	Tom Jenkinson	8/12/2011	Workplan. Council Forward Plan
Council Approval	Policy Statement to go to Full Council	Tom Jenkinson	15/2/2012	Council Forward Plan

Improvement and Integration

North Yorkshire's Strategy for Special Educational Needs and Disability

2011-14

Contents

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1. Introduction

All children and young people deserve a fair start in life, opportunities which help them to meet their aspirations and to become independent and fulfilled as they move into adulthood. This strategy is about what we will do in North Yorkshire to provide additional help and support to children and young people who have special educational needs or who are disabled. It is also about support for their families, where this is needed.

There are many success stories in North Yorkshire where provision for children with additional learning and complex needs are concerned. Our special schools and children's resource centres are highly regarded by Ofsted. We have put in place a new pattern of specialist support and outreach to our mainstream schools, in which there has been significant involvement. There has also been sustained additional investment over several years in the level of support provided in statements of special educational needs. Significant improvements have been made in arrangements for transition to adult services. We have a good and businesslike relationship with Partnership, Advocacy, Co-operation and Teamwork (PACT), the group which represents parents and we are developing our approach to listening to young people through the Flying High Group; we have skilled and committed staff in our schools and settings, disabled children's teams, residential and outreach staff in children's resource centres and local authority services for children with special educational needs.

There is, of course, always more to be done so that whilst this strategy is about maintaining and protecting what is already established, it is mainly about improvement. That is, quite simply, what we are here to achieve, working with partners and listening carefully to parents and children and young people as we set about the job of designing appropriate pathways.

We want to:

- improve the confidence of parents in our schools and settings to help their children to learn and achieve;
- help parents to have greater influence and say in the type of provision which is made for them;
- make further significant improvements in transition and progression arrangements to help prepare our young people with disabilities for adulthood.
- improve the integration of services and planning for children so that the world is more 'joined up' for parents and needs are identified and assessed as soon as possible
- continue to improve all aspects of provision including Short Breaks, transition support, specialist support in schools and other services to enhance local access to opportunities.
- continue to improve the quality of all aspects of our practice, whether in the classroom, care setting or in assessment

The Local Authority cannot achieve this alone. Crucially, we will draw on the knowledge and understanding of parents when planning or reviewing services or assessing and making provision for their children.

Working together with services provided by Health and the Voluntary and Community Sector is also vital to making improvements. This is why the Children's Trust Board has committed to a Change and Integration Programme for Special Education Needs and Disability as one of its key priorities. It is closely aligned to the proposals in central government's Green Paper 'Support and aspiration: A new approach to special educational needs and disability.'

There is no escaping the fact that all our services must achieve efficiencies and contribute to the savings targets in our medium term financial strategy. That is not incompatible with making improvements and the emphasis in the strategy on service integration is key to this.

We continue to be ambitious and will test our progress against a published performance framework so that we can all see how we are doing.

Cynthia Welbourn
Corporate Director – Children and Young
People's Service

Carl Les
Lead Executive Member for Children's Services

Scope of the Strategy

This strategy is for all children and young people 0-25 who have special educational needs and those to age 18 who require Short Breaks or other significant personal or family support.

Some children and young people will need excellent classroom practice and skilled teachers', some will benefit from additional specialist support from outreach services or the provision of specialist equipment; some will need high levels of personal care and their families may benefit from Short Breaks; others will progress into adulthood requiring additional support during transition to adult services.

A complementary strategy will be prepared for those children and young people whose primary need is behaviour, emotional and social difficulties.

The Council's vision and strategy for adults with learning disabilities 2011-16 is contained in the document 'Moving on with Valuing People Now' and 'Valuing Employment Now' in North Yorkshire. This can be provided by contacting Support Officers, Health and Adult Services, NYCC, Northallerton, DL7 8DD. Tel: 01609-798830 or 01609-533529.
Email: adultsocialcarerevision@northyorks.gov.uk.

2. SEND Policy Framework

National Context

The Government set out in the **Coalition Agreement**¹ a series of public sector reforms relating to special educational needs and disability in June 2010. These include:

- “improvement in diagnostic assessment for school children,
- prevention of the unnecessary closure of special schools, and removal of the bias towards inclusion.
- Extending the greater roll-out of personal budgets to give people and their carers more control and purchasing power”.

These reforms have been outlined in the recent **Green Paper ‘Support and Aspiration: A new approach to special educational needs and disability’**². The Green Paper outlines changes in five key areas:

a) Early identification and Assessment

- including a new two-year old development check and reform of the statementing system to a new integrated ‘education, health and care plan’.

b) Giving Parents Control

- including the option of personal budgets by 2014, increased transparency on services and entitlements and increasing the range of parental preference in school choice.

c) Learning and Achieving

- Reform of the special educational needs system, encouragement for special schools to become academies and the ability of parents to take over special schools earmarked for closure as ‘free schools’.

d) Preparing for Adulthood

- improved options for post-16 education and training, increased opportunities for paid work and improved transitions between children’s and adult health services.

e) Services working together for families

- Strategic planning and commissioning role for local authorities, reform of funding arrangements and increased opportunities for frontline staff and the voluntary and community sector to run public services.

The Government is also reforming the process for post-19 educational support and provision, with local authorities anticipated to take on the responsibility for post-19 educational funding in 2013-2014.

The Council has responded to the various central government consultation proposals on changes to funding. Once the outcome of the consultations is known, the Local Authority will need to consider the policy, practice and financial implications of the changes and reflect them as far as possible in the delivery of this Strategy.

The national policy context for special educational needs and disability is changing and it is important that North Yorkshire responds constructively to the challenges that this will bring. It will have to do so

¹ Cabinet Office <http://www.cabinetoffice.gov.uk/news/coalition-documents>

² Department for Education www.dfe.gov.uk

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however in the financial context outlined by the **Coalition's Spending Review 2010** which requires reductions in public sector finance of an unprecedented scale. Budget reductions for local authorities between 2011/12 and 2014/15 are large and front loaded. Budgets for schools, which include SEN resources, are also reducing in real terms. Implementation of the strategy must, therefore, contribute to efficiencies and cannot presume increased resources.

The local context

The Council Plan for North Yorkshire 2011-14 sets the vision and priorities for our overall purpose and work. The Council plan has six aims to improve the lives of North Yorkshire residents:

- ensure good access for all;
- help people to live in safe communities;
- help all children and young people to develop their full potential;
- promote a flourishing economy;
- maintain and enhance our environment and heritage; and
- improve health and wellbeing and give people effective support when they need it

For the next three years, the Council will prioritise four areas of service delivery:

1. Protecting and supporting vulnerable people;
2. Supporting economic growth and employment;
3. Improving accessibility for all our communities and supporting active communities; and
4. Managing our environment and promoting environmental sustainability.

The Children and Young People's Plan (CYPP) 2011-14 provides details how the North Yorkshire Children and Young People's Service will deliver on the priorities for children and families.

The CYPP 2011-14 sets out a commitment that all children and young people should be supported to:

- Succeed in good schools and other settings.
- Lead healthy lifestyles and have good health care.
- Be kept safe and protected from harm.
- Make positive choices for personal responsibility.
- Be economically secure.

Children with special educational needs and/or a disability (SEND) are a priority for the Children and Young People's Service. The CYPP sets out the commitment to service reform for children with SEND, to deliver improved outcomes through better integration across disciplines.

Further key plans and strategies that influence the development of services and provision for children with SEND are:

The Children and Young People's Service Savings and Transformation Strategy sets out the financial strategy for achieving spending reductions across the Children and Young People's Service from 2010-15.

The Short Breaks Statement sets out the local offer for short breaks and how to access short breaks services.

The SEN and Behaviour Review 2006 established changes to the pattern of special educational needs and behaviour services across North Yorkshire. This strategy builds upon that work.

Legislation and Statutory Guidance

The Strategy for SEND is underpinned by legislation and our aims and principles have regard to the authority's duties. In developing this strategy and supporting work, we have taken account of:

- The Children Act 1989
- The Education Act 1996
- The SEN and Disability Act 2001
- The SEN Regulations 2001
- The SEN Code of Practice (2001)
- The Disability Rights Commission Code of Practice for Schools (2002)
- The Children Act 2004
- The Education and Inspections Act 2006
- The Education and Skills Act 2008
- The Apprenticeships, Skills, Children and Learning Act (2009)
- The Breaks for Carers of Disabled Children Regulations 2010
- The Equality Act 2010
- The Green Paper 'Support and Aspiration: A new approach to special educational needs and disability' (2011)
- Framework for the assessment of children in need and their families (Department of Health April 2000)
- Short Breaks Statutory guidance on how to safeguard and promote the welfare of disabled children using short breaks (2010)
- The Children Act 1989 Guidance and Regulations Volume 2: Care Planning, Placement and Case Review (DCSF 2011).

3. Aims and Principles

We seek to:

- Promote positive outcomes for young people with SEND.
- Enable families to stay together through access to local services, settings and support.
- Provide earlier, better integrated support for families.
- Promote active engagement of children, young people and their families in shaping services.
- Prepare young people well for future life.
- Be effective, efficient and sustainable.
- Link what we do in communities so these children can be part of where they live.

The following high level principles have informed the proposals for change. They are intended as general principles to inform decisions and ways of working:

1. Keeping the child and family at the centre of our work.
2. So far as is reasonable and practicable, the preferences of the parents or young person should be followed in decisions on service provision, giving greater control and influence.
3. Integrating our approach to assessment and decision making at key points in a child's life, with shared standards and core competencies for staff.
4. Ensuring interfaces with partner agencies are managed to improve the experience for families.
5. Ensuring our services provide the best value for money through being both effective and efficient.
6. Take full account of legislation, national policy and evidence-based practice in shaping services and decision-making around individuals.

4. Current provision and reasons for change

The North Yorkshire County Council's Children and Young People's Service is committed to improving outcomes for all North Yorkshire children and young people. We have reviewed our data and the feedback from parents and children and young people to help inform our strategy and proposals for change.

Current provision and trends

The recent Green Paper 'Support and Aspiration: A new approach to special educational needs and disability' highlights that, although the proportion of pupils with a statement has remained stable over time, there has been a sharp rise in the number of pupils with SEN without a statement in the period 1995 to 2010.

This national trend has not been mirrored in North Yorkshire with both the number and proportion of SEN pupils without a statement falling from January 2000 to January 2010. This in part reflects the strategic decision made in 2004 in North Yorkshire to delegate to a high level resources to SEN statements which makes increased demand additionally difficult. However, this high-level analysis does not draw attention to increases in the number of North Yorkshire pupils with SEN within specific groups and the challenges these emerging trends will pose in the future.

Requests for statutory assessment (RSA) submitted to the Local Authority have almost doubled from 113 in the financial year 2003/04 to 204 in 2010/11. Coupled with an increase in RSA volume there has been a sustained increase in the number of new statements issued.

Nationally, there has been a marked increase in certain primary need types of SEN in recent years. For example, the number of pupils with speech, language and communication needs (SLCN) has increased by 58 %, to 113,000 pupils; and the number of children with Autism has increased by 61 %, to 56,000 pupils.

Following national trends, the number of SEN pupils with a primary need of Autism or SLCN in North Yorkshire is rising. Autism is now the most common primary need among pupils with a statement in North Yorkshire, with 350 statements maintained by the Authority³. This represents an increase of 20% on 2008 data and trend analysis indicates this will continue to rise. The number of pupils at School Action Plus (SAP) has increased by 54% over the last four years to a peak of 167 recorded in January 2011. Although the number of pupils with a statement for SLCN is stable, the number of pupils at SAP has risen substantially in the last four years. The % of children with sensory or physical needs has remained steady, with those with hearing impairments (HI) accounting for around 3% of the statemented population and 2.73% of the SAP cohort. There has been an increase in the number of statements for visual impairment.

The cases open to the Disabled Children's social care team remain comparatively stable. Short breaks cases have increased with the recent pathfinder. The numbers of Child Protection Plans and Looked After Children (LAC) for those with disabilities are generally static, although a slight increase in LAC has been noted in line with the general county and national rise. The disabled LAC cohort is predominantly older children (aged 11 upwards). This can often be linked to the increasing size of the child which challenges parents' physical ability to manage their child. In some cases it is the disabled child's behaviour which is the challenge.

These trends point to a future in which:

³ As at 1 April 2011

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- more pupils aged between 5 and 10 years old receive a statement than in the previous decade;
- more pupils will be diagnosed with Autistic Spectrum Disorder or Speech, Language and Communication Needs;
- more pupils will require additional support from the Authority and for longer than in the previous decade;
- there is likely to be an increase in demand for Short Breaks provision to provide social and leisure opportunities for children and a break from caring responsibilities for families.

Local provision

North Yorkshire is committed to developing local provision for children and young people with SEND to keep families together and enable children and young people to grow up in their local communities.

There have been significant developments in local specialist provision following the implementation of the SEN and Behaviour Review, which changed the pattern of educational provision, and through the Short Breaks Pathfinder which increased the range and accessibility of short breaks for disabled children and their families. A further area of development is increasing local provision for post-16 education in the County, with more flexible and personalised packages of support to access local colleges and workplace providers.

This strategy seeks to build upon these developments to further develop provision and opportunity which will enable children and young people with SEND to more easily access community services, such as children's centres, youth clubs and outdoor education. In addition to this we aim to review our specialist residential provision, to ensure it remains fit for purpose and helps keep families together.

It is important that we retain a County-wide approach to provision, as children and young people with SEND are distributed across the County and require access to services across large rural areas and in urban centres.

Consultations and Performance

It is fundamental that children and young people with SEN and/or disabilities and their families have the opportunity to influence and shape the services they receive. As part of the SEND change and integration programme, a communications strategy and action plan has been developed to ensure key stakeholders are engaged in the change programme and developments regarding the change programme are communicated effectively to all concerned.

Extensive consultation was undertaken on the draft strategy during Autumn 2011, including 15 public meetings for parents/carers. The key areas requiring development and improvement which were identified are:

- communication in individual cases and when planning changes to policies or provision;
- transition planning;
- ensuring that systems are working to support and challenge schools and other universal settings;
- personal budgets;
- issues relating to the integration of services;
- transport;
- the provision of Short Breaks;
- funding and Performance Management of the Strategy;
- Health related issues.

The draft strategy has been amended in places to acknowledge the concerns which were raised and specific actions will be set out in the development plan.

These consultations, in addition to internal reviews, performance monitoring and quality assurance procedures, have been important in identifying the areas where we perform well and areas where we can improve.

What we need to protect

The Short Breaks Pathfinder has significantly increased access to short breaks. Short Breaks enable families, to have a break in their caring arrangements. This can be to provide social or leisure opportunities for the child or young person, respite for the family, support to siblings or to help parents' access training and employment. The number of children's needs met through Short Breaks has increased year-on-year to 607 in 2010/11 (from 432 in 2008-9) and the number of Short Break nights through residential care has also risen every year since 2008-9 (from 3441 nights in 2008/09 to 3713 nights in 2010/11)⁴. The full short breaks offer was completed in September 2010 and a full evaluation report has been completed to inform future pathfinder projects and to embed short breaks practice for the longer term. Additionally, Training Education for Short Break Services (TESS) is now operational, further enabling children with health needs to access short break activities.

A complete review of provision for special educational needs and behaviour was undertaken in 2006. Significant improvements have since been made in the range and availability of local specialist support to mainstream schools. This has been achieved through the opening of 25 Enhanced Mainstream Schools (EMS) and the continued development of support and outreach from North Yorkshire's special schools. The EMS deliver support to schools in their localities to help them to better meet the needs of individual pupils referred to the EMS. This has included working alongside Head teachers, SENCOs, class teachers and teaching assistants to develop the provision a school is able to offer. In some cases, EMS are also providing support to pupils already on their own school roll, or who have been admitted to the EMS following review.

The 2006 review envisioned a rationalisation of North Yorkshire's special schools for SEN so that, over a period there would be 5 instead of the current 8. It has not proved possible to proceed with this phase of delivery mainly because of the reduction in the availability to the Council of the necessary capital which would need to be invested. Nevertheless, North Yorkshire's special schools continue to be highly regarded with all of them judged by Ofsted as satisfactory or above with 91% good or outstanding.

North Yorkshire's three Children's Resource Centres which provide care for disabled children are high quality, well regarded and assessed by Ofsted as at least satisfactory and one as outstanding.

Service improvements include year nine transition review meetings, where parents are now invited to attend alongside their child, Connexions and health representatives and school SENCOs, and improved parental involvement within the Early Support programme. Additionally, trials of a new format for Pupil Centred planning meetings have been undertaken in our special schools, to give a more holistic view of the young person and provide a greater voice for users of the services.

The Flying High Group are a group of young adults between the ages of 16 and 25 who have extra support needs or disabilities. The group was created in 2008 and set about consulting with young people with similar needs. The Flying High Group has undertaken a number of important pieces of work, ensuring a voice is given to young people with disabilities across North Yorkshire.

The group has undertaken consultation work with a number of schools regarding leisure opportunities and the support required in order for young people with SEN and/or disabilities to access these services.

⁴ Performance & Outcomes: CYP Annual Review 2010-11

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As a result of these consultations a number of new activities have been put in place, reflecting the views of the young people who took part in the consultation.

Teachers have identified members of the Flying High Group as excellent role models for school pupils, encouraging them to participate and voice their opinions. The Flying High Group receives support funding through CYPS, which has been secured to 2014, ensuring it can continue to meet and act as a key young people's participation steering group, providing a direct input in shaping North Yorkshire SEND services.

Why we need to change

North Yorkshire is ambitious for all its children and young people. Working together across agencies, we aim to support a happy, healthy and nurturing childhood and enable the best possible life opportunities for young people. Children and young people with SEND face additional challenges to their peers in their childhood and adolescence, which can impact on their outcomes.

From our data analysis we know that:

- Children with SEND can have poorer outcomes; for example nationally children in the care system are 3 ½ times more likely to have SEN than the whole child population
- There is a significant gap in educational performance locally, and nationally, between children with SEN and their non-disabled peers
- Young people with SEND are less likely to stay in full time education after Year 11 and are more likely to not be in education, employment or training by the age of 18, than their non-disabled peers
- Children and young people with SEND are more likely to have low self-esteem and locally report higher rates of bullying than their non-disabled peers
- Children and young people with SEND are more likely to require free schools meals, indicating lower levels of family income.

While much has been done to improve local provision and experience for children and young people with SEND and their families, this hasn't translated into improved outcomes for them in many instances.

In general terms, parental satisfaction for services is lower for parents with children with SEN and/or disabilities when compared to the whole parent cohort. The consultation on the draft SEND strategy⁵ identified key areas for development or improvement. These are:

With reference to childcare, disparities are evident between parents of children with SEND compared with the whole parent cohort, expressing lower satisfaction with the standard (65% compared with 85% overall), location (47% compared with 82% overall), value for money of childcare (53% compared with 72% overall) and the extent to which childcare met the child's needs (54% compared with 80% overall)⁶. Furthermore, satisfaction levels were lower for parents of children with SEND regarding the accessibility of information about services (60% compared to 69% overall) and the work done to prepare pupils for employment or further training (76% compared to 80% overall)⁷. Difficulties with transport are also a key issue for both young people and parents in order to access SEND services.

We want to improve life chances and opportunities for children and young people with SEND, and ensure children and young people with SEND are not at risk of poorer outcomes when compared with their non-SEND peers. Without reforming our approach to services for SEND within the Children and Young People's Service and providing a clear pathway for families and reducing opportunities for

⁵ Feedback from consultation held in autumn 2011

⁶ 2011 Childcare Sufficiency Audit.

⁷ 2010 CYPP Parents Survey

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duplication, it will be difficult to achieve the improvements we want for families in North Yorkshire in a period of financial challenge.

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5. Proposals for change

Focus Area 1: Integrated Assessment and Decision Making

Early identification of needs and effective, holistic assessment provide the best mechanisms to ensure children get the right support they need at the earliest opportunity. This can provide both a better experience for families and crucially enable children to fulfil their potential. We are committed to implementing an integrated approach to assessment and decision-taking across different service specialisms. This will reduce the number of assessments families have to experience through improved information sharing and decisions based upon a better understanding of all the factors in a child's life.

North Yorkshire has been successful in becoming a national pathfinder for the new 'Education, Health and Care Plan' and will focus on improved early identification and integrated assessment through Early Support and transition to adulthood.

To achieve these outcomes, we will change the way we work in the Children and Young People's Service. An integrated service for children with SEND will be developed to provide leadership, accountability, efficiency and direction for the local authority's duties in relation to provision for children with SEND.

We will continue to develop and embed the Early Support programme for children with complex needs and to promote the Key Worker concept so that support to parents is integrated.

Focus Area 2: Giving Parents Greater Control

Information and support

Young people and parents have reported that they find it difficult to access information about our services and the range of opportunities and support available to their children. To improve our information services for children and young people with SEN we are reviewing all published information, our SEND website pages and service directories to ensure that families can access the most up-to-date information when they need it.

Increasing engagement and participation in planning services

We are committed to involving service users and their families in designing and shaping the services available to them locally. Involving people in the services they use allows the services to be more responsive, better focussed and can improve the experience for service users.

This Strategy seeks to build on developing good practice to enhance participation through:

- increasing opportunities for capturing feedback on services and making greater use of feedback in designing or re-shaping services;
- securing the role of the Flying High group and PACT as representative groups for strategy work and consultation;
- ensuring specialist consultation and engagement activity is linked to other universal mechanisms, such as the youth councils;
- embedding person-centred approaches through assessment and decision making.

Personalised approaches

The Green Paper sets out a commitment to tailor services to the individual and give greater control to families through the use of Personal Budgets by 2014. Personal Budgets will allow families to choose how resources are spent; allowing them to choose alternative provision and not just Council services. Families who receive a service from disabled children's social care can already access 'direct payments', which give parents the equivalent cost of in-house Council services to allow them to purchase alternative care. The Green Paper seeks to expand this through personal budgets to include some aspects of education and health services.

A personalisation strategy for North Yorkshire will be developed to enable families to have greater choice and control in the services their children and young people receive. This work will be informed by the national SEND Pathfinders, including North Yorkshire's, which will test the scope and practicalities relating to Personal Budgets over the next two years.

A significant issue to address will be the availability and quality of provision in all parts of the county for parents to purchase.

Focus Area 3: Enhancing Local Provision

Learning and Achieving

Supporting children with all levels of SEN in Early Years settings and at school

Ensuring that all children have access to high quality provision in their local school or Early Years setting is a key priority of this strategy. All schools and settings should:

- ensure that a key focus of improvement is to develop good, inclusive universal provision to meet a broad range of needs within the classroom;
- seek to develop personalised provision to meet the more complex needs of some children and young people
- maintain high expectations for all children and young people and support them where possible to 'catch up' to age related expectations;
- provide supportive and targeted intervention where appropriate to ensure that all children make good progress;
- liaise closely with parents and pupils when developing provision;
- liaise closely with other agencies where appropriate to identify need earlier;
- support successful transition to and between schools by developing inclusion passports.

The Local Authority will support and challenge Early Years settings and schools to continually improve the quality and range of provision, so that more children, with a broader range of needs, can make good progress alongside their peers and so that attainment gaps are narrowed

Support and Outreach

Our special schools continue to play a key role in delivering support and outreach to mainstream schools for Severe Learning Difficulties and for Autism. Additionally they are key partners in helping to integrate services and to bring information together, for instance in developing approaches to meeting the needs of children and young people with Complex Learning Difficulties and Disabilities and in taking forward the Learning for Living and Work Framework which will be at the heart of transitions to Post 16 provision.

The SEND support and outreach service will continue to enhance its programme of professional development for schools, settings and the wider workforce. The majority of the training is available free at the point of delivery for all North Yorkshire maintained schools. Opportunities include:

- A programme of universal training, support and development at whole school level for meeting the needs of children and young people with SEND in mainstream schools.
- A programme of specific SEND training at enhanced, specialist and extension levels aimed at further developing specialist knowledge, skills and competence.
- Specialist courses and conferences delivered by experts in more in-depth, specialist aspects of SEND.

The training delivered will be closely matched to the needs of schools identified through the school's development plan and/or the needs of individuals identified through performance management. Opportunities will also be made to support parents and carers and voluntary sector organisations with up-to-date training and information on best practice approaches.

A suite of strategies will be developed to meet the needs of children and young people with Autism, Speech, Language and Communication and Specific Learning Difficulties.

The Authority will use its system of monitoring, challenge and support of settings and schools actively to promote this agenda.

Specialist Provision

The Green Paper makes clear that local authorities, working with partners, will remain responsible for securing a range of high quality provision for children and young people with special educational needs or who are disabled, and for strategic planning for services that meet the needs of local communities.

It will not be possible during the lifetime of this Strategy, and bearing in mind the absence of the significant capital which would be required, to remodel or replace our special school stock. If this becomes a realistic possibility in the future then a significant piece of strategic work would be required including extensive consultation.

Our approach will be:

- to continue to make important improvements to special schools where practicable (e.g. since 2008, the development of Spring Forest Sixth Form at Springwater School, Harrogate; additional classroom provision at The Dales School, Morton on Swale; improvements at Springhead School, Scarborough)
- actively encourage local special schools to collaborate to achieve efficiencies and improvements to provision
- to take account of the Residential Review which might provide opportunities for local developments involving education, care and health provision.

Any initiatives or suggestions for development which come forward from special schools (e.g. to extend their purpose or age range) will need to be considered in a county wide and local strategic context.

Short Breaks for Families

Local authorities have a duty to provide Short Breaks, and are required to publish a 'Short Breaks Statement' to set out the short breaks available to families in the local area and how they can be accessed. North Yorkshire has developed a wide-range of short break activities over the last three

years, and the statement sets out the commitment to continue to deliver these breaks for families. The Short Breaks Statement can be found at: <http://www.northyorks.gov.uk/index.aspx?articleid=2926>

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Access to social and leisure activities

The Short Breaks Pathfinder has provided a strong foundation for improving access to local provision, with investment in equipment and training to help young people access services. During 2011-14, we will seek to improve access to local community services, such as children's centres, leisure facilities and youth clubs to enable children and young people with SEND to use local services and remain in their community for social and leisure activities. This will require accessibility audits and further investment in equipment and infrastructure over the coming years.

Focus Area 4: Preparing for Adulthood

Making the transition from childhood, through adolescence and into adulthood is challenging for any young person. Young people with SEND can face significant additional barriers, including a lack of local post-16 or post-19 learning opportunities, limited access to paid work and changes to health and care provision. This period of time, often referred to as 'Transition' can be both daunting and frustrating for young people and their parents.

Significant work has been done over the past three years, through the Transitions Support Programme, to develop systems which will improve the experience of young people in North Yorkshire but there is much more to do. This focus area will include:

- Improving local provision for post-16 learning opportunities, including the development of flexible and personalised packages of support to continue in education or training.
- Integrated and person-centred assessment approaches through the transition period, using the Learning for Living and Work Framework.
- Close working with colleagues in Health and Adult Services and with NHS health providers and commissioners to improve the pathway from children's services to adult services.
- Improving information, advice and support to families.

Focus Area 5: Integration – working better together

At a strategic level we will develop planning and commissioning arrangements with the new Clinical Commissioning Groups and the Health and Wellbeing Board. We will actively engage with partner agencies when developing strategies to meet need e.g the Autism strategy.

At service level we will review and align existing functional teams (e.g. social care and educational assessment) into a single service to provide one point of contact for families and agencies.

The new service will be modelled on the child and family's journey, with a clear pathway through our service, based on key points in a child's life, for example identification of additional needs, starting school, moving to secondary school and moving on into adulthood. The premise of the new service is to provide support for children to enjoy childhood, fulfil their potential and grow up prepared for adulthood.

The new service will include a range of SEND functions to enable children and young people to enjoy their childhood and fulfil their potential:

- Commissioning for Portage/ early years support
- Special Education Needs assessment & commissioning
- Commissioning of inclusive local/ community provision
- Assessment & commissioning of respite care/ short breaks for families

- Assessment & commissioning of placements in post-16 education.

The reformed service will be responsible for:

- a) Undertaking, and maintaining, a needs assessment, to ensure all service planning and decision-making is based upon a rigorous understanding of need and provision and is transparent.
- b) Commissioning the required services on the basis of the needs assessment, in line with legislative and regulatory responsibilities and to reduce out of county placements.
- c) Enhancing access to provision at the universal and targeted levels.
- d) Reengineering processes and structures at the complex and acute levels to provide a clear pathway for families.
- e) Embedding an integrated assessment framework across service provision.
- f) Providing quality assurance on assessments, decision-making and placements.
- g) Supporting the transition process to adulthood.
- h) Ensuring user voice informs all decisions on care planning and service developments.
- i) Standardised communication and publication for all services relating to children with SEND.
- j) Streamlining policies across the children and young people's service.
- k) Performance management of the assessment processes and service provision for children and young people with SEND.

6. Implementation and Delivery

Change and Integration Programme

The SEND Change and Integration Programme has been established to deliver the SEND Strategy.

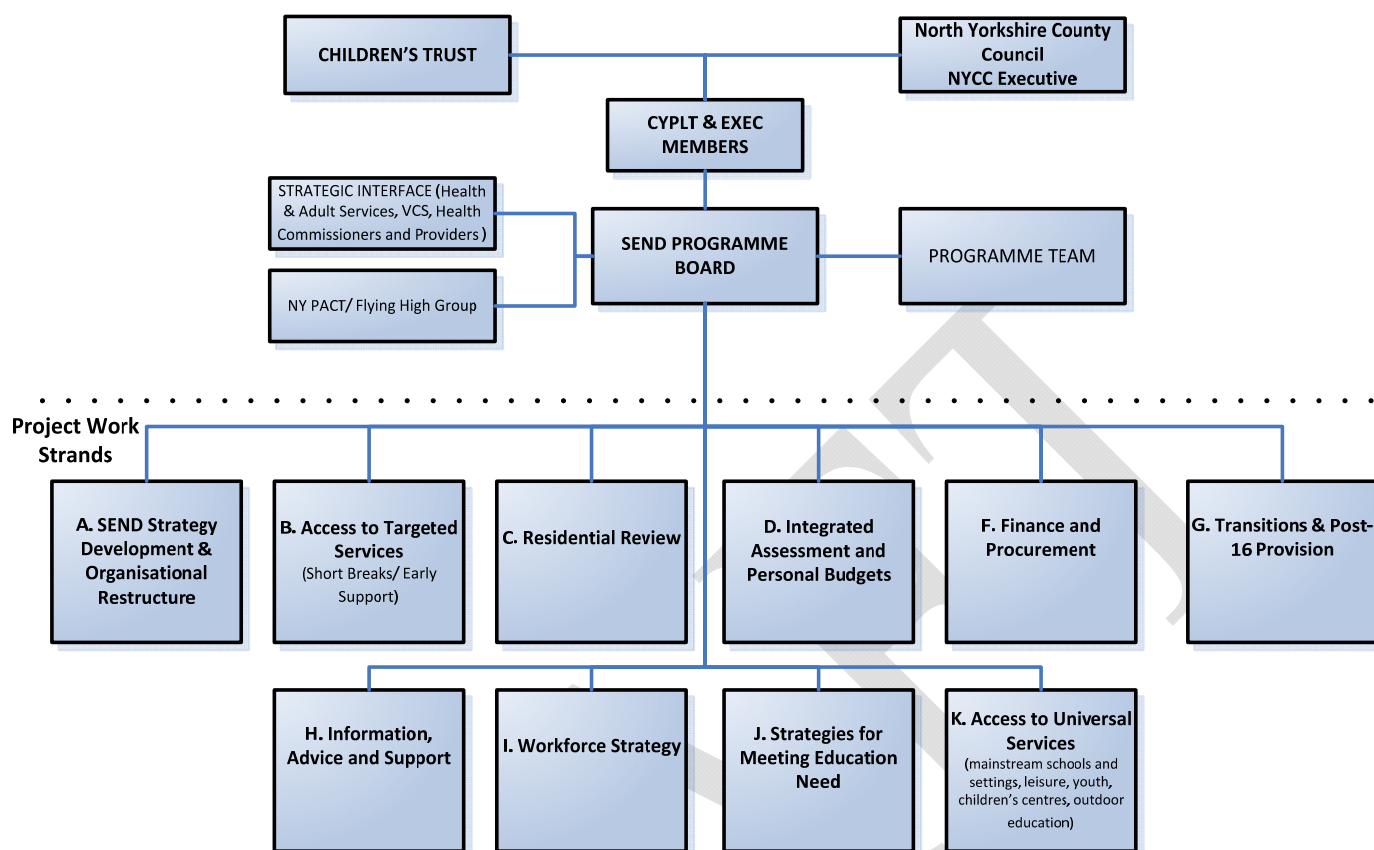
The programme is led by the Assistant Director, Access and Inclusion, supported by a programme team and board, which is a sub-group of the Children's Trust. It comprises senior managers from all service disciplines, Health and Adult Services and PCT commissioners for children.

The Board oversees the delivery of work-strands, each of which is responsible for delivering on the priorities within the strategy. The work strands are each led by a senior manager within the Children and Young People's Service and comprise representatives from disability services, SEN services, health and other relevant colleagues. The strategic linkages to the work strands is shown, below.

Aims for the Strategy	Workstrand	Focus Area Link
Promote positive outcomes for young people with SEND.	Strategy Development	5 Integration
Provide earlier, better integrated support for families.	Integrated Assessment	1 Integrated assessment and decision making
Enable families to stay together through access to local services and settings and support within inclusive communities.	Access to Universal Services Access to Targeted Services (Short breaks/ Early Support) Residential Review Strategies for Educational Need	3 Enhanced local provision
Promote active engagement of children, young people and their families in shaping services.	Personalisation Communication Review	2 Giving Parents Greater Control
Prepare young people well for future life.	Transitions and Post-16 Provision	4 Preparing for Adulthood
Be effective, efficient and sustainable.	Funding Organisational Review Workforce Development	5 Integration 3 Enhanced local provision

Full details of the leads for and remits of the work strands, the membership of each work strand and timescales for the work, as well as minutes of the Programme Board, can be found at on the North Yorkshire County Council intranet on <http://intranet/directorate/cyps/savings/SEND/Pages/Home.aspx> or contact send@northyorks.gov.uk

SEND CHANGE AND INTEGRATION PROGRAMME STRUCTURE



Engagement with Stakeholders

The SEND Change and Integration Programme is wide ranging and deals with complex areas of work. To help ensure that all stakeholders, such as parents, young people and staff who working with children with SEND, are aware of the changes and are kept up to date, there is a specific communications strategy for this work. This can be found at:

<http://intranet/directorate/cyps/savings/SEND/Pages/Home.aspx> or by contacting send@northyorks.gov.uk. This strategy and action plan outlines the main communication methods that will be used by the Programme Board and associated work strands.

It is very important that children, young people and parents have a voice and can influence the changes through this strategy. CYPS have committed to the ongoing support of the NY PACT parent's forum and the Flying High Group, of young disabled people to enable them to engage with this strategy and provide appropriate challenge.

Workforce Development

Ensuring that we have a high quality workforce is essential to providing good quality services. This is of particular importance for people working with children and young people with SEND. As services develop and change over the period of the strategy, and new ways of working are introduced, the workforce must be supported to adapt to the changes and learn new skills. To this end, there will be a dedicated workforce development strategy for SEND, seeking to recruit and attract excellent staff and setting out the core competencies for all people working with children and young people with SEND, and additional requirements for specialist services. A comprehensive training programme will be established to deliver this workforce strategy.

Safeguarding

The new integrated SEND service will give primacy to the safeguarding and protection from harm of this especially vulnerable group of children and young people. Procedures will be in place that ensure early identification and, where need or risk is identified ensure that the focus of the work is appropriate to the individual child and their journey from needing to receiving help, from entering to leaving the child protection system.

Information Sharing

Effective service provision relies on an organisation communicating and sharing information appropriately in order to ensure the right information is available to the right people at the right time, whilst maintaining an individual's privacy. As services integrate, information will be shared across service disciplines to support integrated assessment, joint planning and decision making. We recognise that it is vitally important that people remain confident that their personal information is kept safe and secure and that professionals maintain the privacy of the individual, whilst sharing information to deliver better services.

Information governance (IG) plays a key part in ensuring information is managed in a legal, secure, efficient and effective manner. IG also ensures compliance with the individual and social obligations the council has regarding all the information it holds. North Yorkshire County Council corporate IG policies and standards will be followed at all times to provide assurance to the council, its service users and other stakeholders that all information, including confidential and personal information, is dealt with in accordance with legislation and regulations, and that its confidentiality, integrity and availability is appropriately protected.

Risk Management

The management of risk is an ongoing activity throughout the SEND Change and Integration programme. As part of the risk management arrangements, a SEND project risk register has been developed in order to identify potential risks associated with the change programme. Additionally, detailed risk logs are also maintained in order to assess the probability of a risk occurring and the impact on the programme should the risk occur. The risk register and logs are reviewed and maintained on an ongoing basis, assisting in the measurement and evaluation of potential risks and capturing the actions being taken to mitigate against each risk.

Commissioning Arrangements

To improve local provision we need to have the right services in the right places. Understanding the need of the local area, the market and the existing provision available is very important to get the pattern of provision right for children and young people with SEND and their families. 'Commissioning' means planning services, based on need, procuring or providing those services and reviewing their effectiveness and value for money.

We will continue to promote a mixed economy of provision, and CYPS both directly provides some services using local authority staff, and commissions others to provide them on our behalf, for example through the voluntary sector. As we review the services available to children and young people with

SEND and their families, we will seek to ensure that services are as local as possible and that universal provision, for example children's centres, leisure activities and youth settings are accessible to disabled children.

In reviewing and redesigning services, key principles will inform our commissioning:

Services must, regardless of who they are delivered by:

- Deliver the appropriate support to help children fulfil their potential.
- Keep the child and family at the centre of our work.
- Safeguard children and young people.
- Be of high quality, demonstrated by evidence of impact.
- Provide the best value for money through being both effective and efficient.

Through the strategy will we endeavour to retain a mixed-economy of provision, including in-house council services and a range of voluntary, community, independent and/or private sector services to promote choice for families.

7. Accountability and Performance Framework

Accountability Framework

The local authority has an overall responsibility to ensure that the needs of children with SEND are met. This responsibility will be discharged through the Children and Young People's Service, and within it, the new SEND service. The Assistant Director for the new SEND service will hold management responsibility for the delivery of this strategy and the supporting work.

The North Yorkshire Children's Trust has prioritised the integration of services for children with SEND and as such will receive regular reports on progress.

Performance Management

The success of this strategy will be measured against the outcomes and aims we want to deliver. This will include reviewing:

- a) Delivery of the Change and Integration Programme within set timescales (progress)
- b) Improved performance against key performance indicators (impact/ process)
- c) Feedback from children, young people and families (impact)
- d) Achievement of financial savings (sustainability)

Performance management will follow the pathway for families to consider both the service response to families (e.g. how quickly children are assessed) and how effective the service has been at improving outcomes for families.

The performance indicators below will be used as one measure of performance.

Indicator	Baseline
Initial Assessments completed within timescales (Children in Need)	95.9%
Core Assessments completed within timescales	83.8%
The number of young people aged 19 to 25 with SEND undertaking Personalised Pathways	5
Young people with a statement of SEN who receive a s139a within timescales	100.0%
SEN Statements issued within 26 weeks (excluding exceptions)	100.0%
SEN Statements issued within 26 weeks (including exceptions)	89.4%
SEN Gap English and Maths at KS2	56.8% *
SEN Gap 5 A*-C GCSEs inc English and Maths	50.3% *
The % of pupils with SEND achieving 5+ A*-C GCSE including English and Maths	19.6%
The % of pupils with SEND achieving the English Baccalaureate at GCSE	2.6%
Average point score at A level for pupils with SEND (per candidate)	698
Average point score at A level for pupils with SEND (per entry)	201
% of young people with SEND who are NEET	9.3% *
% SEND pupils scoring in the highest bracket for self esteem scores	34.0%
% SEND pupils enjoying most of their lessons at school	61.0%
% of SEND pupils who think that the opinions of young people make a difference to decisions in school	65.0%

* where a low value is positive

Local Authority maintained schools are required to submit an annual return detailing how their resources for SEND are deployed. Information contained within the return is fed into a School Inclusion Profile. Where the school has identified estimated expenditure which is significantly different to that of similar schools, this will be identified. It is expected that the School senior leadership team and governors will use this analysis of the deployment of resources to inform its own evaluation of SEN provision. Local Authority Advisers may also seek to discuss this with the school in helping to evaluate whether resources are being deployed most effectively. Information within the return may also be considered when schools make requests for statutory assessment. From April 2012 schools will not receive their full allocation of resources for SEN until the return has been submitted.

Schools are required to publish outcomes for all children and young people including those with SEND. This information is also fed into the School Inclusion Profile. The Local Authority monitors these outcomes closely to provide differentiated challenge and support to schools.

8. Resourcing the Strategy

Services for SEND are funded through a number of sources; the Dedicated Schools Grant (DSG); Local Authority budgets, the Young People's Learning Agency (YPLA) for post-16 learning, and contributions from other partner agencies. It is anticipated that funding for the education of 19 – 25 year olds will come to the Local Authority from the YPLA with effect from 2013-2014.

The total CYPS gross expenditure on SEND service per year in North Yorkshire is around £42.7 million, including funding from the YPLA and partner agencies. The budget is spent on commissioning services for children and young people, either in-house from County Council services, including Children's Resource Centres and special schools, or from private providers.

The Medium Term Financial Strategy of the Children and Young People's Service has incorporated a savings target of £1,150k in relation to SEND. The service has delivered against its financial targets for 2010-11 and 2011-12 without impact on the frontline, it has a remaining £450k to deliver by 2014-15 and the SEND Strategy will play a significant part in achieving that. The reduced resource must also provide for any increase in demand.

Making changes to local provision also requires some initial investment. The SEND Change and Integration Programme has a budget of £360k over this period to enable new ways of working and to deliver the management restructure.

We are committed to meeting the funding challenge through more efficient ways of work and redesigning services to limit the impact on front-line services. This strategy outlines how we are transforming to deliver a more efficient and integrated approach to SEND, which will deliver the savings required.

SPECIAL EDUCATIONAL NEEDS AND DISABILITIES RESOURCES 2011-2012

	£000
	Adjusted Gross Expenditure
Early Years Providers - (Maintained Schools and Private Voluntary & Independent Providers)	
Allocated to Early Years Provision to support SEN	210
Mainstream Schools	
Allocated to Schools to support High Need Statements	8,386
Special Schools	
Day Provision	10,482
Residential Provision	975
	11,457
Outreach Services	
Severe Learning Difficulties	348
Autistic Spectrum Disorder	67
North Yorkshire Communication Aids Partnership	32
	447

Enhanced Mainstream Schools

Schools for High Functioning Autism	548
Schools for Specific Learning Difficulties	914
Schools for Communication & Interaction	774
Schools for Behaviour Emotional Social Difficulties	0
	2,236
Independent Special Schools	
Fees and Support	1,943
Recoupment with Other Local Authorities	
Payments / income to & from other local authorities	1,159
Independent Specialist Placements for pupils aged 19 - 25	
Placement Costs	4,493
Commissioning Budgets for Disabled Children's Services	
Direct Payments and Fees	3,511
Other Budgets for Disabled Children's Services	
Support and Equipment	606
Residential Short Break Budgets	
May Lodge	134
Morton-on Swale Children's Resource Centre	603
Nidderdale Children's Resource Centre	795
Beck House Children's Resource Centre	54
The Ghyll Children's Resource Centre	515
	2,102
Retained Staffing supporting disabled children	
Retained Staffing supporting the education of children	
Assessment & Commissioning / Placement (Education)	378
Assessment & Commissioning / Placement (Care)	1,386
SEN Support & Outreach	1,699
Personalisation & Transition	168
Education Psychology	1,729
Early Intervention Managers	70
Inclusion Officers	248
Other Retained Staffing budgets eg. Travel, equipment etc	496
	6,174
TOTAL SEND BUDGETS	42,725

These budgets exclude provision for BESD and Low Needs SEN funding which is delegated to mainstream schools

DRAFT

Digest of Consultation Responses

Issues and Commentary

The specific issues raised during the consultation, at public meetings and in written responses, can be grouped into 11 key areas. These are summarised below, with officer commentary.

Other child or family specific issues were raised at the meetings and have been followed up by appropriate officers. Local issues are also being addressed through further discussions (e.g. Autism provision in the Stokesley area; leisure provision in Selby; and support for young children with language delay in Whitby).

Communication

The issue raised most frequently by parents is that of communication both for taking their views when designing or reviewing services, and in dealings about their own children with SEND. Parents identified the need for better and more accessible information about services in a variety of formats and, for a fundamental review of the content of the Council's SEND web pages.

Ongoing communication through PACT and the Flying High group of young people with disabilities is seen as essential but there is an identified need to assist PACT in its coverage so that it reaches more families and also to extend communication to other local groups and the voluntary and community sector.

Communication with young people should include opportunities in addition to the Flying High group though this is welcomed as a positive development.

The challenge of communicating with a wider range of parents of children with SEN, including those at school action and school action plus of the SEN Code of Practice was raised on a number of occasions.

Comment

The SEND Change and Integration Programme includes a workstrand dedicated to improving communication. The initial priority action for that workstrand is a systematic and fundamental re-write of the SEND web pages to improve their content and accessibility. Further incremental improvements will be planned to other aspects of communication. A commitment has been made to a rolling six month cycle of local meetings with parents and carers. These might be for the purpose of a consultation on a specific issue e.g. the strategy for Autism, or to enable parents confidentially to raise general or individual concerns.

Valuable lessons have been learned from the autumn round of consultation meetings e.g. suitability of venues, timing, and the advertising of dates, target groups and issues.

Transition

There is a widespread perception of the need for improvement in all aspects of the transition of young people into adulthood, from school into continuing education or work placement and for some, into adult services. The need for improved integration with Health and Adult Services, and Health services and FE providers was a theme at most public meetings. Advice givers should be consistently knowledgeable and specialist. Parents and young people stressed the need for co-ordinated and timely advice and decision making with the young person at the centre. The need for more options and pathways which meet the aspirations of young people was emphasised. The local 'Moving On' events hosted by special schools or the Connexions service are valued but the format and quality should be revisited. Some parents expressed concerns about the thresholds and level of provision for services from Health and Adult Services and services for adults with mental health problems.

Comment

This is an area of provision highlighted in the Green Paper and in the August 2011 Ofsted report 'Progression post 16 for learners with learning difficulties and/or disabilities' as nationally requiring significant attention, which the government has undertaken to lead and promote. In North Yorkshire steps have been taken to improve information sharing and joint planning between CYPS, HAS, Connexions, Health and special schools especially since the transfer to the Local Authority in April 2010 of the responsibilities of the Learning and Skills Council for assessment and provision, 19-25, for young adults with learning difficulties and disabilities. Much more remains to be achieved, which is why the issue is included as a Focus Area in the Strategy. The staff restructuring in CYPS to create an integrated SEND service is intended to facilitate this.

Specialist Provision

Some parents were interested in the Green Paper proposals relating to Integrated Assessment and the possible implications of SEN statements of a single Education Health and Care Plan.

There is warm appreciation of the work of the Portage Service and a suggestion that we investigate bolstering the service by engaging volunteers, and also provide joint training between Portage Workers and those in the Autism Outreach Service so that a degree of cross working can be achieved, without diluting specialisms.

Parents would like to be involved in the drafting of strategies to meet need e.g. Specific Learning Difficulties, and Autism.

Some parents and special school headteachers and governors wanted more emphasis in the Strategy on the valuable and developing role played by North

Yorkshire's special schools and more said about their future in the pattern of specialist provision.

Evidence that the outreach support provided by Enhanced Mainstream Schools (EMS) and special schools is having an impact was noted but also the need systematically to evaluate impact.

The need to consider e.g. the provision made for children and young people with SEND in universal settings (youth clubs, out of school activities) was a theme as was the possibility of providing training opportunities for private providers.

The need for a joint approach with Health, and with HAS to the funding of provision of specialist equipment was raised.

Comment

The Strategy document has been revised to make clearer the provision as regards North Yorkshire's special schools. An evaluation will be undertaken of EMS and regular reports will be made on portage and the SEN support and outreach services.

The suggestions regarding the Portage Service and Autism Outreach Service are being followed up.

The SEN Pathfinder relating to integrated assessment will enable us to trial aspects of the proposed single assessment and plan for Education Health and Care, to identify issues and challenges, and to work with other local authorities to contribute to designing new approaches.

A workstream group has been detailed to promote access to universal services, including the Youth Service and Outdoor Education Service.

Mainstream Schools

Some parents raised the need for early intervention and support for children who don't require a statement. Teaching assistants are valued and the need for them to be kept 'up' to date with SEN developments was commented upon.

Whilst it was acknowledged that many schools are inclusive and successful in working with children and young people with SEND, there are concerns that not all schools have the necessary skills and aptitudes. Parents would like more information about the role of the Local Authority in supporting schools improvement and in challenging 'under performance'. There is a worry that the Strategy might not apply to Academies and that inclusive practice might suffer as a result.

Comment

The Local Authority takes seriously its responsibility to support, monitor and challenge schools to continually improve the quality and range of provision. This includes a comprehensive training programme, including for SENCOs and Teaching

Assistants. This is clearly set out in the Strategy and will continue to be a key focus of the work of the service.

The Local Authority, working with partners, is responsible for the strategic pattern of provision, and for funding high need SEN, including in Academies. The Local Authority also has a responsibility to monitor provision through Statements of Special Educational Needs which are maintained for children and young people, including in Academies. Clearly the position will need to be kept under review, in part through listening and responding to any specific issues which are raised with the Authority by parents. To date there have been no problems with Academies being 'less inclusive' but any issues which arise will be taken up with Headteachers and Governors. The training courses for high need SEN continue to be available to Academies free of charge, as they are to North Yorkshire maintained schools, because High Need SEN is not included in the LACSEG.

Personal Budgets (Direct Payments)

Some parents who currently choose to receive a Direct Payment in lieu of services provided by the Disabled Children's Team were generally satisfied with arrangements. There are, however, concerns about extending the arrangements to Personal Budgets for aspects of education provision, which is the intention of the Green Paper.

Above all, parents who commented want further information about how extended Personal Budgets would work in practice. For instance, what could be included in a Personal Budget; the responsibilities of becoming an employer; and the problem of supply of available services to purchase in some areas of the County. Parents wanted more information about the role of the Council in quality assuring provision which parents might wish to purchase and what would happen if the purchased service was ineffective or poor quality.

Other parents welcomed the development but wanted information about how credible services providers could be involved in developments and how we can work to ensure that valued small providers and highly specialist providers are not damaged by the initiative.

Comment

Consideration of Personal Budgets will be taken forward as part of the SEND Local Pathfinder. Lessons will be learned from experiences in North Yorkshire of Direct Payments (in CYPS and HAS) and also by working with the other 19 local authorities which are involved in the Local Pathfinder initiative. No scheme will be introduced in North Yorkshire that has not been very carefully designed and thoroughly tested.

The consultation responses are helpful in raising some of the major areas of concern.

Transport

Parents drew attention to travelling distances to provision which isn't always locally available and the need to factor transport availability and cost into plans.

The importance of the quality of home to school transport as an integral part of the school day and the need to ensure that drivers and escorts are trained was raised. In particular, parents emphasised the importance of managing changes to transport provision (for instance as part of special school transport reviews) with sensitivity and with least disruption to established relationships and routines.

Comment

An internal consideration of procedures when special school transport reviews are carried out has been undertaken and some improvements to what already is a thorough and careful process will be made e.g. involving the Parent Partnership Service in working with affected parents.

Savings on home to school transport to special schools are integral to the CYPS MTFS (Project 7) but work will be undertaken to achieve greater efficiency in the procurement of transport to care placements for children and young people with SEND. This could improve the experience for children and possibly achieve improved integration in provision.

Drivers and escorts receive training as part of implementation of special school transport reviews, or when transport is arranged. Further consideration will be given to training as part of the strategies for meeting need e.g. the Autism strategy.

Integrated SEND Service

Parents who commented welcomed the initiative as a potential enabler of integrated assessment and improved transition support. There was widespread approval of the Authority's successful bid to be a SEND Local Pathfinder for the single education health and care assessment and plan. Staff who commented as part of the consultation want to know how arrangements will work in practice and there was a concern that service integration should not mean less specialism. Some parents, especially those who have experienced the Early Support Programme or Portage Service model of working, would like to see the Key Worker concept, extended to other children. This is where, if parents wish, a professional involved with the family can help coordinate support from various agencies which are involved.

Some thought that we should include Inclusion Support Officers from Strategic Services in the new integrated SEND service.

Comment

Integration for improvement is central to the SEND Strategy and there is a workstream dedicated to developing the SEND Pathfinder work. This will include a consideration of the Key Worker role. Integration of specialist staff is the goal rather

than an attempt to develop 'generic' or generalist services which would quickly lose their credibility and value. However, where there are opportunities without compromising specialisms, to share knowledge and improve advice to parents these will be taken.

Inclusion Support Officers play a valuable role in supporting children and young people with SEND. One of their particular strengths is their links with local universal/mainstream providers, which is why they are best located in Strategic Services but with planned links into the SEND service and improved integration.

Short Breaks

Parents are appreciative of the additional investment made in Short Breaks in the last few years but want greater clarity over entitlement and access to services including through Direct Payments. The system was described by several parents as confusing and overly complicated. The Short Breaks statement (which the Local Authority was also consulting on during the autumn) needs to be clear and user friendly. For some parents all this pointed to the need for closer integration between the work of the Disabled Children's Teams and Early Intervention Managers both of which have involvement in the assessment and provision of Short Breaks.

Comment

The Short Breaks statement as amended and improved, will be considered by Executive Members for CYPS in March. The comments made by parents have been helpful in the redrafting and in considering assessment and allocation processes.

Performance Management

The issues raised related to monitoring the progress of delivery of the Strategy and how this will be communicated to parents and others.

Comment

The Strategy includes an accountability and performance framework. Regular reports on progress will be made to the Children's Trust Board and Executive Members for CYPS. A straightforward high level implementation plan will be compiled and this will be published on the SEND pages of the Council's website. Regular updates will also be provided to PACT meetings and at regular SEND meetings for parents.

Funding and Costs

Concern was expressed about how services can be maintained and improved against a background of the need to make savings.

One consultee expressed the view that the cost of the consultation exercise should have been made clear, and that costs should be reduced by a combination of not providing Short Breaks at all; not employing salaried advisers training; improved

deployment of SEND management and staffing and a further consideration of roles and staff remuneration.

Comment

Delivering savings whilst also improving services will undoubtedly prove to be a challenge, but it should be possible to meet the target savings figure by 2015 through a combination of management and staffing efficiencies (Phase 2 of the SEND staff restructuring by April 2014) and improved efficiencies in procurement and contract management. Any growth in demand will have to be managed within the reduced resource.

The estimated cost of the consultation exercise including printing, hire of venues and travel costs was approximately £3000. Officer time, often in the evenings, is part of the core work of the service.

All SEND and advisory services have been examined for efficiencies and efficient deployment of roles as part of the Directorate's MTFs. A further restructuring of SEND services for 2014 will offer a further opportunity to achieve savings in management and administration.

Health

There is concern about the implications for the provision of services of the new commissioning arrangements which are being developed in Health (Clinical Commissioning Groups), and inconsistent provision of health services across North Yorkshire. This was also reflected in comments about the difficulties for families of multiple Health providers (sometimes across Local Authority and PCT boundaries) and the problems this raises of co-ordinating provision for individual children with complex needs. There are particular concerns about the timeliness of diagnoses of Autism and the current lack of countywide consistency in clinical pathways for Autism.

Comment

We will continue to work with the Health and Wellbeing Board and the Children's Trust as the model in North Yorkshire for commissioning specialist health services for children and young people with SEND is considered and determined. Whatever arrangements are put in place, CYPS will develop a positive and well informed dialogue, seeking to influence, shape and complement health provision.

The strategy for Autism which is currently being developed with Health for public consultation later in the year, will address diagnoses and clinical pathways.

The new integrated SEND service will be better placed to have a single conversation with Health commissioners and providers on all issues relating to SEND.

SEN Consultation Events – Parent Feedback/Issues/Concerns

Meeting	Feedback/Issues/Concern
Skipton	Integrated Services/Disabled Children's team-interface
	Craven College-provision and knowledge
	Our website and info generally-need for a fundamental rethink
	Transition-need for improvements
	HAS current 'consultation'
	Statements of SEN-difficulty in getting one
	Inclusion-making sure that all schools have the skills and knowledge
	The strategy document-ensuring that it is parent friendly, or producing a 'version'
	Consultation with young people on the strategy and more generally
	Mainstream schools- SA's spring term local meetings
	Concern that some children because of their complexity don't fit neatly into the 3 strands i.e. sensory, physical medical needs or autism or severe learning difficulties and therefore might miss out
	Concern that inclusion can sometimes result in a watering down of expertise e.g. ConneXions staff not having in depth knowledge of specialist post 16 options
	Selby
What will happen when the clinical commissioning consortia are in place? – how will we integrate with them?	
What KPIs and performance management arrangements will be in place to monitor the delivery of the strategy?	
Some services not available locally, therefore there is often large travelling distances involved in order to access services (e.g. as there is no special school in the Selby area). This has a significant impact for C/YP and families. Linked to this issue - we need parents to feedback to us where the gaps in provision are.	
Difficulties knowing what services are available, who they are for and what they provide. We must also ensure that staff have the right skills to enable the service to be accessible by C/YP with different needs	
Queries regarding the savings targets associated with the strategy and how we will meet these	
Benchmarking with other LAs and how we share good and best practice	
What future forums will be in place to ensure we continue to have frequent contact with all stakeholders? Also, what communication strategy is in place to help communicate/advertise PACT?	
Is there anyway that we can use our procurement processes to help parents buy items/provision at a similar price to that charged to the	

	LA?
	Action: Arrange 'Service Managers Meet Parents' sessions in the new year to provide information regarding local services (events will also need to include reps from health and bordering LAs and PCTs to ensure cross-border links)
	It would be very useful to have a slimmed down local version of the strategy to identify and address the issues unique to Selby
Thirsk	Strategy Consultation
	Concerns/ queries around giving greater control – how will this be practically applied when there is little (or no) choice over school place?
	School choice was raised as a key issue
	Question: to what extent does finance come into decision making between a placement at a NY mainstream or NY special school?
	Concerns around what would happen if parents made the 'wrong choice' over personalisation, e.g. bought a service which was ineffective. There were fears this would create 'guilt' for parents and not be able to get another service from the Council
	Question around the role of credible service providers and how will they be involved in greater personalisation (example given of local canoeing club trained to include disabled young people, but never approached).
	Need to extend the partnership approach to involve local community groups and to identify what is available locally for children/ families
	Health was raised as a big issue – how does the local authority intend to work with the health agencies? Lack of an Autism pathway was raised.
	Wider parental representation was requested, e.g. through other forums (not just NYPACT) such as the British Dyslexic Society
	The Strategy must make a stronger reference to equalities
	Query on how it would be guaranteed that this strategy would be delivered
	Adult education should recognise that for some learners they shouldn't be taken off if they are not achieving – making progress just attending the group.
	Query over why the portage service doesn't use volunteers
	Strategy needs to include clear and measurable indicators of impact – how will know it has made a difference
	Dislike the term 'high need, low incidence', feel it promotes a blanket coverage approach
	Early help is essential – services must make it easier to get help at the first point of concern/ diagnosis, not have to wait for a statement.
	More help is needed for people with children who have needs but don't require a statement
	A positive example was given of NYCC education services, and the discussion was that this experience needed to be universal

	Action: 6 monthly local meetings to be arranged with parents and local service managers
Thirsk	Short Breaks Statement
	Action: Commitment to developing local versions of the short breaks statement
	Not clear how to access short breaks services – not much awareness of integrated services or inclusion officers. It's not clear for families who to go to for your child
	Parents are not sure what they can ask for in terms of help/ support
	Gaps in service provision for children with lower levels of needs, for example childcare on an evening. The concept of development parent babysitting groups was mentioned
	It was felt that lower level services were a confused and confusing system, which masked the actual gaps in service.
Hellifield	Issues relating to what schools should be able to do with children with SEN and our support and challenge to them
	The preparedness of EY settings, especially relating to Autism
	How Short Breaks assessment and funding works between Integrated Services and the local Disabled Children's team
	What is available locally for families of children with SEND
	The need to provide support for siblings
	Issues relating to the diagnosis of Autism
	The value placed on the Parent Partnership Service by parents
	The value placed on parent support groups for parents with young children with disabilities facilitated in the early days by the local children's centre
Scarborough / Falsgrave	Strategy Consultation
	<p>Issue regarding some parents receiving 3 letters (in slightly different formats) inviting them to the consultation meetings</p> <p>Greater efforts required to communicate with young people post 19 and also keep parents informed - General feeling that communication between Health and Adult Services and young people post 19 (and parents) can be improved</p> <p>Gap in services for young people over 19 (e.g. the Oasis Centre support group funding was cut)</p> <p>Unclear what provision will be available from Health and Adult Services post 19 – especially during the transition period where a young person moves from receiving CYPS provision into support from Health and Adult Services (“young people getting lost in the system”)</p> <p>First and foremost, all placements / provision must suit the individual</p> <p>Post 16 transition planning not as effective as it could be – parents often feel confused regarding where to go for advice and support</p> <p>SA's spring term local meetings will be very valuable events for parents</p>

	<p>Short Breaks</p> <p>On page 6 of the Short Breaks Statement – state where and when the figures are taken from</p> <p>It is currently unclear to parents how to access short break provision</p> <p>Parents who have children with less severe needs (e.g. aspergers) also need access to short breaks and support – there is a lot more to take into account than just a child’s diagnosis</p> <p>Parents felt that the criteria to access Integrated Services short breaks are quite strict and rigid and parents often feel that this set of criteria are more associated with children/young people with more complex needs</p> <p>Concern regarding whether a short break takes into account both the needs of the child/young person and the parent(s) (i.e. the short break needs to match both the needs of the child/young person and the parent(s))</p> <p>Concern regarding whether parents with direct payments are being informed regarding short break provision. There is also confusion regarding the messages being given to parents with direct payments and whether they are eligible to receive short breaks</p>
<p>Pickering – Youth Centre 21/10/11</p>	<p>SEND Strategy</p>
	<p>It was felt that some good partnership working had taken place between schools and the Disabled Children’s Services and Integrated Services in Ryedale. Parents and professionals were frustrated that despite this, communication remained a problem and messages were still not successfully reaching parents.</p>
	<p>It was felt that the SEND Strategy contained some positive changes Parents were pleased about the additional support in place for Children to access clubs. Parents were interested in the proposals to give parents greater control and creating a positive experience.</p>
	<p>Some concern was expressed regarding travel issues, particularly in relation to access to EMS (where it is not the local school). It was suggested that travel would need to be considered as part of the SEND personalisation budget.</p>
	<p>Parents emphasised the importance of sensitively managing the change process in relation to transport contractors. Andrew agreed to raise with Richard Owens the issue raised regarding transport between Ryedale and Woodlands School.</p>
	<p>It was suggested that ASCOSS could be involved with key worker/parent mentoring and training, particularly in relation to integrated assessment work.</p>
	<p>Parents would be consulted on developing strategies e.g. Autism, and SpLD.</p>
	<p>Short Breaks Consultation</p>

	Concern was expressed that quite a number of professional staff did not appear to have a good understanding of the assessment criteria for Short Breaks.
Pickering – Lady Lumleys 3/11/11	SEND Strategy
	Parents asked what will happen to children that do not have statements?
	All teachers in all schools must be properly trained in SEND.
	How does the SEND Strategy relate to academies?
	Will 0 – 25 include Universities?
	Some concern that local provision will not be able to meet the aspirations of young people.
	Home to School transport is a critical part of the school day and must not be overlooked.
	Short Breaks Consultation
	Who is the Short Break for? Parents or Children/Young People?
	Clarity is required on the criteria and simple explanations need to be included.
Richmond School 02/11/11	SEND Strategy
	The link to HAS should be made clearer within the strategy
	Some parents have received 2/3 letters regarding the event and some parents were unclear regarding the purpose of the meeting
	Can keyworkers play a greater role regarding communication with parents?
	Theme from Green Paper – Giving Parents Control: this can only happen when parents know what the different options are. However it is hugely difficult for parents to navigate their way through the range of different SEND services etc (especially with the use of jargon, which is often used in some info which we provide to parents).
	Questions regarding how personal budgets will work in practice and how this will help give parents greater control
	Personal budgets: what role will the council have to quality assure the service which is received by parents?
	Question regarding whether there will still be out of county placements where a C/YP's need cannot be met through local provision?
	Queries regarding the impact that SEND green paper will have on the statementing process
	Question regarding the transition point between primary and secondary schools – do some services automatically stop being delivered at this transition point?
	Short Breaks Consultation
	Query regarding how long short breaks have been available for within North Yorkshire

	<p>Concern regarding how short breaks are publicised – can we provide info relating to short breaks to parents more regularly?</p> <p>It was suggested that it would be beneficial to produce a local version of the short breaks statement for each area</p> <p>Concern was expressed that the statement looked somewhat bureaucratic and confusing for parents</p> <p>Parents expressed a concern that they often feel like they have to go through a bureaucratic process and prove they require support before they are offered a short break</p>
Scarborough (07/11/11)	SEND Strategy
	Question regarding how we will be able to measure improvements which will be delivered through the SEND strategy
	Concern was expressed regarding whether out of county placements will continue where a young person's needs cannot be met locally
	Transition planning decision must be reached in discussion with the young person and parents – parents felt we need to get better at listening to young people and we should always ensure the young person is at the centre of all decision making processes
	Concern was expressed that there is currently a lack of options for local transition pathways
	The delay in the YPLA's funding announcement and the associated uncertainty around a young person's placement was a significant issue for families and had been very upsetting for some young people
	Concern was expressed regarding the issue that no agency informs families with children with SEND of the benefits which they may be entitled to (e.g. Disabled Living Allowance, Employment and Support Allowance) – Question whether there is any way we can provide information/signpost parents to the relevant agency, in order that they can find out more about the benefits which they may be entitled to?
	Parents emphasised that that there is not much choice regarding before and after school provision for C/YP with SEND – in order for a C/YP to attend a particular school, it may mean that a parent has to sacrifice work in order to look after the C/YP before and/or after school
	Short Breaks Consultation
	It was again proposed that it would be beneficial to produce a local version of the short breaks statement for each area
	Parents thought that that there will be significantly less stigma attached to being known to the SEND service, compared to being known to Children's Social Care
Question regarding how many short breaks you are entitled to and whether families can appeal/contest the assessment	
Harrogate (Starbeck) 10/11/11	SEND Strategy

	A Carer of a child does not have the same 'parental rights' of appeal against the refusal to provide a statement as a Parent does. This has to be carried out by a Social Worker on behalf of the Carer, causing significant delay when the SW has a high caseload.
	Post 16 SEND education needs to be thoroughly reviewed.
	NYC staff do not appear to be clear about processes or criteria and this does not give parents any confidence that they are receiving accurate information. Communication needs to be improved.
	Dissemination opportunities are missed at some schools e.g. Forest School.
	IGEN events are often confusing and inconsistent across the County. Parents want to be clear about options available for continuing education and it was suggested that they should be involved in the design of the meetings. A directory of public and private options available is needed for children and young people (local offer). This is also required in Mainstream schools.
	Parents were pleased with the plans to streamline and integrate processes.
	It was felt that social integration for children and young people in mainstream education was essential.
	Inadequate and costly transport arrangements can lead to a complete breakdown in schooling arrangements and need to be considered more carefully, especially in relation to dual placements.
	Greater flexibility is required for the provision of after school activities.
	Health services are inconsistent depending on where you live in North Yorkshire.
	Positive feedback was received in relation to the role of some Social Workers and the difference that they had made.
	Comments were made that there was an enormous negative difference in Adult support services compared to Children's Services. It was also felt that provision should not stop at 25 years.
	Concerns were expressed about the lack of opportunities for young people with SEND when they left school.
	The support provided by a Teaching Assistant was considered pivotal to the success (or otherwise) of a child and it was emphasised that this was a low paid job with great responsibility that could have a huge positive/negative impact on a child. Excellent TAs should be highly valued.
	Parents wanted to see a personalised curriculum available for individual children with SEND.
	Short Breaks Consultation
	Parents want funding to be made clearer.
	The Statement does not give examples of the kinds of activities available – some case studies could be included.
Skipton	SEND Strategy

15/11/11	
	Post 16 transition issues. Will there still be places at e.g. Beaumont College?
	Does a single integrated service mean more inclusion in mainstream schools?
	Lack of therapy pool at Brooklands School.
	Will a single service help with joint funding of specialist equipment?
14/11/11	Jacki Holmes - FAST Briercliffe Children's Centre
	SEND STRATEGY
	Parents were very keen on the idea of Integration of DCS with A and I, they wanted assurance that they would still have access to qualified social work staff.
	All the parents said that the pathway into short breaks is very confusing, they don't know who does what and how to access it.
	SHORTBREAKS
	In relation to the 3 tiers of short breaks. They said it would be much better if DCS specialist support was more integrated with the Additional Support tier, with a clear pathway between.
	They said the information currently available to parents is not at all clear. Many seem to have been given misleading or inaccurate information by staff in Extended Services. E.g. one parent was told there is no short breaks money until April! Another parent was told they could not have both DCS and short breaks, but it was not explained to her that if referred to DCS the family would still get short breaks! There were several examples of this type.
	They all welcomed having access to a lower level of short break without assessment. However, they also said they liked the idea that families can have a full assessment of the whole family's needs by a social worker if there are complex issues for the child and or their family.
Whitby 15/11/11	Home to School Transport: Issue regarding when there is a change in contract for home to school transport, it is essential that there is preparatory work in order that children/young people with SEND are prepared for the change e.g. drivers and escorts meeting the children prior to providing the transport. Where there is little work to prepare children for change, this has the potential to be very upsetting for the children/young people. It was suggested that the transport review at Woodlands school has gone badly for some parents
	Parents expressed concern that Drivers/Escorts receive little/no

training regarding Autism
It was proposed that Home to School transport must be a key element of the Autism strategy
Some parents stated that they have face the issue of having to apply each year for home to school transport, even though there is no change in the child's condition. Some parents felt like they have to 'fight' for this service each year, having to provide evidence (e.g. doctor's notes) to support the application.
Is there anyway we can make this process easier for parents?
A specific parent issue – the day before a young person was due to sit an exam at Whitby college, they were informed that they are no longer entitled to have a scribe (even though they had provided a scribe in each of the young person's other exams).
Could this have been avoided?
A specific parent issue regarding Dyslexia testing – the child/young person had undergone computer based dyslexia testing during middle school. However, the child/young person is very competent using a computer and so the child/young person requires a specialist assessment in order to test writing, word recognition etc. There has been an approximate 6 month delay in receiving the assessment.
Action: SA to discuss with the relevant SENCo
Concern was expressed regarding the level of training which SENCos receive (e.g. what training is mandatory for SENCos, how often is their training topped up and who is responsible for ensuring SENCos undertake the relevant training?)
Questions regarding what work we undertake to upskill and challenge schools in this area?
Comments were also made suggesting that there has been low attendance of SENCos at the network meetings in the Whitby area.
Action: SA to link into the Whitby SENCo Network group in order to investigate these issues.
Concern regarding the lack of speech, language and communication provision currently in the Whitby area
Action: CAH to meet with parents to discuss the specific issues.
Concerns/comments were made regarding the continuity of speech and language services when a child moves from primary school to secondary school
Questions regarding what consideration mainstream schools are giving concerning specialist careers advice for young people with

	SEND?
	SA to meet with parents to discuss the specific issues.
	Questions regarding whether any friendship and social skill education/training is available within mainstream schools for children and young people with SEND?
	Simon Ashby and Carol-Ann Howe to meet these parents and discuss the above issues. Meeting to be arranged through Vicky Millson (NYPACT)
	Short Breaks
	To help illustrate the types of short break that are available, it would be beneficial to include examples/case studies within the statement
	Questions regarding what criteria is used to assess whether a family is eligible for a short break (e.g. is it assessed against a child's/families specific needs or is it assessed against a child's diagnosis for example Aspergers, ADHD?)
	If possible can this be made clearer within the short breaks statement?
Stokesley School 18/11/11	SEND Strategy
	Many parents had not heard of NYPACT in this area
	Greater specialism and training is required within schools to ensure that all teachers are equipped to deal with the range/spectrum of childrens' needs
	Mowbray and Bedale are quite a distance from Stokesley. Travel is an issue to these schools, a centre of excellence is needed within 5 – 10 miles of Stokesley.
	Getting information is like banging your head against a brick wall. Where do parents/carers go for help? How do they find out what they need to know?
	Consideration would be given to arranging Autism Outreach Support to attend Stokesley Childrens' Centre – Sue Smith would arrange this
	A meeting to consult parents in the preparation of the Autism Strategy would be arranged at Stokesley Childrens' Centre by Jenny Morgan and Carol-Ann Howe.

These notes have been taken by NYPACT during the first round of SEND Transforming Service consultation meetings across North Yorkshire.

These are the Questions, Comments and Concerns raised by parents at these meetings.

HARROGATE – 23.09.11

23 parents attending

SEND Strategy questions/comments from parents

- Communication is a big issue as many parents had only just received details of the meetings the day before through the School
- There is a need to get the info out to children who do not have a statement. Changes to School Action Plus will affect these parents and children.
- Children with Statements have key workers, why don't NYCC use them to get info to parents?
- Why don't people use the Family Information Service to get information?
- Would it be useful for someone from Health to be at these meetings as the strategy is looking at more strategic, joined up services?
- Why are services aimed at early years? Who supports children and families after age 5?
- Concern that NYCC need to save money and are looking for 'value for money' over the quality of the service provided.
- How are NYCC getting information out to the vulnerable parents across the County? Relying on SENCO's, NYPACT, NAS etc is not enough as some parents don't understand the implications or engage with support groups.

Short Breaks Strategy -

- What is the local offer for short breaks?
- How do parents find out what their child is entitled to?
- information provided is complicated and unclear
- Why is there this complicated system of not being entitled to short breaks through the Inclusion Support Team if already known to Children Social

Care? (when even if you are known to CSC this does not mean you will qualify for a short break)

- Parents are having to make judgements about which 'team' to contact for short breaks when not fully informed
- What services within Disabled Children Services are available and how do parents get this information?
- If the full allocation of short breaks funding is not used will NYCC reclaim it and use it else where
-

General Comments

- Why don't NYCC produce a parent friendly SEN Newsletter that people can subscribe to? This would allow parents to get info directly.
-

SKIPTON – 26.09.11

17 parents attending

SEND Strategy questions/comments from parents

- General lack of communication in Craven an issue, meeting not well advertised.
- How do you reach parents of children without a statement or those over 18 at college?
- The language used in the strategy is not reader friendly, why aren't easy read versions produced?
- Parents are left to find out information on their own or rely on support groups and other parents. Why is there not a 'one stop shop' for information where parents and professional can go. Does not need to be complicated
- Inclusion can sometimes waterdown the specialism or expertise of staff when everyone is doing everything. How can this be prevented?
- Big discussion on post 19 education which is inflexible to needs and lacking in funding. Question raised - Should age be the defining point to stop education e.g. at 19 when children with SEND may take or need longer to achieve academically?
- Loss of siblings group in Craven, how can cuts to this service be justified?
- Parents asked for a Kids response form for the strategy. It was felt that kid's should have an opportunity to respond
- Adult Services exclude young people, how does this strategy help with this?
- Are CAMHS services part of this strategy?
- Many parents are finding it hard to get a statement and schools need a statement to give support to children. Also when assessments are made they are not at appropriate times and can have a great impact on the statement outcome. An example given was that an assessment was done on the last

day of term during a funday...not when the child was in a normal school setting for 6 hours.

Short Breaks Strategy -

- What is the local offer for short breaks?
- How do parents find out what their child is entitled to?
- information provided is complicated and unclear
- Why is there this complicated system of not being entitled to short breaks through the Inclusion Support Team if already known to Children Social Care? (when even if you are known to CSC this does not mean you will qualify for a short break)
- What is the age criteria for short breaks?
- Why is it not in line with other services for disabled children 0-25?
- Direct payments for short breaks – complicated, unclear and not helpful

SELBY – 7.10.11

13 parents attending

SEND Strategy questions/comments from parents

- Issues in communication as parents in Selby do not know what is happening
- Will the budget cuts compromise the level and quality of services?
- Staff in 'universal services' not trained to work with SEND Children
- Lack of services for the 5 to 8 yr olds
- Where in the strategy does it mention who's accountable for making these changes work and the timeframes for the changes?
- Direct payments work fine in some areas however in North Yorks (and Selby) services are limited and parents cannot use their direct payment money without going to NYCC.
- Where do parents and carers find out information about what services can be purchased with their direct payment?
- Services cost more when parents buy with a direct payment. Can NYCC Procurement help with this?
- How will the GP Consortiums link to this strategy?
- Issues in Selby with Health services crossing a number of borders into other Authorities.
- How can NYCC help support parents working with Health Services?
- Barriers between Education and Health Services
- Will the new integrated assessment mean that children who have recently been assessed will need to be reassessed again under the new system?

Breaks Strategy - This section was presented by Clare Barker from the led Children's Team.

Lack of services in local communities for SEND children.
How can parents access short breaks in their area when their children are travelling to Harrogate in a taxi for school?
How do you find out what you are eligible for?
What is the short breaks 'local offer'?
What is the age criteria for short breaks?

ield – 10.10.11

ents attending 1 on the behalf of Sunbeams membership 15

we were asked to go over to North Craven as there are some particular difficulties in the area for parents that needed to be addressed.

) Strategy questions/comments from parents

Communication a real problem. E-mail access/Internet access is poor so difficult for families to know what is going on. That requires a different pathway for information to flow to parents

Regards to Local Offer; Andrew Terry stated that there would be a different local offer for each of the North Yorkshire Districts. David stated that sitting in North Craven the Local Offer that would actually be received would be different from that in e.g. South Craven as most of the services are concentrated in Skipton and thus the way it will have to be applied in rural areas such as North Craven will have to be considered.

Specific difficulties with being rural. Small schools with limited experience of SEN.

Some of the village schools are already sharing Heads wouldn't it make sense for them to share a SENCo.

Appears to be a cluster for ASD in Ingleton, Clapham and Bentham.

These are supported by Sunbeams and Hellifield Childrens Centre

Another Parent stated that there were considerable personal support issues with some schools at which Andrew Terry stated that Simon Asht would be coming in the Spring Term to talk to parents in North Craven.

t Breaks Strategy

How do we get them?

How can parents have greater control as suggested in the strategy a green paper when you have no choice over which 'catchment' area you fall into

How to NYCC expect to get the Health Service on board with this strategy?

How do you make sure the strategy will be delivered?

What are your measurable outcomes for achievement? And why are not clear in the strategy document?

Lack of information for parents makes it hard for parents to make informed decisions.

Where do you go to find help? Who is the first point of contact for parents coming into the system?

Short Breaks Strategy –

Confusion over accessing short breaks, who do parents contact for information and support?

Seems to be a shortage of leisure activities available for children with disabilities

What does a short break entail and who is entitled?

Scarborough – 19.10.11

Parents attending

1) Strategy questions/comments from parents

Unclear what this meeting was about and who it was for. Information needs to be clearer as not even staff at Springhead School were informed. Communication and information problems in Scarborough and Whitby area. Parents do not find out what is available until it is too late

How do NYCC communicate with young people over 18 and not in the school system. This strategy will still affect these young people

Gap in services for young people over 19 especially since the Oasis Centre support group funding was cut.

- Adult Services and Children and Young Peoples Service need to be working together better. Young People getting lost in the system at 18 years old.
- Adult Services should be at these meetings as strategy covers 0 – 25
- Young people aged 18+ are being forgotten about as services do not meet there needs
- Parents getting no support from school, being left to deal with issues without support or being given any information where to go for help.
- No transition plans for Young People at 17
- What help is available and how are parents supposed to find out?

Short Breaks Strategy –

- Parents not sure how to access Short Breaks
- The criteria seems to be very strict which prevents parents and families for accessing any short breaks.
- Families not getting the support to apply for Short Breaks
- Need to make the Short breaks suitable and appropriate for children and young people
- Parents receiving direct payment are no longer receiving the Short Break information from NYCC even though they could still purchase the Break using they direct payment
- Some parents have never heard of Short Breaks or do not know if they are eligible

Pickering – 21.10.11

7 parents attending

SEND Strategy questions/comments from parents

- Communication problems, information not getting out to parents
- When will the strategy be implemented?
- NYCC needs to get information to children on School Action and School Action + and not just to those with a statement.
- Getting information out to parents needs to be a priority. Using Schools and GP surgeries
- Is there a mechanism for checking if information is being received at school and then being passed out to parents
- No support given when a young person's statement lapses at 16.
- Changes do seem positive especially around giving parents more control.
- Travel not being funded when a young person is travelling to a school that is not their 'local' school.

Travel arrangements should form part of the 'Giving parents Control' as this is a major factor in a young person's education.
Social Education needs to be included in the education system for disabled children and young people.

Breaks Strategy –

Support needed for young people to access universal services.
How do parents find out what is available?
Better integration is needed between the 2 short breaks pathways
(Disabled Children Team and Integrated Support Services)
What are the criteria for accessing a short break through the Disabled Children's Team?
NYCC staff and Health Service staff are giving incorrect information to

NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

Reasons for transforming services for children with SEND	
Aims and principles of the strategy	
Proposals for transforming services for children with SEND	<p><u>Focus Area 4: preparing for adulthood:</u> from my experience as a parent of an 18 yr old son with a moderate generalised learning disability I see how important it is at the time of transition and onwards to have the support of a person who has a comprehensive overview of the possibilities in place for students like him. The provision around here is very limited and per College there are only a few courses available. Often at College they haven't a clue what others are doing. As parents you are really on your own; that is how we experienced it. The Connexions advisor was also not a specialised SEN advisor which made things not easier. This is really something that needs to change. I understand that the Transitions Support Programme is not running anymore. The sooner that is reinstated the better. Another thing that I think you need to focus on is the way Colleges work: every year students go up a level, you can certainly not go down. Students like my son will not go up but stay on their current level, having reached their ceiling and might even have to go down one if needed. They will also if anything need more time at a College, finding their way and the courses that are suitable. Assuming that they would go out to work, even more in the current economic climate, is for a lot of them unrealistic and if a college course is not available for them it would mean that they will be staying home in stead.</p>

How the strategy will be implemented and delivered	
Timescales for the strategy implementation	
Other Comments	The transition from secondary school to College is a massive event for both the student and the parents and is currently not well managed for SEN students. All the years at school with annual assessments and SENCOs looking after procedures followed by a College Course, thankfully with learning support, but with no understanding of the underlying issues of the student is really too big a step. The change to a system that will stay in place till the age of 25 is an enormous improvement and can't come too soon for us.

Name

Address

.....

.....

Telephone

Email

(Please note, you do not have to complete this section and may choose to remain anonymous).

Consultation regarding the North Yorkshire Special Educational Needs and Disability Strategy 2011-14 closes on Monday 12th December 2011. Please return this form by this date using either of the following methods:

Email: send@northyorks.gov.uk or;

Post: Catherine Hodson, Development Support Manager, Access and Inclusion Children and Young People's Service, County Hall, Northallerton, DL7 8AE.

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Having taken a look at the draft SEN proposals – it alarms me to see the reference that a high proportion of SEN come from a poor background, free school meals etc – which to me concludes that a high proportion of SEN have no real disabilities which could be diagnosed in medical terms. – Disabilities in general are random and are spread across the population. Rich parents can not avoid their child being or becoming classed as SEN.

I feel that the criteria for SEN is too wide in recent times (and its true that some people actively seek classification as to accrue additional social security benefits – although this is not the childs fault its certainly no concern of a disabled child) If the two have to be muddled together then I think there should be a two tier system of classification (real disability and environmental) – the former should receive the lions share of the funding and focus – after all these children will never escape their predicament. Im taking about NYCC's real special schools such as Forest. In a separate initiative the latter receive the support they need (not just a 1 box ticks all approach) until they can learn at a sustained pace.

I feel that SEN has been highjacked ,overloaded and is being used to plug the gap of problems in society and in some cases is used to generate funding for mainstream schools with budget problems... both of which have nothing to do with real disabled children.

Regards

**NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14**

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

<p>Reasons for transforming services for children with SEND</p>	<p>The changes appear to be improving the way we meet the needs of children; working in communities not just schools.</p> <p>Why are we reorganising now and not waiting for the outcomes of the Green Paper, which potentially has huge implications for us all?</p> <p>As we are going to be a Pathfinder, what are the implications for us and our work practice?</p>
<p>Aims and principles of the strategy</p>	
<p>Proposals for transforming services for children with SEND</p>	<p>CSC Family Support Worker posts are being downgraded and there is grave concern that Portage Workers could be regarded as doing a similar role and could therefore also be downgraded. This shouldn't happen.</p> <p>Implications of working with young people/adults to 25, how do we prepare for this?</p> <p>Should Inclusion Officers be part of the SEND team?</p>
<p>How the strategy will be implemented and delivered</p>	<p>How do we make sense of integration when different services are organised into different geographical areas, splitting the County up in different ways (SEND 3 areas, ISM's maybe 4 areas, Q&I 5 areas and some remaining in 6 areas)?</p> <p>How do we ensure we link with others who are working in different geographical areas in a way that is meaningful and avoids repetition/confusion? It feels like we are starting again regarding liaison with staff as roles and remits change.</p>
<p>Timescales for the strategy implementation</p>	

Other Comments	<p>What are the implications for our service, as we work very closely with Q&I and currently work on a school allocation model (which would make sense for us to align with schools in the same family groupings as Q&I) yet the service we sit in will be split into 3 areas with a different remit?</p> <p>Much of our work is in relation to behaviour/emotional needs. How do we ensure we link with Q&I colleagues in this area when we are working in different areas and with different agendas?</p> <p>How do we transform our service delivery to meet the needs of 16 to 25, which we very rarely do at present?</p> <p>Are we sitting in the right part of the directorate? Does the remit of the SEND service fit our remit? Will it restrict what we do?</p> <p>Can we dissolve the distinction between Q&I and A&I and be one service that offers support and challenge around meeting the needs of children and young people?</p>
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Name

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NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

<p>Reasons for transforming services for children with SEND</p>	<p>The reasons overall appear sound, although not all key aspects are addressed within the strategy. For example, although mainstream procedures and curricula are addressed in part, the strategy isn't sufficiently supportive of mainstream schools, and generally sees provision as related to the use of TAs. This is not enough. Transport issues are not addressed, unless it is intended that personal budgets will need to meet these needs. Transport is essential if children and young people are to access SEND services. It cannot be an after-thought</p>
<p>Aims and principles of the strategy</p>	<p>A little more detail would be helpful, even within the aims and principles, as this would guide and support future actions. For example, promote <i>and provide</i> positive outcomes <i>through personalised services (in education, curriculum, transport, social activities etc.)</i> Typo in last bullet point of aims – part of <i>where</i> rather than 'what' they live.' The aims and principles are sound, but they do flag up the need for detail which isn't yet fully explicit within the strategy.</p>
<p>Proposals for transforming services for children with SEND</p>	<p>If the proposal is that individuals can access tailored services through the use of personal budgets, those services need to not only exist but be well-established and of high quality. 'Greater choice and control' implies a range of 'transformed' services already in place to offer a personalised menu to give choice and control. These services, therefore, need to be funded and in place <i>before</i> they attract personal budgets. Commissioning arrangements, as described on page 23, will be the key to everything In discussing 'Focus Area 3: Enhancing Local Provision; Learning and Achieving there could be a further bullet point:</p> <ul style="list-style-type: none"> • Support schools and colleges to change their approaches and pedagogy to match the needs of children and young people with SEN. <i>(so that they don't have to fit into what's already there and not working well enough – for example, it doesn't just require more differentiation – it needs much more than that).</i> <p>Improving Universal Provision <i>Reference to 'reasonable adjustments' gives the wrong idea; provision needs to be tailored and personalised.</i></p> <p>Early Intervention <i>Why should interventions be acceptable 'outside the classroom and TA led? Why not teacher-led within an inclusive classroom?</i></p> <p>Personalised Provision <i>Again, why is it outside the classroom (often in a corridor!) and TA led rather than teacher-led?</i></p>

	<p>Support and Outreach <i>Should there be support for CLDD?</i></p> <p>Other <i>Shouldn't special schools be mentioned somewhere? Are they not already key drivers in helping to integrate services and to bring information together, reference work undertaken regarding the CLDD Framework and the Learning for Living and Work Framework? We are already established deliverers of 'enhanced, specialist and extension level' training, and deliverers of inspirational 'in-depth specialist' training.</i></p>
<p>How the strategy will be implemented and delivered</p>	<p>It doesn't sound as if special school re-organisation has any place in this strategy (reference the change and integration programme on page 20). Is that the case? Special school provision perhaps needs a greater emphasis in the 'what we need to protect' ?</p>
<p>Timescales for the strategy implementation</p>	<p>Couldn't access the intranet.</p>
<p>Other Comments</p>	<p>Transport issues do not appear in the proposals for change, or the implementation and delivery sections. Any provision will stand or fail depending on children and young people's ability to access it. It needs to be integral to the plans.</p> <p>If this strategy supports learners with SEN up to the age of 25, there needs to be a greater reflection within the strategy – it seems to focus on under 16s in school.</p> <p>The strategy should refer to children and young people consistently.</p> <p>Thank you for the opportunity to contribute.</p>

(Please note, you do not have to complete this section and may choose to remain anonymous).

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Provide the same level of support for children with dyslexia or other learning difficulties but who are or above average because they are very bright or have received a lot of support/help at home. A lot of families consider sending such children to a private school where they know they will receive the assistance & guidance to achieve their true potential.

Private schools are also better at picking up such problems early or throughout the child's education than they stay in top/middle sets & also get extra time & support in exams.

Let's do the same in the State sector - not just for children at the lower end of the spectrum.

Also identify problems earlier & make it a partnership with the parents to help resolve - a lot of parents dump it with the school - stretching resources even further. They need to be reminded that they are responsible for their child's education - eg not reading with them etc

Thanks again for this opportunity

From:
To: <send@northyorks.gov.uk>
Date: 13/12/2011 15:23
Subject: SEND Strategy and Short Breaks Statement Consultations

Dear Catherine

SEND Strategy and Short Breaks Statement Consultations

The above documents were considered at a recent meeting of Ryedale Special Families Trustees and they asked me to forward the following comments:-

1. Reasons for transforming services for children with SEND

RSF shares your ambition for children and young people with additional needs and therefore welcomes the publication of this strategy. Whilst we feel that real progress has been made in terms of improving outcomes for children and young people over the last five years, much still needs to be done. In particular there are areas such as integrated assessment and transition support where little progress has been made and the improved integration and clearer focus sought through this strategy will be very welcome.

2. Aims and principles of the strategy

RSF supports the aims and principles underpinning this strategy.

3. Proposals for transforming services for children with SEND

i) Focus Area 1: Integrated Assessments and Decision Making - we very much welcome the decision to bid for Pathfinder Status for the proposed Education, Health and Care Plans and were delighted to hear that you were successful. This is a challenging task and parents in Ryedale will be happy to play their part, either through NYPACT or RSF.

ii) Focus Area 2: Information and Support - you rightly recognise the deficiencies in information provision which have been highlighted recently by the disappointing attendance at the consultation events and the ongoing problems with Short Breaks takeup. The mechanism for getting information to parents of children on School Action/ School Action Plus is particularly unreliable as it relies on goodwill. We need a more direct route that will only come through the establishment of a Directory of Disabled Children. This should include those children and young people accessing Children's Social Care, those with a Statement and as a minimum requirement those in mainstream schools who would be eligible for Short Breaks. The Council's support for the development of NYPACT has been most welcome but its effectiveness has also been frustrated by this issue and the lack of a definitive directory. However, it is recognised that both NYPACT and the Flying High Group are solid achievements for increasing engagement in the planning and delivery of services.

Finally RSF welcomes the developments around the personalisation agenda and has encouraged parents to take up direct payments where appropriate. However, it should be recognised that many families do not want to take on the extra responsibilities associated with employing their own worker and therefore the choice of going to a provider or taking the direct payment route should remain. Our experience as a provider of services for young adults is that parents moving to direct payments are

later approaching RSF for support. This may arise because of the difficulty of employing the right quality of staff, hence the approach to us because our staff are known and trusted. We have undertaken support work on that basis but because of our overheads it is not proving to be viable. A concerted push for increase direct payments takeup might represent a saving to the County Council but it could be at the cost of smaller providers who provide a valuable local service to families.

iii) Enhancing Local Provision - our Trustees and staff speak to numerous families about SEN issues, indeed it is the issue most raised by parents. The picture they paint is rather mixed. We have reported to us a number of examples of really good practice which contrast markedly with a smaller number of schools with less inclusive practice. The latter can result in parents having to decide to move their children to another school and there are still too many examples of this happening for negative reasons. Parents who have been through this experience have also had difficulties if they have resorted to the complaints system. Some have had their complaints ignored by schools others have written to Children and Young People's Service and have found that the autonomy of schools frustrates the more direct action they are seeking. Trustees are particularly concerned that the accountability of Academies may make it more difficult to ensure inclusive practice after they have been established.

On a more heartening note there is evidence that the outreach work through the county wide support services, the Enhanced Mainstream Schools and also through the special schools such as Springhead, is reducing this gap. Some of the staff training is excellent but it should not just be for staff who volunteer as these are often the converted. There should be a requirement for staff to attend otherwise those who deny that certain conditions impact on a child's education will continue to demonstrate poor practice.

As Short Breaks are covered within this section, I will include RSF's thoughts on the Statement at this point. I should start by saying that the document is not particularly user friendly and given the confusion that exists around the subject of Short Breaks, it does little to dispel this. I was advised to look at the Statement produced by Northumberland County Council and I did find it much more readable and I found helpful the use of diagrams, such as the triangle of the different levels of support. It has been recognised that the criteria for accessing short breaks require re-visiting and Northumberland County Council have used the criteria taken from the Equality Act 2010. Whilst I do have some issues about that definition, it is however a clearer definition than we use in North Yorkshire.

RSF was very appreciative of the CYPS seeking the original AHDC Pathfinder Status and had a very good and productive relationship with both the Disabled Children's Team and Strategic Services in the delivery of Short Breaks. However, parents have always struggled with these separate delivery arms for Short Breaks and the opportunity for closer integration does not appear to have been taken by bringing both teams together within the new SEND directorate. This we feel is a missed opportunity.

iv) Focus Area 4: Preparing for Adulthood - the consultation document indicates that significant work has been undertaken through the Transition Support Plan but we receive a strong message from parents that there is as yet little evidence that this is working through to improved outcomes for young people. We are not saying the the transition process is failing all young people, but there are a significant number who experience, fragmented, poorly co-ordinated transition support with key decisions often made too late in the process. We therefore welcome the recognition that it can be both a daunting and frustrating time for parents and young people alike and that there is much more to be done by all parties.

In view of the priority that RSF gives to transition support, it is concerning to hear about the uncertainty over the future of Specialist Career Guidance in schools and colleges. This is an area of transition support about which we received many good reports from parents. At a time when we are looking towards creating a seamless transition the loss or downgrading of this specialist support

could have a very detrimental effect on parents and young people trying to navigate a very complex area of change. Although this area of work has in the past been contracted to IGEN, it would make a lot of sense to include it in the new SEND Service.

v) Focus Area 5: Integration - working better together - we welcome the development of a new service to include social care and educational assessment, indeed we would suggest that it should go further to include the Inclusion Officers for the reasons set out above. The challenge for this new service will be to develop closer ties with Health Providers, in particular CAMHS, as they go through their various re-organisations. Our Trustees are concerned that the integration of services for children and young people with SEND could suffer as a result of these developments. We look to the new SEND Service to take a lead in ensuring that the progress made in integration is maintained and developed.

4. How the Strategy wil be implemented and delivered.

We welcome the establishment of the 11 work strands to drive forward particularr areas of work and the invitation that has gone to PACT for parent representation on these groups. We also feel that the voluntary sector could have a positive input into this process. However, with the advent of competitive tendering , the County Council has indicated it would not always appropriate for voluntary sector providers to be represented on these type of planning groups. We feel that the VSO's have a wealth of experience of delivering services to children/ young people with SEND and a mechanism should be found for tapping into that, without compromising competition rules. We feel that the voluntary sector would rise to this challenge and could amicably agree representatives for areas of work where they have particular expertise.

RSF also welcomes the committment to funding SEND and the low % saving sought over the next four years. We also applaud the committment to ensuring that the right information is shared with the right people at the right time. This has not always happened in the past to the disadvantage of families and it has been done on the basis of maitaining individuals privacy. This has resulted in some adverse criticism of the delivery of Short Breaks.

5. Timescale for the strategy implementation

There was not a great deal of information about timescales set out in Appendix 1. Our only comment is therefore that families have waited a long time for progress on some of the issues identified above and we would urge as quick a timescale as is realistically possible.

I am happy to discuss any of these comments in more detail should you wish.

NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14

CONSULTATION RESPONSE FORM

From the Governing Body of The Dales School

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

<p>Reasons for transforming services for children with SEND</p>	<p>Page 7. Please elaborate on the fact that this strategy is going to, not just build on the SEN and Behaviour Review, but that it entirely supersedes it. The governing body felt that it needs to be made much clearer that e.g. The Dales school is no longer going to be shut and a new special school built to incorporate all current Mowbray and Dales pupils.</p> <p>Page 9. Another opportunity to clearly state that the previous strategy was successfully implemented, short of the work that was going to happen with the special schools.</p> <p>Governors were concerned that the tone of this section might lead parents to believe that ALL SEND can be provided for in mainstream and therefor parents would not seek out information about special schools.</p>
<p>Aims and principles of the strategy</p>	<p>Governors applaud the aims and principles, in particular preparing young people well for the future</p>
<p>Proposals for transforming services for children with SEND</p>	<p>Governors were particularly pleased to see the early identification, intervention and holistic assessment being part of the strategy. Governors appreciate that a website can provide up to date information but additional newsletters or such like may also be needed.</p> <p>Governors also felt that one person – highly qualified and independent - to support families of severely disabled children right from the beginning would be enormously helpful.</p> <p>Regarding personal budgets governors felt it should be made clear if this means they can choose school provision with that money. In addition governors did not necessarily feel parents wanted to be in charge of a personalised budget at all and it should be made clearer that they do not have to if they don't want to.</p> <p>Page 17 Governors felt it would be helpful if the types of special school that exist in the LA could be expanded on e.g. age groups and needs.</p> <p>Governors felt that a consistent approach to ALL children with SEND and their families would be beneficial. Perhaps like the early support package when this was working well.</p>
<p>How the strategy will be implemented and delivered</p>	<p>Governors like the visual representation of the diagram but felt it needed to be elaborated on in order to inform effectively.</p>

Timescales for the strategy implementation	Governors commented on the fact that much work seems to have taken place already.
Other Comments	Governors were concerned that ALL parents of SEND children are given the full range of options for their children's education including special school options. One parent governor suggested reintroducing a book which contains details of all schools in the LA. Governors would like a very clear statement that says our special school is NOT going to close.

Name

Address

Telephone

Email

(Please note, you do not have to complete this section and may choose to remain anonymous).

Consultation regarding the North Yorkshire Special Educational Needs and Disability Strategy 2011-14 closes on Monday 12th December 2011. Please return this form by this date using either of the following methods:

Email: send@northyorks.gov.uk or;

Post: Catherine Hodson, Development Support Manager, Access and Inclusion Children and Young People's Service, County Hall, Northallerton, DL7 8AE.

The County Council is subject to the Freedom of Information Act 2000. The County Council may be required to disclose publicly views that have been expressed to it but will take account of your privacy rights. For more information please consult the North Yorkshire County Council [website](#) or contact the Data Management Team at datamanagement.officer@northyorks.gov.uk

From: Catherine Hodson
To: send
Date: 09/12/2011 14:10
Subject: Fwd: SEND strategy Consultation

>>> Andrew Terry 09/12/2011 14:07 >>>
Please add to the responses.Thanks.

Andrew Terry
Assistant Director
Access and Inclusion
County Hall
Northallerton
DL7 8AE

Tel: 01609 532122
e-mail: andrew.terry@northyorks.gov.uk

Andrew,

Many thanks for giving us as NHS commissioners the opportunity to comment on your SEND Strategy paper. As an overarching principle the paper reflects the themes within the SEND Green paper and closer integration with health and education should help in achieving these principles. Working closer together on the SEND pathfinder should also help embed closer working, especially in times of significant organisational change within the NHS, but we also must work together to ensure that providers of services are also signed up to these in terms of delivery. The agreement to produce a joint autism strategy should also produce closer working and integration, consistency and improvements to services to families in both health and education.

On a more specific note regarding the document

On page 8 the strategy mentions that the cases open to the Disabled Children's Social care team are comparatively stable, but the numbers of children with ASD, Communication difficulties and behavioural and social difficulties have increased significantly. Are these children missing out on services or are they being picked up by an alternative provision? This was not clear in this statement

Page 10, I think health has been accidentally missed out from the year 9 transition review meetings (where relevant). It is hoped that the project within the pathfinder to look at transitions, piloted in Scarborough can look at how LA and health can work better and more integrated during this

period of significant change for young people, but also how to involve young people more in the choices that they have and to develop services to meet their needs.

On page 15 there is a mention of inclusion passports. If the intention is to move towards one set of Health, Education and Social care plans, is this going against this principle by creating additional assessments and paperwork, inclusion should be within the core HES care plan.

Page 18 the 3rd bullet point should also mention NHS Commissioners

Throughout the document there is mention of autism, for consistency does this need to say ASD Autism Spectrum Disorder as this would also cover Asperger's

Page 21 mentions a strategic direction to reduction in out of area placements, currently York are piloting a challenging behaviour service to reduce out of area placements and family break-up. There is a possibility of expanding this service in to North Yorkshire which would link well to this.

Just as a note and has probably already been picked up

Page 4 - spelling mistake - you should say young

Page 25 there are a lot of acronyms that you may want to show in full

Many thanks

Sent on behalf of

Thank you for your co-operation.

Please note: "North Yorkshire and York Primary Care Trust
(the legal body also known as NHS North Yorkshire and York)
does not accept service of proceedings electronically.

The address for service is:
Legal Services Manager, The Hamlet, Hornbeam Park, Harrogate, HG2 8RE"

send - SEND/ Short breaks Consultation Response - NYPACT

From: [REDACTED]
To: <send@northyorks.gov.uk>
Date: 12/12/2011 08:50
Subject: SEND/ Short breaks Consultation Response - NYPACT
Attachments: Comment Questions Concerns raised at the SEND Meetings (2).pdf

SEND Consultation Response – collective response from North Yorkshire PACT Members

Please find attached notes we collected from the first round of SEND Meetings in September and October. In addition to these notes we would like to add:

The accessibility of information to the relevant parents, i.e. those most likely to be at highest impact (current school action & action plus), are the ones not in receipt of information because it is reliant on individual schools / SENCo's contacting each family personally. This is the reason why there is such poor response to the consultation events in many areas. Many schools are not going to pass on the information if it then means parents are going to be "challenging" their provision, some will, but as Ryedale Special Families says they are the schools that are already on board with accountability and more fully engaged with SEND provision.

There really needs to be greater pressure from NYCC on schools to get information out to parents either through the red bag system or the SENCo's. NYPACT should not have had to ask repeatedly for letters to go out to parents of children with statements, nor to keep pushing for SENCo's to be sent the info to pass out. It simply is not good enough as NYCC have a duty to provide transference of information to the potential effected recipients & their families.

Many parents have concerns regarding the issue of Academies in this County. If the schools are being autonomous in their control and it has already started, following their own policies and procedures regarding SEND, which do not conform to the LA run schools, this has very serious implications for young people access their education in these institutions. What are NYCC going to do about this and how do you plan on keeping Parents informed?

Issue of Transition is a BIG problem in North Yorkshire. Servicers are inconsistent and the poor delivery of information regarding options available (& very poor choice of provision according to where live) is really having an effect on Parents and Young People. Some positive steps have been made, but more work in this area is significantly needed to stop young people 'falling off a cliff'.

Training needs to be offered around Direct Payment management for families, if NYCC want to see increase in uptake. Parent's confidence level in this is very low, and they need to be educated at an early stage so parents can gradually become more familiar & not find it all so daunting. Action is currently taken when a young person hits the appropriate age and Parents/carers have enough just coping with caring, let alone finance & staff management and service sourcing too.

Direct Payments: A service framework around the types of services available needs to be developed to prevent client exploitation due to naivety of Parents in this field. Particularly looking at areas like speech therapy etc, whose to say whether a private provider is any good? And a parent may use a year's supply of their budget on an

inappropriate service. Who is going to monitor this free market to protect parents and their children who will be the service users?
It is imperative that you retain the option of going to a provider for support for direct payments rather than clients just managing their own payments.

Short Breaks Consultation – collective response from North Yorkshire PACT Members

It is difficult to comment on the range of short break's available when many of our members are unclear what is on offer and who they contact to arrange a short break for their son/daughter. The system for accessing a short break is seen as confusing, unclear and overly complicated. There is very little distinction for parents about who their first point of contact is as there seems to be a number of different NYCC staff/teams 'offering' short break's (e.g. Inclusion Officers, Early Intervention team, disabled children's team)

Our members have indicated that general information, advice and support on short break's is lacking in certain areas, especially for those parents who have not been in receipt of a short break before. The system seems to work for those parents/families who have been previous recipients but the statement makes no mention of how you will get this information out more widely to parents who are hard to reach, live in more rural areas or who have just received a diagnosis. These are the parents/families/children you need to be targeting.

You can sign up for email alerts from North Yorkshire PACT. The email alerts are used for sharing information, events, training and consultations with parents/carers and professionals.

- To sign up or to be removed from the email list please email nypact@hotmail.com quoting 'email list' in the subject line

North Yorkshire PACT (trustees, members & staff) do not indorse the views of any information or consultations circulated. This email service is purely a mechanism for circulating information.

From: Catherine Hodson
To: send
Date: 12/12/2011 11:02
Subject: Fwd: Consultation on Draft Strategy for SEND

>>> Andrew Terry 12/12/2011 10:30 >>>
A response to consultation on the strategy.

Andrew Terry
Assistant Director
Access and Inclusion
County Hall
Northallerton
DL7 8AE

Tel: 01609 532122
e-mail: andrew.terry@northyorks.gov.uk

Dear Andrew,

I'm writing to you to highlight my concerns about provision for young people 18 - 25yrs with an autistic spectrum condition and a mental health condition . There is uncertainty and a complete lack of information regarding North Yorkshire County Council's provision of adult mental health services for this very vulnerable group of people.

I attended a meeting at Brougham St. Children's Centre on September 26th to discuss the SEND strategy and asked you about provision of mental health services post 18 for those with an ASC. You said you were consulting with CAMHS which I was glad to hear but this did not address my particular concern. If the current consultation covers individuals from 0 - 25 yrs with SEND, why are you then not consulting with adult mental health services about provision for those 7 years up to the age 25? I mentioned to you that I had received a letter from Ann Marie Lubanski from health and adult services about NYCC's Adult Social Vision but that there did not appear to be a Consultation or a meeting local to the Craven area to discuss the proposed changes to adult social care. I copied you into my e-mail to Ann Marie, as requested, on 13th October highlighting my concerns. I had an initial response from Ann Marie but so far, have been unable to speak to anyone on the matter. My daughter, who has Aspergers Syndrome and a severe mental health condition has turned 18. Thankfully, her current placement continues until she finishes her A levels in July and continues to be under the care of her CAMHS Psychiatrist until then. However, we are concerned about the lack of information and clarity about what Mental Health services will be available once she leaves school, who will fund these services and what choice my daughter will have regarding her mental health provider. We also understand that as we live in the Craven area, my daughter will not have the same choice of MH services as someone living in the Keighley area. We know from the many government

reports that a poorly managed transition can lead to deterioration in the young person's health needs. We also know that the Department of Health is funding support for services to improve the experience of young people moving from child and adolescent to adult mental health services. Unfortunately, we are not seeing this in practice as my daughter's transition plan has no mention of her severe mental health condition or a health care plan to address this condition once she leaves school. I am certainly not without sympathy for those currently working in the health sector under very difficult conditions. However without good communication and transparency, we cannot effectively support our young people with SEND into adulthood. We recently attended our daughter's Annual Review and someone said that it was only because of my doggedness and networking that so many turned up to her review. What a shame we have to fight so hard to get a better deal for our disabled children and what happens to those who don't have 'dogged' parents/carers to act as a voice for the vulnerable?

If my comments are not relevant to the SEND Consultation Andrew, could you please pass them to someone who can provide some clarity so that we may help and support our daughter plan for her future. Yours sincerely

NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

<p>Reasons for transforming services for children with SEND</p>	<p>Increase parental satisfaction for services. It is important that we retain a County-wide approach to provision, as children and young people with SEND are distributed across the County and require access to services across large rural areas and urban centres. Fundamental that, children and young people with SEN and/or disabilities and their families have the opportunity to influence and shape the services they receive. We want to improve life chances and opportunities for children and young people with SEND, and ensure C/YP with SEND are not at risk of poorer outcomes when compared with their non-SEND peers. Without reforming our approach to services for SEND within the Children and Young People's Service and providing a clear pathway for families and reducing opportunities for duplication, it will be difficult to achieve the improvements we want for families in North Yorkshire in a period of national public sector austerity.</p>
<p>Aims and principles of the strategy</p>	<p><u>Aims</u></p> <ul style="list-style-type: none"> • Promote positive outcomes for young people with SEND. • Enable families to stay together through access to local services, settings and support. • Provide earlier, better integrated support for families. • Promote active engagement of children, young people and their families in shaping services. • Prepare young people well for future life. • Be effective, efficient and sustainable. <p>• Linked what we do in communities so these children can be part of what they live.</p> <p><u>Principles</u></p> <p>They informed the proposals for change for children with SEND and they are intended as general principles to inform decisions and ways of working:</p> <ol style="list-style-type: none"> 1. Keeping the child and family at the centre of our work. 2. So far as is reasonable and practicable, the preferences of the parents or young person should be followed in decisions on service provision, giving greater control and influence. <ol style="list-style-type: none"> 1. Integrating our approach to assessment and decision making at key points in a child's life, with shared standards and core competencies for staff.

	<p>2. Ensuring interfaces with partner agencies are managed to improve the experience for families.</p> <p>3. Ensuring our services provide the best value for money through being both effective and efficient.</p> <p>4. Take full account of legislation, national policy and evidence-based practice in shaping services and decision-making around individuals.</p>
Proposals for transforming services for children with SEND	<p>Outcomes we want to achieve:</p> <p>More families stay together because of improved local provision, based on analysis of assessments and improved commissioning.</p> <p>Families have greater control/ influence, through having a say in assessment and provision.</p> <p>Children and young people reach their potential via appropriate education and support services.</p> <p>Children and young people enjoy their lives through better access to social and leisure opportunities, taking a broader view of their needs in assessment.</p>
How the strategy will be implemented and delivered	<p>The SEND Change and Integration Programme has been established to deliver the SEND Strategy.</p> <p>The Programme is led by the Assistant Director of Access and Inclusion, supported by a programme team and programme board, comprising senior managers from all service disciplines, Health and Adult Services and the Primary Care Trust commissioners for children. The Board oversees the delivery of eleven work-strands, each responsible for delivering on the priorities within the strategy. The work-strands are each led by a senior manager within the Children and Young People's Service and comprise representatives from disability services, special educational need services, health and other relevant colleagues. See below for strategic linkages to the work-strands. The action plan for each work-strand is detailed in the work-packages for each strand. Appendix A provides an overview of the high-level actions and timescales for the full action plan supporting this strategy.</p>
Timescales for the strategy implementation	<p>The Programme of work will continue to 2014 in phases; including:</p> <ul style="list-style-type: none"> Research and Mapping Service Redesign (management integration) Enhanced Access Integrated Assessment and Decision Making Service Redesign (integrated decision making)
Other Comments	<p>Need of simpler way to access/ inform parents/carers.</p> <p>Continue to train SEN practitioners to make sure their knowledge is up to date and relevant.</p>

Name

Address

.....

.....

Telephone

Email

(Please note, you do not have to complete this section and may choose to remain anonymous.)

Consultation regarding the North Yorkshire Special Educational Needs and Disability Strategy 2011-14 closes on Monday 12th December 2011. Please return this form by this date using either of the following methods:

Email: send@northyorks.gov.uk or;

Post: Catherine Hodson, Development Support Manager, Access and Inclusion Children and Young People's Service, County Hall, Northallerton, DL7 8AE.

The County Council is subject to the Freedom of Information Act 2000. The County Council may be required to disclose publicly views that have been expressed to it but will take account of your privacy rights. For more information please consult the North Yorkshire County Council [website](#) or contact the Data Management Team at datamanagement.officer@northyorks.gov.uk

PS: Not sure if this is what was "requested" from me... I certainly wish to give my contribution and certainly hope outcomes for families and more importantly their children can improve even in this period of "austerity".

NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14

NYCC
12 DEC 2011
D

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

Reasons for transforming services for children with SEND	it's extremely encouraging to read about the forthcoming changes that are to be implemented in North Yorkshire. There is at the present time a lack of consistency regarding services in North Yorkshire. Some parents are told what services are available & other have no idea
Aims and principles of the strategy	what so ever. I hope this will end with the introduction of the new strategy & bring services working closer together so that each service knows what each one is doing. Hence why I myself set up a support group in Skipton called "SPARKLE" for Parents/Carers of children with with ASC & Awareness! More training of Providers is definitely needed in North Yorkshire Making out of school activities more accessible. There's needs to more social groups developed in Skipton/N.Y.
Proposals for transforming services for children with SEND	More groups set up for the children themselves to have a voice & tell NYCC what they would to see happen in their area. Where are the youth clubs New section total dedicated to finding out on the NYCC website. A must! More opportunities for training on particular areas for local support groups i.e. sensory Profiling/strat etc - /scope
How the strategy will be implemented and delivered	Schools need to have more funding to enable more awareness training or training in specific areas. will Parents be informed/updated as each ^{Programme phase} workstrand is implemented?
Timescales for the strategy implementation	Again, how will Parents/carers be informed. New website? also once complete will we be told? how?

Other Comments NYCC 12 DEC 2011 CL	I just wanted to say I'm so relieved that changes are being made & hopefully these changes will be accepted welcomed by all. Everyone needs to communicate & I think future meetings are a must so parents/carers & professionals keep talking to one another & give feedback & updates on how the changes are working or some cases not.
---	--

Name

Address

Telephone

Email

(Please note, you do not have to complete this section and may choose to remain anonymous).

Consultation regarding the North Yorkshire Special Educational Needs and Disability Strategy 2011-14 closes on Monday 12th December 2011. Please return this form by this date using either of the following methods:

Email: send@northyorks.gov.uk or;

Post: Catherine Hodson, Development Support Manager, Access and Inclusion Children and Young People's Service, County Hall, Northallerton, DL7 8AE.

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* Just wanted to also say, I understand there is so much to put into the statement but I know a few parents have felt quite daunted at filling it in, or have struggled to find the time to read through. Maybe a more friendly approach would be a simple ^{not} 1-10 agree - type Q&A form?
 many thanks



**NORTH YORKSHIRE SPECIAL EDUCATIONAL NEEDS AND DISABILITY
STRATEGY 2011-14**

CONSULTATION RESPONSE FORM

We would like you to consider the following in respect of the draft North Yorkshire Special Educational Needs and Disability (SEND) Strategy 2011-14:

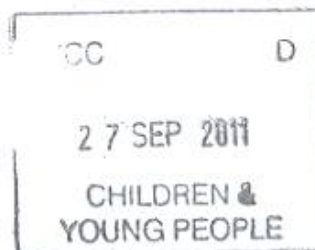
Reasons for transforming services for children with SEND	
Aims and principles of the strategy	It is the quality of services & their ability to meet individual needs that matters far more than location in the child's home community. Focus area 2 - By what criteria will it be decided what is "reasonable + practicable"
Proposals for transforming services for children with SEND	Focus area 2 - It is vital to continue to harness feedback + suggestions from <u>all</u> stakeholders not just those involved with PACT. It is beginning to feel as if only the voice of PACT will be listened to. *
How the strategy will be implemented and delivered	
Timescales for the strategy implementation	

* Personalised budgets will only be of use if there are services available to purchase. With cuts to the voluntary sector there may be little quality to purchase.
Focus area 3 :- There still appears to be a heavy bias towards inclusion - not all children are best served

North Yorkshire Special Educational Needs and Disability Strategy 2011-14

Consultation Response

Meeting at Harrogate, 23-9-11



Dear Andrew

My response to the meeting on Friday at Bilton is really just one thought.

Currently, on page 13, there is, as a principle, 'Keeping the child and family at the centre of our work'. On the surface, this seems hard to argue with, but the separation of child and family leads to the fragmented nature of the current state of affairs. When a child is in the early years, particularly when their developmental age is measured in months, there is no sense in separating child and family. I also adhere to the view by Shakespeare (2006) that it makes sense to talk of 'disabled families'¹. Our son, Robin, is five, and severely disabled, with a developmental age of about equivalent to 1 year, and I am writing from this position.

I hope you will find a place in the strategy to include the statement that, 'Parents are the experts about their children'. If it is accepted that the parents are the experts about their children, and that every family is unique, then I suggest what follows from this is, that the most appropriate response is a 'Family-Centred'² service. I think there is much in the current draft document which points in this direction. The Ontario Health Authority, Canada, provide a model for this. But there is a successful model of service delivery to families, of this ilk, in North Yorkshire. The Portage service is a client-centred service and almost universally loved by parents. These are quotations I came across during my recent research at York St John University³. Beresford (1994) found "... parents could not speak highly enough of this service..."⁴ The Portage service is built on a relationship between the professional and the family which is trusted and successful.

(it is a)...relationship based intervention which is family centered, ecological, and strength based..."⁵

What I found that was appreciated by parents (including ourselves) was that the Portage worker 'normalised' the family; she came to play with Robin as an ordinary child. She was sensitive to our family situation and worked with our strengths. Importantly, she was a single point of contact- a person-for accessing things we might want. She created a trusting relationship.

This idea finds expression in the Green Paper as 'key worker'. In my research, when parents lost their entitlement to Portage, as the child became of school age, they felt '...as if an arm had been off' to quote one of my participants. It is not only the information in a complex field of entitlement that the parent of the impaired child needs, it is a trusted person to guide them through it; someone who knows their unique situation, and knows the 'field'.

The policy implications are qualitative; and structural too. I feel strongly that the key to improving the experience of parents in receipt of additional help lies in the kind of relationship which they experience with professionals. Power is central to the relationship, which sustains the disabled family. When families are thrown into the world of disability, they find that people relate to them differently. Commonly, people in families, where there is a person with impairment, are treated with hatred by family members, neighbours, strangers and professionals. I have personal experience of these. My family, over night, became a 'dustbin of disavowal'. (Shakespeare 2006). Because this hatred has its origins in the unconscious⁵, it is essential that agencies to whom parents turn, explicitly work to create trustful relationships, and that the people who work for them have an awareness of their own 'take' on the prejudices which we all have.

There is much in the SEND document about 'influence' 'control' 'choice' and 'voice'. It may be that the 'Personalisation' work group could do a lot here. I feel that the further the strategy could be steered in the direction of being 'Family-Centred' the more likely it is to be seen by parents as successful.

What needs to be transformed is the quality of the relationship which people experience in their interactions with NYCC staff. There would be costs involved here, in additional training, an essential part of which would be employees being asked to respond to the question, "What does disability mean to you?" The statistics on page 11, in my view, suggest that while some staff give excellent support to families, too often it is the case that others fuel the oppression which is the common, everyday experience of parental disability⁷. The 'antidote' to this is respect for the unique subjectivity of each disabled family⁸ and having procedures which express this respect.

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cc: Phyll Grant, Martin Kelly

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Scan

Cynthia Welbourn, MA, FRSA
Corporate Director - Children and Young People's Service

Your ref:

Our ref: APT/KER

Contact: Andrew Terry

21 November 2011

Andrew Terry
Assistant Director, Access and Inclusion
County Hall, Northallerton
North Yorkshire, DL7 8AE

Tel: 01609 532796

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Dear

Thank you for your letter of 13th November, 2011 concerning your experience of The Ghyll.

I hope that there will be a further opportunity in the spring term to meet with local parents and that you will be able to attend. In the meantime, thank you for your kind thoughts; I am pleased that the service is well regarded.

Yours sincerely



Andrew Terry - Assistant Director
Access and Inclusion

Dear Andrew Terry,


I was hoping to attend the consultation strategy meeting for SEND on the 14th November at Skipton, but I'm afraid I was unable to make it.

I have a son who is autistic and attends the Ghyll respite Centre in Skipton for regular respite visits. I feel this service has been invaluable to our whole family, and don't feel we could have managed without regular breaks.

The Ghyll is homely and all the staff are excellent. I know that my son is always well cared for in a warm, caring and safe environment by staff who know him well.

He also goes out to do an activity once a fortnight with carers and a small group of children to do bowling, swimming etc, which he really enjoys!

I have also found it vital to be able to access respite in the holidays appropriate to my son's needs.

Yours sincerely, 

Please find the following comments in reference to the consultation on;

'Transforming Services for Children with Special Educational Needs and Disabilities (SEND)'

'North Yorkshire Special Educational Needs and Disability Strategy'

- No mention of estimated cost of this consultation?
- Long winded, dry delivery, surely not written for consumption of parents and others - young people? This document could have been expressed more simply and concisely. Some repetition in places, not sure if some sections are required at all - the opening 'blurb' P1?
- No suggestion of imaginative use of other media to engage in consultation for young people consultation such as *facebook* and *twitter* or of initiatives/rewards for young people who engage with this consultation. This consultation runs the risk of going under the radar for most SEND parents and young people.
- Document suggested as 'transforming' . No evidence of transformation - more a manifesto for continuum. Current political and economic environment highlights major change yet this document seems to be a consultation on conservation, no radical thinking or initiatives that address dramatic national change. LA 'fallen asleep at the wheel' on this one. Parents do not view SEND services as highly as other LA areas. But no evidence that drastic change is being considered?
- Suggestion that parents of disabled children view the service that they receive as 'good', 62 points against the national average of 61 - one point difference is not good, is it - its average? Parents need to make decisions/support decisions - too many occasions when 'experts' think that they know better than parents.
- As a parent never heard of PACK. Again Flying High Group never heard of these yet this consultation gives great emphasis in a number of sections on the role of the 'Flying High Group' as a vehicle for assessing young peoples opinions in any future developments. Who are they, who put them into place, who do they represent and what will be taken from their opinions - however limited or narrow they might be? Concerned that a minority might make decisions for the majority. Smacks of trying to tick the OFSTED box for student & parent voice. Wider views of parents required.
- Limited mention of academies and free schools programme in this consultation other than within the context of special schools - (seem happy to let these go). Yet academies and free schools programme the most significant change for the LA and SEND provision. As the academies programme rolls forward and school shave their own budget, tax payers would expect a correlating reduction in the amount of money available for LA funds and thus the amount of SEND resources delivered directly by LA. This reduction would be significantly more than savings outlined here.
- Bias towards 'inclusion' - many places in this document. Yet despite repeated attempts with various LA staff, as a parent yet to get a LA same 'hymn book' definition of inclusion from LA staff, a failed policy - much uncertainty at to what 'inclusion' actually means within LA staff, so how can parents begin to evaluate inclusion? inclusion yesterdays news with reference to current government thinking - time to sideline the emphasis here perhaps?

- Some emphasis in consultation on the ECM derived agenda. Arguably? old hat in respect of where SEND should be placing its emphasis ?
- Limited mention in this documentation for the role forthcoming role for parents and the control that they might directly exert over future SEND funding. Much more needs to be made from this in the consultation - as this will be central core to future government SEND funding delivery. Clear format required as to how parents will have a decision/opinion making roles such as in the appointment of key staff, E.g. TAs.
- Statements - have fallen from 2000 to 2010 in North Yorkshire: No surprise? This fall is as a direct result of persuading/ cajoling parents of the false promise that they don't require statements as their needs can be met from SEN funding directly in school. Therefore, no change in actual need just less statements. Given informed choice would any parent refuse to have a document written (statement) where the needs of their child are clearly outlined over some promise that the school will meet need from its own resources?
- Some SEN provision external to LA. E.g speech therapy a health authority services and as such there is no control/guarantee of delivery or withdrawal of that service. Difficult to plan/consult for in any SEND plan.
- Many comments in document lack clarity. 'Very small groups' for TAs to work with - what constitutes a very small group 2, 5, 10??? Need clarity on throw away comments such as this, as their effects will have a massive impact on expectation and delivery.
- Much made of the role of EMS schools yet no evidence given on their impact. Review the additional funding that these have cost and assess as to what they actually deliver/impact? Currently LA staff assessing other LA staff in EMS schools - too 'chummy'. This needs to be externally done. Could this service be delivered more effectively using for example more TA and less teacher provision.
- Short breaks: Simply too expensive for the LA to deliver this service in the current economic climate. This needs to stop. The number of short breaks has increased significantly. Just one example of excessive involvement by LA. I'm sure that many parents will testify to their positive experience on Sbs, but these are too expensive in current climate for a small minority to justify from the tax paid by the many.
- Over bureaucratic documentation for individual SEN students ranging from, *Provision map, inclusion passport, communication passport*, this needs to be stopped/simplified - one document - one key worker. Nominated key worker for all parents with SEND children - to avoid duplication of services/coordinate agency input.
- More effective use of statements. The production of a Statement of SEN produces a document that is reviewed each year, in the meantime what happens to the statement? Experience shows that these are often left to gather dust for 12 months. Many staff/agencies/individuals named as having actions to deliver in the statement have never even seen the Statements of the children they teach/work with. Needs to be a living breathing document.
- LA training should be reduced to core minimum. Clear objectives should equate to less training? Money saved should be put back to frontline services in schools. Also, no mention of the the delivery of North Yorkshire LA training through venues such as hotels and hired venues. This should stop. This is a waste of money in an authority that is looking to save money. Surely there are venues that can be used within the LA own building stock? At a time when other LA services such as libraries are experiencing vast reductions this is a gross expense. It sends the wrong message about the fiscal nature of LA expenditure.
- Consultation highlights priority of delivering to core list of objectives yet the

staffing/management structure (flow chart) delivers to different areas – miss-match here? Radical staffing/management change needed if core objectives are to be met. The current structure of SEND management/staffing needs to be directly related to core objectives.

- The use of a system of salaried advisers should stop. Too expensive. Advisers should be employed on a consultation basis and impact basis via school funding. More flexibility here given to schools to hire via direct funding. Again salaried adviser employment cannot be justified in current economic climate.
- Management needs reducing & streamlining. Can the service deliver the same, if not better results without some staff or staff on different pay levels.
- NYCC county-wide staff evaluation of SEND roles needs to take place. For example some roles E.g. VI Impairment Teachers, difficult to see how role of a teacher relates to job description, yet paid at upper teaching scale + SEN allowance, significant pay and service conditions. Would be more appropriate classified as a 'VI Officer'. Need to look at NHS employment models here. In all cases/all jobs the question needs to be asked - can the same level of SEND service be acquired for less money?
- School Inclusion Profile – too much stress on this. Tick box mentality. Schools need flexibility to make funding decisions based on individual internal SEN tensions and demands. Parents/Governors/school staff need to be accountable to parents and OFSTED. Against any concept that funding will be held back if this document is not complete is not appropriate- 'nanny' approach – illegal to hold back money?
- A programme of work/consultation on this continues to 2014!! – far too long if change is necessary, which this document suggests it is then a more expedient approach required! After all students in the meantime are missing out on those areas that need 'transforming' while there are delays – one year max for consultation, there needs to be a 'testosterone' approach here?



North

Yorkshire County Council

Equality Impact Assessment

Transforming Services for Children with Special Educational Needs and/ or a Disability (SEND)

Strategy for SEND 2011-14

If you would like this information in another language or format such as Braille, large print or audio, please contact the Communications Unit on 01609 53 2013 or email communications@northyorks.gov.uk.

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھئے۔



Undertaking an Equality Impact Assessment

Equality Impact Assessments (EIA) should be undertaken at the business case stage when:-

- You are developing a new service or policy
- You are reviewing an existing service or policy
- You are proposing a change to an existing service or policy
- You are reviewing a service or policy carried out on behalf of the council or another organisation
- Your service is re-organised.

They should be referenced in your final recommendations on the service changes so that decision makers can reach an informed decision on the service/policy.

An EIA should cover all the social identity characteristics protected by equality legislation – referred to as ‘**protected characteristics**’ or equality strands. These are;

- Sex
- Sexual orientation
- Religion or belief
- Race – this include ethnic or national origins, colour and nationality
- Disability – including carers
- Pregnancy and maternity
- Gender reassignment
- Age
- Marital/civil partnership status

There is a lot of information available to support you in completing this assessment on the EIA pages on the NYCC intranet

The Council must publish your equality impact assessment and a summary will be included on the NYCC website in line with statutory requirements. Please be aware that it will become a public document.

Name of the Directorate and Service Area	Children and Young People's Service		
Name of the service/policy being assessed	Special Educational Needs and Disability (SEND) Strategy Also known as Project 17 from the Savings and Transformation Strategy		
Is this the area being impact assessed a	Policy & its implementation?	x	Service?
	Function		Initiative?
	Project?		Procedure & its implementation?
Is this an Equality Impact Assessment for a (Note: the Equality Impact Assessment (EIA) is concerned with the policy itself, the procedures or guidelines which control its implementation and the impact on the users)	Existing service or a policy and its implementation?		
	Proposed service or a policy and its implementation?		
	Change to an existing service or a policy and its implementation?		
	Service or Policy carried out by an organisation on behalf of NYCC?		
How will you undertake the EIA? Eg team meetings, working party, project team, individual Officer	The SEND Change & Integration Programme Board will be responsible for the Equality Impact Assessment. Each workstrand implementing the strategy within the programme will contribute to the overarching Equality Impact Assessment. The Project Team will develop and maintain the EIA on behalf of the Programme Board.		
Names and roles of people carrying out the Impact Assessment	Lynette Dodds, Principal Performance Officer (SEND Programme Manager), CYPS Mike Lord, Integrated Processes Project Officer (SEND Project Team), CYPS Catherine Hodson, Access and Inclusion (SEND Project Team), CYPS		
Lead Officer and contact details	Andrew Terry, Assistant Director: Access & Inclusion. Andrew.terry@northyorks.gov.uk 01609 532122		
Date draft EIA started	February 2011		
Date EIA Completed	August 2011		
Sign off by Service Head/ Business Unit Head			

Sign off by Assistant Director (or equivalent)	
Date of Publication of EIA	February 2012
Monitoring and review process for EIA	The EIA will be reviewed in conjunction with the review of strategy, and as a minimum will be review annually.

1. Operating Context

Please consider issues around impacts (positive or negative) raised for all [protected characteristics](#) and show your evidence

1.1 Describe the service/policy

What does the service/policy do and how? How would you describe the policy to someone who knows very little about Council Services?

If there is a proposal to change the service or policy, describe what it looks like now and what it is intended to look like in the future. What are the drivers for this proposed change?

Who does it benefit? What are its intended outcomes? Who is affected by the policy? Who is intended to benefit from it and how? Who are the stakeholders? identify those protected characteristics for which this service is likely to have an impact (positive or negative)

Are there any other policies or services which might be linked to this one? Have you reviewed the EIA for these policies/services? What do they tell you about the potential impact?

How will the policy be put into practice? Who is responsible for it?

The SEND Strategy and associated Change & Integration Programme is a transformational initiative to improve services for children and young people with special educational needs and of disabilities (SEND). The scope of the Change Programme is defined as 'children and young people with statements (excluding those for behaviour) and/or are known to Children's Social Care; and children and young people at school action plus with the additional vulnerability of being Looked After or are a young offender.'

The purpose of the work is to improve services for these groups of children and young people with SEND, and as such it is not anticipated that they will receive a negative impact as a result of this programme. However, the Programme has a £525k savings target attached, which may result in different services being provided or offered. This may have perceived or actual short term negative effects for children, young people and families. The Programme will work hard to mitigate any negative impact where it is identified mainly through achieving management and administrative savings and also through improved contract management. Risk management and governance has been implemented to help with this process.

The two principal aims are to bring together social care and educational responsibilities within the Children and Young People's Service into a single service for children who have more complex special educational needs and or disabilities (SEND); and to improve access to local, inclusive provision for all children and young people with SEND.

The strategy outlines the reasons for change, principles and expected outcomes.

The work will impact on children who have special educational needs,

	<p>and who are Looked After or subject to Child Protection (but not via the Disabled Children's Team) and children who have behaviour statements. Although the restructure is not focussed on those children and young people, it will be important to ensure they benefit from the improved local provision and links are made to them within the new service arrangements.</p> <p>The SEND Change & Integration Programme has a number of affiliated projects and services (see Project Brief). In particular the Transformation of the Social Care Service (Savings and Transformation Project 2b) and the Business Support Review (Project 1a) will have a direct relationship as both include staff who may be affected by the restructure proposals as part of this programme.</p> <p>The Change & Integration Programme is led by Andrew Terry, AD (Access & inclusion) on behalf of the CYPS Leadership Team. A Programme Board has been established to provide oversight and management of the Programme (see Terms of Reference). This is supported by senior officer time through a 'virtual' Programme Team.</p>
<p>1.2 How do people use the policy/service?</p> <p>How is the policy/service delivered? How do people find out about the policy/service? Do they need specialist equipment or information in different formats? How do you meet customer needs through opening times/locations/facilities? Can customers contact your service in different ways? How do you demonstrate that your service/policy is welcoming to all groups within the community?</p> <p>Does the policy/service support customers to access other services? Do you charge for your services? Do these changes affect everyone equally? Do some customers incur greater costs or get 'less for their money'? Are there eligibility criteria for the service/policy?</p> <p>How do you ensure that staff/volunteers delivering the service follow the Council's equality policies? Does the Council deliver this policy in</p>	<p>The SEND Strategy and associated Change & Integration Programme is not a service in its own right, but an initiative to change the existing service structures within CYPS and to enhance access to local provision.</p> <p>There is an affiliated communications strategy, incorporating all key stakeholders (see Communications Strategy and Action Plan), to ensure stakeholders are kept informed of the developments. Particular focus has been placed on the role of staff, parents and young people in influencing the Strategy and programme, and enabling participation in the change programme.</p> <p>The Programme Board can be contacted through send@northyorks.gov.uk and through the lead Officers.</p>

<p>partnership or through contracts with other organisations? How do you monitor that external bodies comply with the Council's equality requirements?</p>	<p>Many of the children and young people accessing these services (social care and education) will need information in different format, and some have complex communication needs.</p> <p>The strategy seeks to review the existing information on, and access to services and to improve the quality and accessibility of information, advice and support for parents and young people.</p> <p>The proposed restructure will develop a 'pathway' approach to services, bringing together specialisms, rather than having a 'service centric' approach. This will enable parents and young people simpler access to assessment and decision making. The access point into the service will also be established through the restructure, in line with the principles of the 'One Council' vision for customer access.</p>
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2. Understanding the Impact (using both qualitative and quantitative data)

Please consider issues around impacts (positive or negative) raised for **all protected characteristics** and show your evidence

<p>2.1 What information do you use to make sure the service meets the needs of all customers?</p> <p>What data do we use now? Is it broken down across protected characteristics (and are these categories consistent across all data sets)? How current is the data? Where is it from? Is it relevant?</p> <p>What engagement work have you already done that can inform this impact assessment? Who did you talk to and how? What are the main findings? Can you analyse the results of this consultation across the protected characteristics? Are there differences in response between different groups? How has this changed the plans for the policy/service?</p>	<p>Data is collected and analysed through the Performance & Outcomes team within CYPS. The data is very detailed and includes individual level data on social care needs, primary and secondary needs in relation to education, information on attainment, attendance and individual level data on schools and social care services accessed.</p> <p>The data is broken down for age, gender, disability and race, but does not include the other protected characteristics. Whilst relating to pregnancy, gender reassignment, civil partnership and marriage are not directly relevant to this cohort and as such as not routinely analysed, it is acknowledged that individuals using our services may fall within one of these latter protected characteristics. As the services are designed to address personal circumstances through case-work, these issues would be addressed at that point.</p> <p>The data is up to date, with live data on children's social care and</p>
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	<p>termly data provided by the schools census for the sen data. Case data for SEN, for example those being assessed for a statement is live data. Social care data is provided directly from the social worker onto the case management system.</p> <p>It is proposed that the EIA will be consulted upon, along with the strategy in September 2011 with staff, parents and with disabled young people via the Flying High for disabled children's group. The draft EIA and strategy will be available on line for people to access outside of those groups.</p> <p>Staff will have the opportunity to attend briefings over the autumn period.</p> <p>The consultation was carried out between September – December 2011</p>
<p>2.2 What does the information tell you?</p> <p>Are there any differences in outcome for different groups e.g. differences in take up rates or satisfaction levels across groups? Does it identify the level of take-up of services by different groups of people? Does it identify how potential changes in demand for services will be tracked over time, and the process for service change?</p> <p>Please include data and analysis as an appendix</p>	<p>The population of North Yorkshire has an increasing older population, but the 0-19 age range is anticipated to remain steady at approximately 138,000, although the 0-4 age range is expected to increase by 5 % by 2015 (North Yorkshire County Council, 2010). The child population is primarily white British, with only 2.7% of the 0-19 population coming from Black or Minority Ethnic groups. However, 15.9% of the school aged population are classed as having some form of special educational need, with ~2% (1673) receiving a statement of special educational needs. Approximately 500 children at any one time have an open involvement with Children's Social Care Disabled Children's Team. Children with a statement of special educational needs and/or a disability are spread across the whole county. There are greater instances in urban centres, but more due to the concentration of population than any evidence of greater needs.</p> <p>The data shows us that there is a fairly static number of young people accessing children's social care services, although the number of people accessing short breaks has increased due to recent investment. A very small number of disabled children (6-10 at any given point)</p>

require child protection, with around 40 (at any given point) being looked after by the local authority. The majority of disabled looked after children are over 11.

There is an increasing demand for statements of special educational needs, based on current trends the number of new statements is forecast to rise by around 10% per year to 2015. Whilst there has been a decreasing number of statements overall in North Yorkshire, there are increases in statements for specific groups, for example Autism and SLCN. ASD is now the most common primary need among pupils with a statement.

The Parents Survey 2010 identified statistically significant lower satisfaction rates for parents of a child with SEND than the whole cohort:

- the number of safe places to go/ play in your area
 - policing and levels of safety
 - the information you and your child receive on internet safety
 - the standard of health services your child has access to
 - the level of emotional and psychological support provided in your child's school
 - the standard of education your child receives
 - the curriculum your child is taught
 - the provision of interesting and enjoyable after school clubs
 - the level of support available to help parents/ cares deal with their children's problems
 - the work done to help children and young people understand what anti-social behaviours is and how to help reduce it
- The opportunities your child has to get involved in sports, art and culture in their communities

The Health Related Behaviour Questionnaire of children within schools included special schools for the first time in 2010 and has been analysed by SEND. The Needs Assessment includes this analysis.

Complaints data is also available

	<p>The data collected has been analysed in the 'Needs Assessment' section of the SEND Strategy. The needs assessment was used to identify the priorities for the strategy and for the associated change and integration programme.</p>
<p>2.3 Are there areas where we need more information? How could we get this information?</p> <p>What data is available? Do other directorates, partners or other organisations hold relevant information? Is there relevant information held corporately e.g. compliments and complaints? Are there national datasets that would be useful? Is there relevant census data? Do you need to collect more data? How could you do this?</p> <p>Do you need to do more engagement work to inform this impact assessment? Have you identified information in other sections of this EIA that you need to assess the impact on different groups of people? What do you want to find out? Which existing mechanisms can you use to get this information?</p> <p>Please refer to the Community Engagement toolkit on the NYCC intranet</p>	<p>There is limited information on direct feedback from service users from children's social care and sen services. This has been identified as an area for development in the strategy.</p> <p>There is limited information on the take-up of services by religious belief.</p>
<p>2.4 How will you monitor progress on your policy/service, or take-up of your service?</p> <p>What monitoring techniques would be most effective? What performance indicators or targets would be used to monitor the effectiveness of the policy/service? How often does the policy/service need to be reviewed? Who would be responsible for this?</p>	<p>The SEND Strategy and associated Change & Integration Programme will be monitored in a number of ways:</p> <ul style="list-style-type: none"> • Monthly highlight reports from each work strand to the Programme Team • Quarterly review of progress aligned to the Programme Board meetings • Stage Reviews for each 'phase' of the Programme implementation • Reports to CYPS Leadership Team and Executive Members • Reports to the Children's Trust. <p>The performance requirements of the new SEND Service will be formulated as part of the Change & Integration Programme.</p> <p>The SEN Strategy sets out a performance framework. This will be the</p>

responsibility of the Change & integration Programme Board.

3. Assessing the Impact

Please consider issues around impacts (positive or negative) raised for **all protected characteristics** and show your evidence.

3.1 Has an adverse impact been identified for one or more groups?

Has this assessment shown anything in the policy, plan or service that results in (or has the potential for) disadvantage or discrimination towards people of different groups? Which groups?

Do some needs/ priorities 'miss out' because they are a minority not the majority? Is there a better way to provide the service to all sections of the community?

The work will impact on children who have lower levels of special educational needs who are also Looked After or subject to Child Protection (but not via the Disabled Children's Team); children who have behaviour statements and children who's SEN are at school action or school action plus where they have no other additional needs.

it will be important to ensure the benefit from the improved local provision and links are made to them within the new service arrangements.

3.2 How could the policy be changed to remove the impact?

Which options have been considered? What option has been chosen?

The scope of the service has been developed in consultation with key stakeholders.

3.3 Can any adverse impact be justified?

If the adverse impact will remain, can this be justified in relation to the wider aims of the policy or on the grounds of promoting equality of opportunity for one target group?

Please seek legal advice on whether this can be justified.

The impact of the defined scope of the Strategy and Change and Integration Programme should be mitigated through the alternative strategies focussed on delivering for these groups of children and young people, including:

- The Behaviour, Discipline and Attendance Strategy
- The Children's Social Care Transformation
- The Strategy for Improving the lives of looked after children
- The Youth Justice Service plan

3.4 Are you planning to consult people on the outcome of this impact assessment?

When and how will you do this? How will you incorporate your findings

The EIA was consulted upon with the along side the strategy on the internet, published through the intranet for staff consultation and will be shared with the Flying High Group (disabled young people).

<p>into the policy?</p>	<p>The Programme Board will take account of any changes/recommendations and pass on the workstrand leads as appropriate. Ongoing consultation and review of the EIA will be incorporated into the Programme controls</p>
<p>3.5 How does the service/policy promote equality of opportunity and outcome?</p> <p>Does the new/revised policy/service improve access to services? Are resources focused on addressing differences in outcomes?</p>	<p>The SEND Strategy is committed to increasing access to local provision for children and young people with SEND and their families and improve outcomes. This will promote equality of opportunity.</p> <p>The proposed changes to post-16 provision will create greater opportunities for further education in the local area.</p>
<p>Don't forget to transfer any issues you have identified in this section to the Equality Action Plan</p>	

Action Plan					
What are you trying to change (outcome)?	Action	Officer responsible	Deadline	Other plans this action is referenced in (e.g. Service Performance Plan, work plan)	Performance monitoring
It will be important to ensure [children affected, but not directly the focus of this strategy] benefit from the improved local provision and links are made to them within the new service arrangements.	Share Strategy consultation with related strategy leads Where possible ensure lower levels of SEND or those with behavioural issues can access local services	APT APT	September 2011 Ongoing		Reporting via the Programme Board
improve the quality and accessibility of information, advice and support for parents and young people.	Establish a work-strand to focus on improved information for families	CH	April 2012	SEND Change & Improvement Programme Structure Children and Young People's Plan 2011-14	Workplan monitoring through the Programme Board
Consultation with families not engaged with PACT/ Flying High	Public consultation arrangements on major proposals for service	APT	Ongoing		Reporting via the Programme Board

	change to be in place Review of contracts with NYPACT and Flying High to increase representation	LD	April 2012		
Increase direct feedback from service users from children's social care and sen services	Revised SEND service to include feedback mechanism as standard	APT	March 2012		Reporting via the Programme Board

NORTH YORKSHIRE COUNTY COUNCIL

MEETING OF THE EXECUTIVE

31 January 2012

SCHOOL ADMISSION ARRANGEMENTS FOR THE ACADEMIC YEAR 2013/14

1.0 PURPOSE OF REPORT

- 1.1 To seek views from Members on the response to the proposed admission arrangements for Community and Voluntary Controlled Schools for the academic year 2013/14 and approval for recommendation to the County Council for determination.

2.0 BACKGROUND

- 2.1 The admission arrangements for Community and Voluntary Controlled schools form part of the Policy Framework of the Council and therefore must be determined by the full County Council.
- 2.2 Comments from the Admissions Forum on the proposed admission arrangements should be taken into account by the County Council in determining admission arrangements. The Admissions Forum was consulted on the proposed arrangements, at its meeting on 17 January 2012. Members of the Admission Forum supported the proposed admission arrangements.
- 2.3 The Local Authority is required to determine its admission arrangements, which includes admission policy and admission limits, by 15 April each year. In the case of admission arrangements for entry in 2011–12 and subsequent years, it must at present consult on these annually, unless the admission arrangements were consulted on in one or both of the two previous years and they are the same as the arrangements since the last consultation. This being so, currently, admission authorities need consult only once in every three years. However, it should be noted that annual consultations have been commended as good practice by the Schools Adjudicator. Prescribed consultations must last for a period of not less than eight weeks between 1 November and 1 March each year, which means that schools are first consulted in Autumn Term each year for admissions nearly two years later. The process is, therefore, based to some degree on schools' best estimates of the numbers of requests for places informed by the LA's forecasting model, which takes into account the patterns of parental preference over the years. Since the Council is the only body that may determine the matter, it falls to the Council in February each year. This means that in order to meet the deadline of the February County Council meeting and comply with the statutory and corporate deadlines for the process, the consultation on

admissions arrangements needs to launch early in November and be complete by the following January. This has been complicated this year by the government's arrangements for revisions to the rules governing school admissions.

3.0 CONSULTATION ON NEW ADMISSIONS CODES AND REGULATIONS

- 3.1 Two consultation documents, the draft School Admissions Code and the draft School Admissions Appeals Code were published for consultation by the DfE on Friday 27 May 2011. The consultation closed on Friday 19 August 2011. The purpose of the consultation documents was to seek views on changes which aim to simplify the Codes which are at the centre of proposed changes to the admissions system.
- 3.2 A report was considered by Executive Members on 12 July 2011 briefing them on the School Admissions Consultation prior to seeking their approval to a formal response to the DfE. This report set out the proposed policy changes in the draft School Admissions and School Admission Appeals Codes and identified a number of key issues on which the Authority subsequently responded.
- 3.3 In October 2011, in preparation for our 2013/14 admission arrangements consultation we contacted the Department asking for an indication of the likely date for publication of the new Codes. We were advised that the Department were 'working through the revisions with Ministers and that the Codes would come into force in February 2012 with revised Codes published as soon as possible.'
- 3.4 There was concern that it would be inappropriate to launch the Authority's 2013/14 admission arrangements consultations on the basis of what was still a draft Code and could, therefore, change both prior to and during the period of time in which it must be laid before Parliament. Additionally there was concern whether a consultation carried out on the basis of a draft, unfinalised Code which was not due to come into force until February 2012 would be valid and withstand any challenge. There was no proposal to change the Authority's oversubscription for community and voluntary controlled schools for 2013/14 other than to ensure compliance with the final revised Codes. It was felt therefore that the better option would be to launch the consultation on the basis of the current 2010 School Admissions Code with the opportunity to make any amendments required to ensure compliance with the new Code before the date of determination. Had there been any delay in the coming into force of the Code i.e. after the date of determination by the County Council, the associated School Admission Arrangements Regulations make provision to vary admission arrangements in order to ensure compliance with the Code without the need for further consultation. Advice from Legal Services confirmed that without a definite date for publication of the Code the consultation would have to

be on the basis of the current (2010) Code. If mandatory changes resulted from the new Code which affected admissions for 2013/14 the Regulations would provide the appropriate mechanism to vary any determined admission arrangements in order to ensure compliance with the Code.

- 3.5 On 2 November 2011, the Secretary of State for Education published a revised set of draft School Admissions and Appeals Codes, together with the Department's response to the consultation. A note on the revised draft Codes stated that 'between the publication of the revised draft Code on 2 November and the laying of the Code before Parliament later in the year there may be minor changes to the text.'
- 3.6 The Department noted that there are two important areas on which they did not consult but where they consider it important that changes be made. 'Firstly, that any looked after child who leaves care through adoption or who has become subject to a residence order or a special guardianship order will retain the highest priority in all state-funded schools for admissions purposes. Secondly, the Department intends to conduct a short consultation, alongside the regulations, on the introduction of a national offer day for primary school places. Subject to that consultation, the first Primary National Offer Day is to be 16 April 2014 and each year thereafter.'
- 3.7 The outcome of the Department's consultation required changes to the Regulations which govern the admissions and appeals process. A further short consultation which focused solely on the regulations was launched by DfE on 10 November and closed on 5 December 2011. The Authority submitted a response to the consultation.

Following publication on 1 December of the revised Codes which are currently before Parliament, the advice from the DfE is that consultation and determination of 2013/14 admission arrangements must be on the basis of the Codes before Parliament. This consultation by the Department on what are now the revised Codes has been difficult to manage due to the lack of clear guidance from the Department in advance of the start of the consultation process.

The late addition of the new proposals set out at 3.5 above will require a change to be made to the Authority's oversubscription criteria for community and voluntary controlled schools and Harrogate High School for 2013/14 to extend the first oversubscription criterion to include previously looked after children. This is a change that all admission authorities will be required to make to their 2013/14 admission arrangements. It will be interesting to see whether any of this is tested in the Courts.

4.0 IN-YEAR ADMISSIONS

- 4.1 As part of the consultation on proposed admission arrangements for 2013/14 the Authority's Co-ordinated Admission Arrangements Scheme (Appendix D) proposes, in line with the mandatory requirements of the 2010 School Admissions Code, the retention of in year co-ordination of admissions by the local authority. Under the revised School Admissions Code the Local Authority's role in co-ordination of the normal admissions round is to continue and all admission authorities must participate in co-ordination for the main round of admissions for September 2013 but there is no longer a mandatory requirement that local authorities undertake in year co-ordination on behalf of all schools within their area and in liaison with their neighbouring LA's. There is concern that this may not best serve the interests of parents and children. As the number of own admission authority [OAA] schools increases parents may find it increasingly difficult to navigate a system which is fragmented in terms of numbers of admission authorities, proliferation of different admissions criteria and a lack of clarity about where accountability sits for securing their rights.
- 4.2 In order for the scheme to operate effectively across all schools, including own admission authority schools within North Yorkshire it will require the agreement of the governing body of each own admission authority school. It may be the case that some schools opt in but others decline to do so. Officer views are that as the admission authority for community and voluntary controlled schools we would want to retain responsibility for in year co-ordination within these schools and in the interests of parents and children we will continue to deal with in year admissions for all own admission authority schools which request us to do so. If an academy trust would like us to undertake this function on their behalf we can do so as a chargeable service.
- 4.3 Last year in North Yorkshire we dealt with 4007 in year admissions. This level of demand for in year places has been replicated in LA's nationally.

The revised Code states that 'Admission authorities must on receipt of an in year application, notify the local authority of both the application and its outcome, to allow the LA to keep up to date figures on the availability of places in the area'.

Experience to date would suggest that in many cases we will not automatically be given this information by own admission authority [OAA] schools. In the interests of parents and the safeguarding of children we will need to have clear procedures in place to monitor applications to OAA's both in terms of numbers and the time taken to secure a place.

5.0 ADMISSIONS POLICY

- 5.1 Admissions policy [criteria for determining admissions where schools are oversubscribed]:

The proposed admission policy for community and voluntary controlled schools (excluding Harrogate High School), the proposed admission policy for Harrogate High School and the proposed admission policy for nursery schools, schools with nursery and pre-reception classes is attached (Appendices A, C & B respectively).

The NYCC consultation launched on 9 November 2011. Because at that stage our consultation was based upon the 2010 Code, the oversubscription priorities within the proposed admission policy for community and voluntary controlled schools, and the proposed policy for Harrogate High School, remain unchanged from 2012/13 arrangements as do the proposed oversubscription priorities for nursery schools and schools with nursery and pre-reception classes but are subject to change as a consequence of any new mandatory proposals contained within the revised School Admissions Code. In order to ensure compliance with the revised Code it is now proposed that prior to determination by the County Council the first oversubscription criterion within policies A and C above and within the relevant nursery admission criterion be revised to include 'previously looked after children' ³

5.2 Responses to the proposed admission policy to Community and Voluntary Controlled Schools (including Harrogate High School)

By the closing date of 16 January 2012 a total of 10 online responses had been received.

Seven of the respondents agree with the proposed admission policy, three indicated that they disagreed though in fact their objection was not to the oversubscription policy but related to proposed admission numbers. One of these respondents disagreed with the proposed admission number for their own school. This issue has now been resolved to the satisfaction of the school concerned. The remaining two objections about admission numbers relate to the proposed admission number of another school, this is dealt with at 6.1 below. Copies of all hard copy responses and a print out of the online responses will be left in each of the Group Rooms and available for Members to view on the date of the meeting.

6.0 ADMISSION LIMITS

- 6.1 As noted at 5.2 above online responses were submitted by two secondary schools in which they objected to the PAN's proposed for other local schools. In each case the proposed PAN is in line with the capacity calculation of the school in question. The proposed published admission numbers [PAN's] for 2013/14 are attached at appendices H & I. The County Council sets the admission limits of Community and Voluntary Controlled Schools in consultation with the governing body of the school.

- 6.2 For the academic year 2013/14 and subsequent years an own admission authority school (VA, Foundation, Trust Schools, Academies or Free Schools) is not required to include a proposal to increase or keep the same admission number in any consultation on admission arrangements. Conversely all admission authorities must consult if they propose a decrease in PAN. As the admission authority for a community or voluntary controlled school the local authority must consult the governing body of the each school whether it proposes to increase, decrease or keep the same admission number. Community and voluntary controlled schools have the right to object to the Schools Adjudicator if the PAN set for them is lower than they would wish. The Authority has consulted with the governing bodies of all community and voluntary controlled schools as part of this annual consultation process. Agreements have been reached with all schools and where any school has requested an increase in PAN the governing body has been advised that once increased there is a presumption against future decreases.
- 6.3 The revised School Admission Code states that all schools that are popular with parents are to be free to increase their PAN without the need for local consultation but they must notify their local authority of their intention to increase the school's PAN and reference to the change should be made on the school's website. DfE officials acknowledge that this will challenge the relationship between schools and LA's and that 'freeing' up PAN's will impact upon the dynamics of schools within an area.
- 6.4 Objections to the Schools Adjudicator about an increase in PAN [or the PAN remaining the same] may only be made by the governing body of a community or voluntary controlled school. The rationale behind this is to enable all schools to take advantage of some of the freedoms enjoyed by own admission authority schools. In respect of such an objection there will be a strong presumption in favour of increase unless it would lead to a clear threat to pupil safety. Unfortunately the Code is silent as to how such a threat would be evidenced. It is difficult to reconcile this with the local authority's strategic role in planning school places.

Where a school does increase its PAN it is likely to stay at the higher level which will make for significant growth over time and may have an impact on the demands on capital funding as well as creating surplus places elsewhere.

Under the current Code the advice has been that a change in PAN amounts to a material/significant change to admission arrangements such that the admission authority would need to consult even if it had consulted in the previous year. Under the revised Code PAN's may be increased by own admission authority schools without the need to consult. This is likely to lead to objections from other schools who will be concerned about the potential impact upon their own numbers. It

could also lead to the expansion of selective places which is clearly at odds with the policy which says there will be no expansion of selection.

Changes to PAN have tended to be one of the most contentious aspects of the consultation process and have the potential to be directly relevant to other local schools. In an area such as Harrogate for example, any changes in PAN will be of great significance and as the LA we are well placed to assess the likely impact of such changes.

6.5 Current indications are that the small number of converter academies within North Yorkshire do not propose to increase their PAN for 2013/14. Nevertheless this does not mean that they may not choose to do prior to the determination of their admission arrangements or indeed subsequently. The revised Code provides that if, at any time following determination of the PAN an admission authority decides that it is able to admit above its PAN it must notify the local authority in good time to allow the local authority to deliver its co-ordination responsibilities effectively¹. Admission authorities may also admit above PAN in year.

6.6 At the date of drafting this report negotiated agreements have been reached with the majority of community and voluntary controlled schools, some discussions are ongoing but will be complete by the date of this meeting. Any changes in proposed PAN's will be noted in Appendices H & I.

The Governing Bodies of the three primary schools listed below have requested a PAN which is lower than the indicated admission limit [IAL] of the school but is at the same level as determined in previous years in order to enable the schools to comply with the Infant Class Size Duty. Officers seek approval to the proposed PAN's for each of the schools listed below:

School	IAL	Proposed PAN
Bishop Monkton CE Primary School	18	15
Coppice Valley CP School, Harrogate	34	30
Wheatcroft CP School, Scarborough	34	30

7.0 CO-ORDINATED ADMISSION ARRANGEMENTS

7.1 Of the 370 schools consulted (including the eight converter academies); there were no responses on the proposed co-ordinated admission arrangements which include the In Year Fair Access

¹ Admissions above PAN either following the date of determination of PAN or in year will not amount to an increase in PAN.

Protocols (appendices D and E). Of our 13 neighbouring local authority's only one submitted a response. City of Bradford MDC noted that they would be unable to comply with the dates proposed within the NYCC co-ordination schemes for secondary and primary allocations for the exchange of data between neighbouring authorities. Bradford will provide the relevant details at the dates specified within their own co-ordination schemes. There were no responses from any other consultees.

7.2 The proposed co-ordinated admission arrangements for 2013/14 include the cross border in year co-ordinated admissions scheme. It is now clear that under the revised School Admission Code there is no requirement for local authorities to implement a scheme for in-year co-ordination. This does not mean that local authorities cannot propose to continue to do so within their own local area. At the date of writing this report there have been no responses about the proposed co-ordinated admissions scheme. Consultation and lack of any objections provide a mandate to implement the NYCC co-ordinated admissions scheme as proposed. It is therefore intended to do so within North Yorkshire although other neighbouring authorities may take a different view. A number of our neighbouring authorities have indicated that they propose to continue to co-ordinate in year applications across their local area.

7.3 The new Code states that 'they (local authorities) must provide in the composite prospectus how in-year applications can be made and will be dealt with. Local authorities must, on request, provide information to a parent about the places still available in all schools within its area, and a suitable form for parents to complete when applying for a place for their child at any school for which they are not the admission authority'.

8.0 RESOURCE CONSIDERATIONS

8.1 There are no specific resource considerations attached to the actions within this Report, although the careful management of admissions is key to the efficient use of both capital and revenue resources.

9.0 CONSULTATION

9.1 As noted above, consultation has taken place with the headteachers and governors of 3 nursery, 319 primary and 40 secondary (including middle) schools, the academy trusts of the eight converter academies, parents and other groups in the local area, the 13 neighbouring authorities and also with the relevant diocesan authorities.

10.0 COMMUNICATION

- 10.1 Consultees will be notified of the County Council's determination and the arrangements will be published within the Guide for Parents and on the County Council website as normal.

11.0 RECOMMENDATIONS

- 11.1 That the proposed Admission Arrangements be recommended to the County Council for determination on 15 February 2012 these include:

- Proposed Admissions Policy for Community and Voluntary Controlled Schools including Nursery Schools and Schools with Nursery or Pre reception classes for the academic year 2013/14 as shown in appendices A & B.
- Proposed Admissions Policy for Harrogate High School for 2013/14 as shown in appendix C.
- Proposed Co-ordinated Admissions Schemes for Primary and Secondary schools including the Fair Access Protocol 2013/14 as shown in appendices E, A, B & C.
- Proposed Published Admission Numbers for Community and Voluntary Controlled schools 2013/14 as shown in appendices H & I. Note the limits for Voluntary Aided, Foundation and Trust schools 2013/14 as also shown within appendices H & I.

Background documents

The School Admissions Code 2010

The draft School Admissions Code [2011]

The draft School Admissions Appeals Code [2011]

The revised School Admissions Code [2011] - published 1 December 2011

The revised School Admissions Appeals Code [2011] – published 1 December 2011

The draft School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012

Responses to the consultation on proposed Admission Arrangements 2013/14

Key to appendices

Appendix A - proposed Admission Policy for community and voluntary controlled schools

Appendix B - proposed Admission Policy for nursery schools, schools with nursery and pre-reception classes

Appendix C - proposed Admission Policy for Harrogate High School

Appendix D - proposed Co-ordinated Admission Arrangements Scheme

Appendix E - proposed In Year Fair Access Protocol

Appendix F - copies of Common Application Forms – for information

Appendix G - Briefing note re consultation on draft Codes

Appendix H - proposed PAN's – primary

Appendix I – proposed PAN's - secondary

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ADMISSIONS POLICY FOR COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS FOR THE ACADEMIC YEAR 2013/14

All governing bodies are required by section 324 of the Education Act 1996 to admit to the school a child with a statement of special needs that names the school. This is not an oversubscription criterion. This relates only to children who have undergone statutory assessment and for whom a final statement of special educational needs (SEN) has been issued.

If the number of applications exceeds the Published Admission Number (PAN), after the admission of children where the school is named in the statement of special educational needs (SEN) the following oversubscription criteria will apply:

ORDER OF PRIORITY:	Notes:
<u>Priority Group 1:</u>	
Children and young people in Public Care for whom the school has been expressed as a preference and previously looked after children, that is children who were adopted (or subject to residence orders or special guardianship orders) immediately following having been looked after.	<i>This applies to all looked-after children, including those who are in the care of another local authority.</i> <i>In the case of previously looked after children, a copy of the relevant documentation will be required in support of the application.</i>
<u>Priority Group 2:</u>	
Children the Authority believes have special social or medical reasons for admission.	<i>We will only consider applications on social or medical grounds if they are supported by a professional recommendation from a doctor, social worker, or other appropriate professional. The supporting evidence should set out the particular social or medical reason(s) why the school in question is the most suitable school and the difficulties that would be caused if the child had to attend another school.</i> <i>Panels of professionally qualified people will consider all applications made under priority group 2.</i>
<u>Priority Group 3:</u>	
Children living within the normal area of the school.	
<u>Priority Group 4:</u>	
Children living outside the normal area of the school.	

Children in higher numbered priority groups will be offered places ahead of those in lower numbered priority groups. All applications within each priority group will be considered equally (i.e. all applications, regardless of order of preference).

Tie break:

If there are not enough places for all the children in one of these priority groups, we will give priority first to those with a sibling at the school in September 2013 (in all cases sibling refers to brother or sister, half brother or sister, adopted brother or sister, step brother or sister, or the child of the parent / carer's partner where the child for whom the school place is sought is living in the same family unit at the same address as that sibling) and then to those living nearest the school.

If within a priority group there are not enough places for all those with a sibling at the school in September 2012, we will give priority to those children with a sibling living nearest the school.

All distance measurements are based on the nearest route recognised by the County Councils electronic mapping system from a child's home address to school. The measurement is made from a fixed point within the dwelling, as identified by Ordnance Survey, to the nearest school entrance using footpaths and roads. The routes measured to determine the allocation of school places will be those recognised by the electronic mapping system used by the school admissions team.

We may be able to meet your preference for a place at a school that does not serve the local area you live in. In this case, you will normally be responsible for travel arrangements and the costs of your child's travel to and from school.

Local arrangements:

Scarborough area - Graham Federation (formerly Graham School and Raincliffe School) - For priority group 3 applications (that is, children living within the normal area covering the school), priority will be given as follows:

- a) Children living in the area normally served by East Ayton Community Primary School and the area west of Scalby Road from Lady Edith's Drive to Scalby Beck.
- b) Children who will have an older sibling at the school of their choice.
- c) Children who live nearest to the school of their choice.

Scalby School - For priority group 4 applications (that is, children living outside the normal area of the school), priority will be given to children who live in the areas normally served by East Ayton Community Primary School and the area west of Scalby Road from Lady Edith's Drive to Scalby Beck and who:

- a) will have an older sibling at Scalby School at the start of the term when the younger sibling starts school; or
- b) would have to make the longest journey to another school without them becoming eligible for help with travel costs from us under the local authority transport policy.

Selby area - Brayton College and Selby High School – For the purposes of admissions for priority group 3 children a distinction is drawn between those who live in Selby rural area and Selby town area. Each school, Brayton College and Selby High, has its own designated rural area and the two schools are jointly the normal schools for the Selby town area. Places will be offered, within priority group 3, to children from the individual rural area associated with each school before those in the town area, using the tie break elements of the Admissions policy for community and voluntary controlled schools for the academic year 2013/14 where necessary.

Ripon Grammar School - Ripon Grammar School is a designated grammar school,¹ this means that the school is permitted to select its entire intake on the basis of high academic ability². The school does not have to fill all of its places if applicants have not reached the required standard. Ripon Grammar School offers 103 day places and 14 boarding places.

As a maintained boarding school Ripon Grammar School may take boarders as well as day pupils. Maintained boarding schools can set separate admission numbers for day places and boarding places. A maintained boarding school can interview applicants to assess suitability for boarding, but such interviews **must** only consider whether a child presents a serious health and safety hazard to other boarders or whether they would be able to cope with and benefit from a boarding environment. To help with this assessment, they may also use a supplementary information form, and information provided by the previous school and by the child's home local authority (on safeguarding issues).

¹ As designated by the Education (Grammar School Designation) Order 1998 (SI 1998/2219). Where a designated Grammar School converts to become an Academy, the Academy is permitted to continue selecting their entire intake: Section 6(3) of the Academies Act 2010.

² Section 104 of the School Standards and Framework Act

Boarding schools **must** give priority in their oversubscription criteria in the following order:

- a. looked after children and previously looked after children;
- b. children of members of the UK Armed Forces who qualify for Ministry of Defence financial assistance with the cost of boarding school fees;
- c. children with a 'boarding need', defined by Ripon Grammar School as follows:
 - i. Children at risk or with an unstable home environment and children of service personnel who have died while serving or who have been discharged as a result of attributable injury;
or
 - ii. Children of key workers and Crown Servants working abroad, e.g. the children of charity workers, people working for voluntary service organisations, the diplomatic service or the European Union, teachers, law enforcement officers and medical staff working abroad whose work dictates that they spend much of the year overseas.

**ADMISSIONS POLICY FOR COMMUNITY AND VOLUNTARY CONTROLLED
NURSERY SCHOOLS, NURSERY CLASSES AND PRE-RECEPTION
CLASSES FOR THE ACADEMIC YEAR 2013/14**

All governing bodies are required to admit to the school a child with a statement of special needs that names the school. This is not an oversubscription criterion. This relates only to children who have undergone statutory assessment and for whom a final statement of special educational needs (SEN) has been issued.

ORDER OF PRIORITY:	<i>Notes</i>
<p><u>First priority:</u></p> <p>Children and young people in Public Care for whom the school has been expressed as a preference and previously looked after children, that is children who were adopted (or subject to residence orders or special guardianship orders) immediately following having been looked after.</p>	<p><i>This applies to all looked-after children, including those who are in the care of another local authority.</i></p> <p><i>In the case of previously looked after children, a copy of the relevant documentation will be required in support of the application.</i></p>
<p><u>Second priority:</u></p> <p>Children who are recommended by the Director of Children and Young Peoples Service, including children in the care of a local authority, or by the appropriate designated medical officer.</p>	<p><i>Note: we will only consider applications in this category if they are supported by a recommendation from a doctor, social worker or other appropriate professional which sets out the particular reason(s) why the school in question is the most suitable school and the difficulties that would be caused if the child had to attend another school.</i></p>
<p><u>Third priority:</u></p> <p>Children from homes with poor housing conditions or overcrowding, or from a background which could affect the child's normal educational development.</p>	<p><i>Note: this should be supported by the recommendation of a doctor, social worker or other appropriate professional.</i></p>
<p><u>Fourth priority:</u></p> <p>Children within the normal area of the school, giving priority to the oldest children first.</p>	
<p><u>Fifth priority:</u></p> <p>Children from outside the school's normal area, giving priority to those whose home is nearest to school first.</p>	

ADMISSIONS CRITERIA FOR HARROGATE HIGH SCHOOL – 2013/2014

Children with a statement of special educational need naming that school will be allocated a place in line with section 324 of the Education Act 1996

- | | |
|------------|---|
| Priority 1 | Children and young people in public care and previously looked after children, that is children who were adopted (or subject to residence orders or special guardianship orders) immediately following having been looked after for whom the school has been expressed as a preference. |
| Priority 2 | Children the Authority believes have special social or medical reasons for admission |
| Priority 3 | Children living in the Harrogate rural zone and Harrogate town zone |
| Priority 4 | Children living outside the Harrogate rural and Harrogate town zones |

If there are not enough places for all children in Priority 3 at Harrogate High School, Harrogate places will be allocated on the following basis:

Once places have been allocated to those with a statement of special education need and those in priority groups 1 and 2, the remaining places will be allocated on the basis of 21% of places being available to children living in the Harrogate rural zone and 79% of places being available to children living in the Harrogate town zone.

Unallocated places in either of the Priority 3 zones would be assigned to the other zone before giving priority to children from outside the Harrogate zones.

Tie break:

If there are not enough places for all of the children in one of these priority groups we will give priority first to those with a sibling at the school in September 2013.

Within Priority 3, town children with a sibling will have highest priority for town places and rural children with a sibling will have highest priority for rural places.

If, within each zone there are not enough places for all those with a sibling at the school in September 2013, we will give priority within that zone to those children living nearest the school.

All distance measurements are based on the nearest route recognised by the County Councils electronic mapping system from a child's home address to school. The measurement is made from a fixed point within the dwelling, as identified by Ordnance Survey, to the nearest school entrance using footpaths and roads. The routes measured to determine the allocation of school places will be those recognised by the electronic mapping system used by the school admissions team.

Priority will then be given within each zone to Priority 3 children without a sibling at the school but who live nearest to the school.

If, within Priority 4, there are not enough places for all those with a sibling at the school in September 2013, we will give priority to those children living nearest the school. Priority will then be given to Priority 4 children without a sibling at the school but who live nearest to the school.

2013/14
CO-ORDINATED ADMISSION
ARRANGEMENTS

It should be noted that subject to the new School Admissions Code coming into force as anticipated early in 2012 it may be necessary to make amendments to this scheme in order to comply with the code.

Introduction

The aim of the North Yorkshire Coordinated Primary and Secondary School Admissions Scheme is to provide a fair and appropriate way for considering parental preferences for admission to schools. Our scheme complies with current legislation relating to school admissions and with advice contained in the Department for Education 2010 School Admissions Code.

Our co-ordination arrangements apply as follows:

The primary and secondary arrangements involve our 13 neighbouring Local Authorities as well as all schools within North Yorkshire which are their own Admission Authority.

The secondary scheme enables parents living within North Yorkshire whose children are transferring to secondary school to complete a single application either on-line or in paper form listing up to five preferences for admission to any state funded schools, both within North Yorkshire and neighbouring Local Authority areas. The primary scheme also enables parents living within North Yorkshire whose children are starting school to complete a single application. We will co-ordinate with our neighbouring authorities in 2013/14.

After consideration of all parental preferences for all schools with reference to the order in which these are ranked, the Local Authority will notify parents living within North Yorkshire of the offer of one school place on behalf of all admission authorities operating within the co-ordinated admissions scheme.

Our scheme will ensure that parents only receive one offer of a school place from admission authorities who participate in the co-ordination arrangements. Our scheme aims to ensure that each parental preference is considered equally and parents receive a school place in accordance with their highest ranked preference which is available.

The detailed arrangements and timetable for secondary, in-year primary and secondary and primary co-ordinated schemes can be found at Appendix A, B and C respectively of this co-ordination document and in the Local Authority's published Secondary and Primary Guides for Parents as well as on our website at www.northyorks.gov.uk/admissions

The information on the website and the Primary and Secondary guides for Parents include information about:

- a) The operation of our admissions scheme for all North Yorkshire maintained schools;
- b) The timescales and timetable for each admission process;
- c) Information about the number of allocations made at each school in the previous academic year;

- d) Information about the number of schools which were oversubscribed resulting in parental appeals and the numbers and outcome of these appeals;

The information about allocations and appeals should help parents to assess realistically their likelihood of obtaining a place at their preferred school(s).

Late Applications

Any Common Application Form for school places received after the closing date of 31 October 2012 for secondary schools and 15 January 2013 for primary schools will be considered as a late application unless a genuine reason for lateness is provided. Late applications whose genuine reasons have been agreed will be considered along with applications received on time.

Applications received after 1 March 2013 for secondary schools or 16 April 2013 for primary schools will be co-ordinated using the same arrangements and criteria as previous applications. The offer of a school place will be made in accordance with our agreed and published scheme. If none of a parents' preferences can be met, the local or nearest school with a place available will be offered and appeals information provided to parents as necessary. Waiting lists for oversubscribed schools contain the names of children whose preference could not be complied with. The waiting list is compiled using the Local Authority's published oversubscription criteria. Waiting lists will be maintained until 31 December 2013.

Admissions Co-ordination 2013/14

Synopsis

North Yorkshire's co-ordinated admissions scheme applies to its 5 Voluntary Aided Secondary Schools, 31 Community Secondary schools, 7 Academy Secondary Schools, 1 Trust Secondary School.

1 Foundation Primary, 1 Academy primary, 49 Voluntary Aided Primary Schools, 272 Voluntary Controlled and Community Primary

6 Diocesan Authorities and 13 Neighbouring Authorities.

On line applications for school places can be made by logging on to our website at www.northyorks.gov.uk/primaryadmissions or www.northyorks.gov.uk/secondaryadmissions.

Secondary Schools

In June 2012 parents of Year 5 children who will be Year 7 in September 2013 will be informed by letter via their child's primary school that they will need to apply on line for a school place, they can express up to 5 preferences for admission to secondary schools, including Academies, Voluntary Aided, Foundation and Trust schools. Parents without internet access will be informed that they will need to contact the admissions team for a common application form to enable them to apply for a school place for their child.

Parents must return their applications by the closing date of 31 October 2012. Every effort is made by the admissions team to ensure that applications are received by the closing date.

All applications will be processed in accordance with North Yorkshire's Co-ordinated Admissions Scheme for Secondary Schools. The Local Authority will post letters to parents on 1 March informing them which school their child has been allocated a place at.

The timetable for secondary school admissions is attached as *Annex 1 to Appendix A* of the Co-ordinated Admissions Arrangements, Secondary Transfer 2013/14.

Selection

There are 3 selective grammar schools within North Yorkshire; one of which is a Voluntary Aided boys' school, one a mixed co-educational school and one a girls' school which has Academy Trust status. In addition there are 3 non selective schools in the selective areas of the County.

Skipton Selection

Places will normally be provided at Ermysted's Grammar School for boys who are deemed suitable for a grammar school education in accordance with the Local Authority's selection scheme and who live in the area served by the primary schools in Arncliffe, Beamsley, Bradley, Burnsall, Carleton, Cracoe, Embsay, Gargrave, Grassington, Kettlewell, Kirby-in-Malhamdale, Skipton, Thornton-in-Craven and Threshfield. Ermysted's Grammar School is a selective grammar school that offers education to boys aged 11 to 18 and Skipton Girls' High School is a selective grammar school that offers education to girls aged 11 to 18, parents would need to contact the school with regard to the selection testing process and admission to the school.

Aireville School and Upper Wharfedale School are non-selective secondary schools in a selective area offering education for children aged 11 to 16. Boys can only be admitted to Ermysted's Grammar School School if they have been deemed suitable for a grammar school education, in accordance with the local authority selection scheme. The local authority administers the published selection scheme in the Skipton area. All boys living within the area served by the Skipton schools will sit the selection tests unless their parents write or e-mail the admissions team stating that they do not want their son to be tested.

Girls can only be admitted to Skipton Girls' High School if they have reached the required standard in the selection tests. Full details of which can be provided by the school. The Academy Trust for Skipton Girls' High School has proposed a change to their selective scheme for 2013/14.

The governing bodies of Ermysted's Grammar School (Voluntary Aided) and Skipton Girls' High School (Academy Trust) are responsible for applying their own admissions policies and the Local Authority applies its published co-ordinated admissions arrangements on behalf of these schools.

Selective Area Ripon

Places will normally be provided at Outwood Academy Ripon and Ripon Grammar School for children who live in the City of Ripon together with the parishes of Aldfield, Azerley, Bishop Monkton, Bridge Hewick, Burton Leonard, Copt Hewick, Eavestone, Givendale, Grantley, Grewelthorpe, Hutton Conyers, Kirby Malzeard, Laverton, Lindrick, with Studley Royal and Fountains, Littlethorpe, Markenfield Hall, Markington-with-Wallerthwaite, Newby-with-Mulwith, North Stainley with Sleningfird, Sawley, Sharow, Skelding, Skelton, Studley Roger and Winksley.

Outwood Academy Ripon is a non selective Academy in a selective area offering education for children aged 11 to 18. Ripon Grammar School is a selective grammar school that offers an education for children aged 11 to 18. Children can only be admitted to Ripon Grammar School if they have been deemed suitable for a grammar school education, in accordance with the local authority selection scheme. The local authority administers both the published selection scheme and the allocation of school places at Ripon Grammar School as it is a Community School. The Local Authority will apply its published co-ordinated admission arrangements on behalf of Outwood Academy Ripon.

All children living within the area served by the Ripon schools will sit the selection tests, unless their parents write to or e-mail the admissions team that they do not want their child to be tested.

Selection tests.

Tests for all forms of selection must be clear, objective, and give an accurate reflection of the child's ability or aptitude, irrespective of sex, race or disability. It is for the admission authority to decide the content of the test, providing that the test is a true test of aptitude or ability.

The results of these selection tests are used to identify the highest scoring 28% (or as close as possible) of Year 6 children who live in their local selective area. This procedure sets the cut-off mark in each selective area and sets the standard which children must reach, to be deemed suitable for grammar school education in their local selective area.

For us to consider children who live outside the selective area to be deemed suitable for a grammar school education, they must reach the cut-off mark

which is set by the performance of the children who live in the area, as explained above.

There is no guarantee that children who either reach the cut off mark in the selection tests or have been successful at a selection review will be allocated a place at a Grammar School. If the school is oversubscribed with children who are deemed suitable for a Grammar School education places will be allocated using the published oversubscription criteria.

The Local Authority ensures that parents are aware that meeting the academic requirements for entry to a Grammar School in North Yorkshire is not, in itself, a guarantee of a Grammar School place.

There is a non statutory selection review process available for parents whose children have not reached the cut off mark in the selection testing process. This is not a statutory process and does not replace a parent's formal right of appeal against refusal of a place.

If a child is refused a place at the school on 1 March 2013, which is the national offer date, parents will be offered their statutory right of appeal for a place at the school.

The School Admissions Code 2010 states that local authorities should inform parents of the outcome of selection tests before parents make applications for other schools, while making clear that this does not equate to a guarantee of a school place.

The Local Authority's must ensure that tests are accessible to children with special educational needs and disabilities, having regard to the reasonable adjustments for pupils with a disability required under equalities legislation.

Fair Access protocols

Each local authority must have a Fair Access Protocol, agreed with the majority of schools in its area to ensure that, outside the normal admissions round, unplaced children, especially the most vulnerable, are offered a place at a suitable school as quickly as possible. In agreeing a protocol, the local authority must ensure that no school, including those with available places, is asked to take a disproportionate number of children who have been excluded from other schools, or who have challenging behaviour.

The Local Authority has a Fair Access Protocol, which has been agreed with the majority of schools in its area, and sets out how, outside the normal admissions round, schools in the area will admit their fair share of children with challenging behaviour, children excluded from other schools and children who arrive outside the admissions round who may have difficulty securing a school place. In these circumstances, admission authorities may, if necessary, admit above their PAN. This must include how the local authority will use alternative provision to meet the needs of pupils who are not ready for mainstream schooling.

The operation of Fair Access Protocols is outside the arrangements of co-ordination and is triggered when a parent of an eligible child has not secured a school place under in-year admission procedures, even following the outcome of an appeal.

Primary Schools

Admissions

The application procedures for admission to reception classes in Primary schools are in accordance with North Yorkshire's Co-ordinated Admissions Scheme for Primary Schools and are similar to those for Secondary Schools, but with a different timetable for the completion of this process.

Parents of children eligible for admission to reception classes of primary schools will be able to apply on-line for a primary school place from mid September 2012 with a closing date for their return of 15 January 2013. Parents without internet access will be able to contact the admissions team for a common application form to enable them to apply for a primary school place for their child. For primary schools, the offer is made on 16 April, in the year in which the child will be admitted.

Admission of children below compulsory school age and deferred entry to school.

Admission authorities **must** provide full or part time places for four year old children in their area, or keep places open for children whose parents have deferred entry up to compulsory school age, setting this out clearly in their arrangements. Places allocated to children whose parents have deferred entry cannot be offered to another child, unless the parent withdraws acceptance of the place.

The Local Authority will co-ordinate admissions to the reception year as described in the timetable attached as *Annex 1 to Appendix B* for all schools including Voluntary Aided, Community, Voluntary Controlled, Academy and Foundation primary schools.

CO-ORDINATED ADMISSION ARRANGEMENTS

Secondary Transfer
2013/14

It should be noted that subject to the new School Admissions Code coming into force as anticipated early in 2012 it may be necessary to make amendments to this scheme in order to comply the code.

Introduction

1. The co-ordinated admission scheme is reviewed annually by the North Yorkshire Admission Forum and is designed to ensure that every child living in North Yorkshire, who is due to transfer to secondary school, is offered a single school place on National offer day. This scheme applies to admissions in the normal round but not those that take place in-year. In-year admissions are those which occur after the closing of the waiting list on 31 December 2012.
2. The offer of a single school place will be made on 1 March 2013 and allocation letters will be posted to parents/carers on that date.
3. The scheme does not affect the duty of the governing bodies of Academies, Voluntary Aided, Academies, Foundation and Trust schools to determine their own admissions policies.
4. The scheme does not apply to children who have a statement of Special Educational Needs naming a particular school as the timetable for admission of these children is determined by the current SEN Code of Practice
5. Parents who do not wish to accept a place at a school offered to them must notify the admission authority within 2 weeks of the offer being made.
6. North Yorkshire Local Authority will work with other admission authorities, including our thirteen neighbouring Local Authorities, Voluntary Aided, Academies, Community, Foundation and Trust schools within North Yorkshire, to ensure the co-ordinated scheme operates as smoothly as possible for parents. Our thirteen neighbouring admission authorities, Voluntary Aided, Academies, Foundation and Trust secondary schools are listed below:

Academies/ Trust Secondary Schools:

Skipton Girls' High School
Gargrave Road
Skipton
North Yorkshire, BD23 1QL Tel. 01756 707600

South Craven School
The Technology & Engineering College
Holme Lane
Cross Hills, Keighley
West Yorkshire, BD20 7RL Tel. 01535 632861

George Pindar Community Sports College
Eastfield,
Scarborough
YO11 3LX Tel. 01723 582194

St Aidan's C of E High School
Oatlands Drive
HARROGATE
North Yorkshire
HG2 8JR Tel 01423 885814

Norton College
Langton Road
Norton
Malton
YO17 9PT Tel. 01653 693296

Rossett School
Green Lane
Harrogate
HG2 9JP Tel. 01423 564444

Harrogate Grammar School
Arthurs Avenue
Harrogate
HG2 0DZ Tel. 01423 531127

Outwood Academy Ripon
Clotherholme Road
Ripon
HG4 2DE Tel. 01765 604564

Voluntary Aided Secondary Schools

Holy Family Catholic High School
Longhedge Lane,
CARLTON
Goole
East Yorkshire
DN14 9 NS
Tel No. 01405 860276

St Augustine's RC School
Sandybed Lane
Off Stepney Hill
Scarborough
North Yorkshire
YO12 5LH
Tel No. 01723 363280

St Francis Xavier School
Darlington Road
RICHMOND
North Yorkshire
DL10 7DA
Tel No. 01748 823414

St John Fisher Catholic High
School
Hookstone Drive
HARROGATE
North Yorkshire

Ermysted's Grammar School
Gargrave Road
SKIPTON
North Yorkshire
BD23 1PL

HG2 8PT
Tel No. 01423 887254

Tel No. 01756 792186

Neighbouring Local Authorities

Bradford

Pupil Access Manager
Education Bradford
Future House, Bolling Road
BRADFORD
BD4 7EB
Tel No: 01274 385604

Cumbria

Corporate Director – Pupils Services
5 Portland Square
CARLISLE
CA1 1PU
Tel No. 01228 606877

Darlington

Pupils's Information Service
Town Hall,
Feethams
DARLINGTON
DL1 5QT Tel No. 01325 380651

Doncaster

Director of Education and Culture
Admissions and Pupil Services
The Council House
College Road
DONCASTER DN1 3AD
Tel No. 01302 737204/727234

Durham

School Admissions
Education Offices
County Hall
DURHAM
DH1 5UJ
Tel No. 0191 383 3115

East Riding of Yorkshire

Admissions Team
Pupils, Family & Adult Services
County Hall,
BEVERLEY
HU17 9BA
Tel No.01482 392130/392131/392132

Lancashire

Director of Education
PO Box 61,
County Hall
PRESTON
PR1 0LD
Tel No. 01772 254868

Leeds

Admissions & Transport Team
Leeds Education
10th Floor West
Merrion House
LEEDS LS2 8DT
Tel No. 0113 2475729

Middlesbrough

Corporate Director, Families and
Learning
Middlesbrough Council
PO Box 69, First Floor
Vancouver House
Gurney Street
MIDDLESBROUGH
TS1 1 EL
Tel No. 01642 728092

Redcar and Cleveland

School Admissions
Redcar and Cleveland Borough
Council, Council Offices
PO Box 83, Kirkleatham Street
REDCAR
TS10 1YA
Tel No. 01642 444108

Stockton on Tees

School Admissions
Stockton-on-Tees Borough
Council
PO Box 228,
Municipal Buildings, Church Road
STOCKTON ON TEES
TS18 1XE
Tel No. 01642 526605

Wakefield

School Admissions
County Hall,
WAKEFIELD
WF1 2QL
Tel No. 01924 305616/305617

York

Education Access Team
Learning, Culture and Pupils's
Services
City of York Council
Mill House
North Street
YORK YO1 6JD
Tel No. 01904 554248/554239

Applying for a school place

7. Details of our admission scheme and policy can be found in the 2013/14 Guide for Parents which is available on the North Yorkshire County Council website.
8. In June 2012 Parents of North Yorkshire Year 5 children who will be in Year 7 in September 2013 will be informed by letter that they will need to apply on line for a school place, they can express up to 5 preferences for admission to secondary schools on the common application form, including Academies, Voluntary Aided, Foundation and Trust schools. Parents without internet access will need to contact the admissions team for a copy of the Guide for Parents booklet and a common application form. Parents will be informed that supplementary information may also be requested by the school if it is a Voluntary Aided or non North Yorkshire school, in order for the school to apply their oversubscription criteria.
9. Common application forms will be required for all transfers at Year 7 as well as those to Middle (deemed Secondary) Schools who admit children in Year 9 or 10. We will have regard to reasons given by parents for their preferences when applying our oversubscription criteria.
10. Parents who wish their children to attend independent schools will be encouraged to tell us. However independent schools are not included in the co-ordinated arrangements. These parents may also wish to apply for a place at a North Yorkshire school.
11. If parents living outside of North Yorkshire schools enquire about our schools they will be directed to the North Yorkshire County Council website. Parents will be advised to complete a common application form for their home authority.
12. Parents must complete common application forms and return them to the Local Authority or apply on-line by the deadline of 31 October 2012. On this form parents will need to provide their child's name and residential address. The address provided must be where the child lives permanently. If residency is split between two parents, the address used must be the address of the parent who receives the Child Benefit.

School Preferences

- Parents can list up to 5 schools in order of preference.
- We will try to offer places according to the highest ranked preference, for which a place may be available.
- Parents may want to include their local school as one of their preferences because if we are unable to meet a higher preference and their normal area school is oversubscribed, we will give children a place at the nearest school with places available which may be some distance from their home.

- We will offer a place at a North Yorkshire school even if parents have not named one on the common application form because we have a duty to ensure a school place is available for every North Yorkshire child.
 - If a child is entered for selection testing, parents must make sure they name the selective school they would like them to go to on the common application form. Parents cannot be offered a place at a selective school unless they have named the school on their form.
 - If parents name a school other than their normal area school, they will normally be responsible for transport.
13. Parents requesting literature on Academies, Voluntary Aided, Foundation or Trust schools or non North Yorkshire schools will be referred to the appropriate school or admissions authority. Where non North Yorkshire parents complete our form in error we will forward it to their home authority.
 14. The closing date for receipt of Common Application Forms will be the 31 October 2012.
 15. In accordance with the requirements of the School Admissions Code we will maintain a waiting list until 31 December 2013. Children will be ranked on the waiting list in the same order as the published over subscription criteria.

Late Applications

16. If a common application form is received after the closing date of 31 October 2012, without a genuine reason, we will consider it to be a late application and will process it after we have considered other applications received by the deadline.

Change of Preference

17. Parents will not be allowed to change their preferences after 31 October 2012 without a genuine reason for doing so. Learning that the child is suitable or not suitable for a selective school will not be considered as a genuine reason for a change of preference.

Allocation of Places

18. Selection testing will take place during early September 2012 and the results of selection testing will be sent out to parents on 17 October 2012.
19. After the closing date of 31 October 2012 we will send details of children who have expressed preferences for schools for whom we are not the admissions authority, to those authorities for consideration.

This will include Academies, Voluntary Aided, Foundation and Trust schools within North Yorkshire and neighbouring Local Authorities.

20. Preferences for schools within another Local Authority's boundary will be sent to that Local Authority for them to administer according to their co-ordinated scheme.
21. Academies, Voluntary Aided, Foundation or Trust schools and other Local Authorities will be responsible for collecting from parents whatever additional information they need in order to apply their oversubscription criteria.
22. We will receive, from neighbouring Local Authorities, information of children expressing preferences for our Academies, Community, Voluntary Controlled, Voluntary Aided, Foundation and Trust Schools which we will process as part of our co-ordinated arrangements along with those for North Yorkshire children.
23. All admission authorities will then apply their oversubscription criteria, if there are more applications than places available. They will identify which oversubscription criteria children fall into and will produce a list showing the position of each pupil, indicating those who can be offered a place.
24. We will inform our neighbouring Local Authorities which of their children can and cannot be offered places at any of our schools.
25. We will receive lists from North Yorkshire Academies, Voluntary Aided, Foundation and Trust schools and neighbouring Local Authorities of children to whom they can offer places. We will produce lists of children to whom we can offer places at our Community and Voluntary Controlled Schools.
26. Having received information from other admissions authorities we will allocate places to children living in our area according to the highest ranked preference for which a place may be available.
27. Where we cannot meet any of the parental preferences expressed for a North Yorkshire child we will allocate a place at an alternative school with places available. This may or may not be the local school. The same will apply to children for whom no preferences have been received. These applications will be processed after all those for whom common application forms have been received on time. We will liaise with all admission authorities and schools to identify children for whom we have not received a common application form.
28. We will communicate the results of this initial allocation to enable other Local Authorities to operate their own co-ordinated schemes.

29. Once adjustments have been made, a final allocation of places will take place, based on the highest ranked preference we are able to offer. We will obtain from other Local Authorities and admissions authorities, information enabling us to give reasons why a child has not been allocated a place at their school of preference. This information will be included in the letter allocating them a lower preference place.

The offer of a place

30. No places will be held in reserve for any school.
31. We will write to all parents of North Yorkshire children on 1 March 2013 notifying them of the single school place allocated to their child or children.
32. The place offered could be at one of our Community schools, or one of the Voluntary Aided, Academies, Foundation or Trust schools within North Yorkshire or a school in an area served by another Local Authority.
33. We will send all North Yorkshire secondary schools details of the children who have been allocated a place on 1 March 2013.

Appeals

34. Where we have been unable to offer a school place listed as a higher preference, parents will be offered the statutory right of appeal against the decision.
35. In such circumstances the offer letter will give the reasons why we have been unable to allocate their other stated preferences. Where the statutory right of appeal is the responsibility of North Yorkshire Local Authority we will inform the parents where the appeal forms can be located on the NYCC website. Where the responsibility is that of another admissions authority, we will advise parents to contact them to confirm appeal arrangements. Parents who have been refused a place at a North Yorkshire school by their home authority will be informed that they should contact us to discuss the appeals process.
36. The outcome of successful admission appeals will lead to further modifications to the original allocation. These changes must again be communicated to other admission authorities (and theirs to us) to enable all authorities to make final adjustments to the allocation.
37. Once appeals have been completed we will communicate with all the schools within our boundary to ensure that they have a correct and up-to-date allocation list. We will exchange final allocation details with our neighbouring Local Authorities to check for North Yorkshire children who

will be attending other authorities' schools and other authorities' children who will be attending North Yorkshire schools.

Waiting Lists

38. A waiting list will be maintained for all oversubscribed Community, Academy, Voluntary Aided, Foundation and Trust Schools until 31 December 2013.
39. The Local Authority requires the governing body of each Academy, Voluntary Aided, Foundation and Trust School to provide us with a copy of their waiting list and to update us when places become available unless the Local Authority are maintaining the schools waiting list on their behalf. The co-ordination regulations require that any offer of a school place must always be made by the Local Authority.
40. Where places become available they will be allocated from the waiting list in accordance with the published oversubscription criteria.
41. Where we are able to offer a place to a non North Yorkshire child from the waiting list we will liaise with their home authority.

Annex 1 to Appendix A

North Yorkshire Local Authority

Secondary, Community, Voluntary Controlled, Aided, Foundation, Academies and Trust Schools Timetable

Date	Activity
Mid June 2012	Parents informed by letter from the LA via child's primary school to apply on-line and details are provided. Parents without internet access to contact the LA for information.
17 August 2012	Closing date for withdrawal of children who are automatically entered for selection testing. Closing date for applications for children who are not automatically entered for selection.
7 September 2012	Familiarisation selection test in selective areas.
11 September 2012	First actual selection test for both in and out-of-area children.
14 September 2012	Second actual selection test for both in and out-of-area children.
17 October 2012	Results of selection testing posted to all parents.
31 October 2012	Closing date for return of Common Application Forms.
16 November 2012	Neighbouring Local Authorities to send us details of children in their area who have expressed preferences for schools in North Yorkshire. We send details of children expressing preferences for schools in other Local Authority areas to those authorities for consideration.
23 November 2012	Details of all children who have expressed preferences for North Yorkshire Academies, Voluntary Aided, Foundation and Trust schools to the schools for consideration.
2 January 2013	Non Statutory Reviews Commence
11 January 2013	Information to be returned to us by Voluntary Aided, Foundation and Trust schools on which places they can allocate.
18 January 2013	Send first round of allocation information to other authorities identifying potential offer(s).
25 January 2013	Confirmation of allocations with neighbouring admission authorities including Academies, Voluntary Aided, Foundation and Trust schools.
31 January 2013	Input information from first cycle of exchange of allocation information.
7 February 2013	Second allocation cycle preference information sent to other authorities
15 February 2013	Input allocation information from second cycle and send final allocation information to other authorities of school place offers to be made
18 February 2013	Input final allocation preference information and produce final allocation letters.
1 March 2013	Allocation Day. Send out allocation letters to all parents applying for a school place. Inform schools of final allocation.
W/C 16 April 2013 to 6 July 2013	Statutory admission appeals.
W/C 8 April 2013 to 26 August 2013	Manual adjustments to allocation and communicating those results to other authorities.
31 December 2013	Closure of waiting lists.

CO-ORDINATED ADMISSION
ARRANGEMENTS

PRIMARY & SECONDARY
IN-YEAR ADMISSIONS 2013/14

It should be noted that subject to the new School Admissions Code coming into force as anticipated early in 2012 it may be necessary to make amendments to this scheme in order to comply with the code.

Introduction

1. The primary co-ordinated admission scheme is reviewed annually by the North Yorkshire Admission Forum. In determining applications for school places outside the normal admissions round, whether in-year or at the start of a school year which is not a normal point of entry to the school, admission authorities must comply with parental preference unless our published oversubscription criteria or one of the statutory reasons for refusing admission applies.
2. All applications outside of the normal admissions round for primary and secondary schools must be co-ordinated by the home authority. In order for this aspect of co-ordination to be effective, schools that are their own admission authority must communicate the availability of places to the Local Authority when requested.
3. The offer of a school place will be made by North Yorkshire Local Authority on behalf of all Voluntary Aided, Academy, Foundation and Trust primary and secondary schools.
4. The scheme does not affect the duty of Voluntary Aided, Academy, Foundation and Trust schools to determine their own admissions policies.
5. The scheme does not apply to children who have a statement of Special Educational Needs naming a particular school as the timetable for admission of these children is determined by the current SEN Code of Practice.
6. Parents who do not wish to accept a place at a school offered to them must notify the admission authority within 2 weeks of the offer being made.

North Yorkshire Local Authority will work with other admission authorities, including our thirteen neighbouring Local Authorities, Voluntary Aided, Academies, Community, Foundation and Trust schools within North Yorkshire, to ensure the co-ordinated scheme operates as smoothly as possible for parents.

Applying for a school place

7. North Yorkshire Local Authority in-year preference forms should be completed by parents living within North Yorkshire requesting a place at any North Yorkshire primary or secondary school.
8. When North Yorkshire Local Authority is contacted by a parent who will be moving to North Yorkshire we will inform them that they need to contact their home authority and complete their home authority's in-year preference form. We will find out when they are moving into North Yorkshire and if they have a residence within North Yorkshire to move into. If parents have already moved to North Yorkshire we will treat their application as an in-year North Yorkshire application on receipt of proof of residency.
9. When we receive an in-year preference form from a parent living in North Yorkshire requesting any North Yorkshire school, we will process the form by attempting to comply with the parents' highest ranked preference of school. We will send a copy of the form to the school listed as the highest preference.
10. If we are able to allocate the highest ranked preference on the form we will send an offer of that school place to the parent. If we are unable to allocate a place we will offer the statutory right of appeal.
11. If we can comply with other schools listed in order of preference we will offer a place at a school listed as a lower preference. If we are unable to do so we will again offer parents the statutory right of appeal or ask that the governors of Voluntary Aided, Academy, Foundation or Trust schools do so.
12. When we receive a request for a place in the normal year of entry, if the school is oversubscribed a waiting list will be maintained by the relevant admission authority until 31 December 2013.
13. We require a reply within 5 working days from schools informing us if they are able to accommodate additional children. If they are oversubscribed we will offer parents the statutory right of appeal.
14. Voluntary Aided schools may require parents to complete a supplementary information form available from the school before a school place can be considered.
15. If we are able to offer a school place the allocation letter will be sent to the parents by North Yorkshire Local Authority on behalf of the Voluntary Aided, Academy, Foundation or Trust school. Should the school be unable to offer a place we will offer parents the statutory right of appeal after we have considered the other schools on the in-year preference form.

16. We would then request that the parents contact the Voluntary Aided, Academy, Foundation or Trust school to obtain an appeal form so the school in question can arrange to hear any appeal made under their agreed published admission appeal arrangements.
17. If parents name a school other than their normal area school, they will normally be responsible for transport.

Appendix C

CO-ORDINATED ADMISSION ARRANGEMENTS

ADMISSION TO PRIMARY SCHOOL 2013/14

It should be noted that subject to the new School Admissions Code coming into force as anticipated early in 2012 it may be necessary to make amendments to this scheme in order to comply with the code.

Primary Schools Introduction

1. The co-ordinated admission scheme is designed to ensure that every child living in North Yorkshire, who is due to start at a North Yorkshire primary school, is offered a single school place on the same day. This scheme applies to admissions in the normal round but not those that take place in-year. In-year admissions are those made during the academic year and applications for admission to age groups other than the normal year of entry.
2. For primary school applications, all offers must be made on the 16 April 2013.
3. The scheme does not affect the duty of Academies, Voluntary Aided, Foundation and Trust schools to determine their own admissions policies.
4. The scheme does not apply to children who have a Statement of Special Educational Needs naming a particular school as the timetable for admission of these children is determined by the current SEN Code of Practice.
5. Parents who do not wish to accept a place at a school offered to them must notify the admission authority within 2 weeks of the offer being made.
6. North Yorkshire Local Authority will work with Academies, Voluntary Aided, Foundation and Trust schools within North Yorkshire, to ensure the co-ordinated scheme operates as smoothly as possible for parents and we will work closely with our thirteen neighbouring authorities to ensure admission arrangements are as closely co-ordinated as possible. Our 13 neighbouring admission authorities, one Academy and 49 Voluntary Aided infant and primary schools are listed below:

Neighbouring Local Authorities

Bradford

Pupil Access Manager
Education Bradford
Future House, Bolling Road
BRADFORD
BD4 7EB
Tel No: 01274 385604

Darlington

Pupils's Information Service
Town Hall,
Feethams
DARLINGTON
DL1 5QT
Tel No. 01325 380651

Cumbria

Corporate Director – Pupils
Services
5 Portland Square
CARLISLE
CA1 1PU
Tel No. 01228 606877

Doncaster

Director of Education & Culture
The Council House
College Road
DONCASTER
DN1 3AD
Tel No. 01302 737204/727234

Durham

School Admissions
Education Offices
County Hall
DURHAM
DH1 5UJ
Tel No. 0191 383 3115

East Riding of Yorkshire

Admissions Team
Pupils, Family & Adult Services
East Riding of Yorkshire Council
County Hall,
BEVERLEY
HU17 9BA
Tel No.01482 392130/392131/
392132

Lancashire

Director of Education
PO Box 61,
County Hall
PRESTON
PR1 0LD
Tel No. 01772 254868

Leeds

Admission and Transport Team
Leeds Education
10th Floor West
Merrion Centre
LEEDS
LS2 8DT
Tel No. 0113 2475729

Middlesbrough

Corporate Director Pupils, Families
and Learning
Middlesbrough Council
PO Box 69, First Floor
Vancouver House
Gurney Street
MIDDLESBROUGH
TS1 1 EL
Tel No. 01642 728092

Redcar and Cleveland

School Admissions
Redcar and Cleveland Borough
Council, Council Offices
PO Box 83, Kirkleatham Street
REDCAR
TS10 1YA
Tel No. 01642 444108

Stockton on Tees

School Admissions
Stockton on Tees Borough Council
PO Box 228,
Municipal Buildings, Church Road
STOCKTON ON TEES
TS18 1XE
Tel No. 01642 3526605

Wakefield

School Admissions
County Hall,
WAKEFIELD
WF1 2QL
Tel No. 01924 305616/305617

York

Education Access Team
Learning, Culture and Pupils's Service
City of York Council
Mill House, North Street,
YORK YO1 6JD
Tel No. 01904 554248/554239

Academy and Trust Schools

Great Smeaton Community Primary School
Great Smeaton
Northallerton
DL6 2EQ Tel No 01609 881349

Foundation School

Nun Monkton Foundation Primary School
The Green
NUN MONKTON
York
YO26 8ER
Tel No: 01423 330313

Voluntary Aided Primary Schools

All Saints C of E Primary
School
Kirkby Overblow
HARROGATE
North Yorkshire
HG3 1HD
Tel No.01423 872491

All Saints RC Primary School
Green Lane East
THIRSK
North Yorkshire
YO7 1NB
Tel No. 01845 523058

Austwick C of E (VA) Primary
School
AUSTWICK
Lancaster
LA2 8BN
Tel No. 015242 51366

Barkston Ash Catholic Primary
School
London Road
Barkston Ash
TADCASTER
North Yorkshire
LS24 9PS
Tel No 01937 557373

St Mary's C of E Primary
School
Bolton-on-Swale
Scorton
RICHMOND
North Yorkshire
Tel No. 01748 818401

Burneston C of E (VA) Primary
School
BURNESTON
Bedale
North Yorkshire
DL8 6BP
Tel No. 01677 423183

Burnsall VA Primary School
BURNSALL
Skipton
North Yorkshire
BD23 6BP
Tel No. 01756 720273

Burnt Yates C of E Primary School
Burnt Yates
HARROGATE
North Yorkshire
HG3 3RW
Tel No. 01423 770586

Carleton Endowed School
Carleton
SKIPTON
North Yorkshire
BD23 3DE
Tel No. 01756 792910

Carlton and Faceby C of E VA
Primary School
CARLTON-IN-CELEVELAND
Middlesbrough
Cleveland TS9 7BB
Tel No. 01642 712340

Cawood C of E VA Primary
School
Broad Lane
CAWOOD
Selby
North Yorkshire
YO8 3SQ
Tel No. 01757 268368

Dacre Braithwaite C of E Primary
School
BRAITHWAITE
Harrogate
North Yorkshire
HG3 4AN
Tel No. 01423 780285

Egton C of E VA Primary School
EGTON
Whitby
North Yorkshire
YO21 1UT
Tel No. 01947 895369

Farnley C of E VA Primary School
Farnley Lane
FARNLEY
Otley
West Yorkshire
LS21 2QJ
Tel No. 01943 463306

Horton in Ribblesdale C of E VA
Primary School
HORTON-IN-RIBBLESDALE
Settle
North Yorkshire
BD24 0EX
Tel No. 01729 860282

Ingleby Arncliffe C of E VA Primary
School
INGLEBY ARNCLIFFE
Northallerton
North Yorkshire
DL6 3NA
Tel No. 01609 882432

Kirkby in Malhamdale United VA
Primary School
KIRKBY MALHAM
Skipton
North Yorkshire
Tel No. 01729 830214

Kirkby & Great Broughton C of E VA
Primary School
KIRKBY-IN-CLEVELAND
Middlesbrough
TS9 7AL
Tel No. 01642 714707

Long Preston Endowed VA Primary School
School Lane
LONG PRESTON
Skipton
North Yorkshire
BD23 4PN
Tel No. 01729 840377

Marton cum Grafton C of E VA
Primary School
Reas Lane
MARTON-CUM-GRAFTON
York
YO51 9QB
Tel No. 01423 322355

Masham C of E VA Primary School
1 Millgate
MASHAM
Ripon
North Yorkshire
HG4 4EG
Tel No. 01765 689200

Michael Syddall C of E (Aided)
Primary School
Mowbray Road
CATTERICK VILLAGE
Richmond
North Yorkshire
DL10 7LH
Tel No. 01748 818485

Middleham C of E Aided School
Park Lane
MIDDLEHAM
Leyburn
North Yorkshire
DL8 4QX
Tel No. 01969 623592

Rathmell C of E (VA) Primary School
Hesley Lane
RATHMELL
Settle
North Yorkshire
BD24 0LA
Tel No. 01729 840360

Richard Taylor C of E Primary School
Bilton Lane
HARROGATE
North Yorkshire
HG1 3DT
Tel No. 01423 563078

Richard Thornton's C of E (VA)
Primary School
BURTON IN LONSDALE
Via Carnforth
Lancashire
LA6 3JZ
Tel No. 015242 61414

Sacred Heart RC Primary School
Broomfield Avenue
NORTHALLERTON
North Yorkshire
DL7 8UL
Tel No. 01609 780971

St Benedict's RC Primary School
Back Lane
AMPLEFORTH
York
YO62 4DE
Tel No. 01439 788340

St George's RC Primary School
Overdale Road
Eastfield
SCARBOROUGH
North Yorkshire
YO11 3RE
Tel No. 01723 58353

St Hedda's RC Primary School
EGTON BRIDGE
Whitby
North Yorkshire
YO21 1UX
Tel No. 01947 895361

St Hilda's RC Primary School
Waterstead Lane
WHITBY
North Yorkshire
YO21 1PZ
Tel No. 01947 603901

St Joseph's Catholic Primary School
Colber lane
BISHOP THORNTON
Harrogate
North Yorkshire
HG3 3JR
Tel No. 01423 770083

St Joseph's Catholic Primary School
Coppice Rise
HARROGATE
North Yorkshire
HG1 2DP
Tel No. 01423 562650

St Joseph's Catholic Primary School
Swainsea Lane
PICKERING
North Yorkshire
YO18 8AR
Tel No. 01751 473102

St Joseph's Catholic Primary School
Station Road
TADCASTER
North Yorkshire
LS24 9JG
Tel No. 01937 832344

St Martin's C of E VA Primary School
Holbeck Hill
SCARBOROUGH
North Yorkshire
YO11 3BW
Tel No. 01723 360239

St Mary's Catholic Primary School
Tentergate Road
KNARESBOROUGH
North Yorkshire
HG5 9BG
Tel No. 01423 867038

St Mary's RC Primary School
Highfield Road
MALTON
North Yorkshire
YO17 7DB
Tel No. 01653 692274

St Mary's RC Primary School
Cross Lanes
RICHMOND
North Yorkshire
DL1 7DZ
Tel No. 01748 821124

St Mary's Catholic Primary School
Baffam lane
SELBY
North Yorkshire
YO8 9AX
Tel No. 01757 706616

St Peter's C of E VA Primary School
BRAFFERTON
Helperby
York
YO61 2PA
Tel No. 01423 360250

St Peter & St Paul RC Primary School
Richmond Road
LEYBURN
North Yorkshire
DL8 5DL
Tel No. 01969 622351

St Peter's RC Primary School
North Leas Avenue
SCARBOROUGH
North Yorkshire
YO12 6LX
Tel No. 01723 372720

St Robert's Catholic Primary School
Ainsty Road
HARROGATE
North Yorkshire
HG1 4AP
Tel No. 01423 504730

St Stephen's Catholic Primary School
Gargrave Road
SKIPTON
North Yorkshire
BD23 1PJ
Tel No. 01756 793787

St Wilfrid's Catholic Primary School
Church lane
RIPON
North Yorkshire
HG4 2ES
Tel No. 01765 603232

Swainby and Potto C of E VA Primary
School
Claver Close
SWAINBY
Northallerton
North Yorkshire DL6 3DH
Tel No. 01642 700518

Terrington C of E VA Primary School
TERRINGTON
York
YO60 6NS
Tel No. 01653 6483340

The Boyle & Petyt Primary School
Harrogate Road
BEAMSLEY
Skipton
North Yorkshire
BD23 6HE Tel No. 01756 710378

Applying for a school place

7. Details of our admission scheme and policy can be found in the 2013/14 Guide for Parents which is available on the North Yorkshire website. . Parents of North Yorkshire children will complete a common application which is available on-line and can list up to 5 schools, giving reasons for their preferences. If they list a Voluntary Aided school as a preference the school may request supplementary information in order for them to apply their oversubscription criteria. Parents without internet access will be able to contact the Local Authority for a common application form to enable them to apply for a primary school place for their child.
8. Information will also be sent direct to parents living outside the local authority at their request. These parents will be advised to complete a common application form for their home authority.
9. Parents requesting information on Academy, Voluntary Aided, Foundation or Trust schools or non-North Yorkshire schools will be referred to the appropriate admissions authority.
10. Parents must complete the common application forms by the deadline of 15 January 2013. On this form parents will need to provide their child's name and residential address. The address provided must be where the child lives permanently. If residency is split between two parents, the address used must be the address of the parent who receives the Child Benefit.
11. School Preferences
 - Parents should list up to 5 schools in order of preference.
 - We try to offer places according to the highest school preference, for which a place may be available.
 - Parents may want to include their local school as one of their preferences because if we are not able to meet a higher preference and their normal area school is oversubscribed, we will give a child a place at the nearest school with places available.
 - If parents name a school other than their normal area school, they will normally be responsible for transport.
12. In accordance with the requirements of the School Admissions Code we will maintain a waiting list until 31 December 2013. Children will be ranked on the waiting list in the same order as the published over subscription criteria.

Late Applications

13. If a common application form is received after the closing date of 15 January 2013, without a genuine reason, we will consider it to be a late application and will process it after we have considered other applications received by the deadline.

Change of Preference

14. Parents will not be allowed to change their preferences after 15 January 2013 without a genuine reason for doing so.

Allocation of Places

15. After the closing date we will send details of children who have expressed preferences for schools for whom we are not the admissions authority, to those authorities for consideration. This will include Voluntary Aided, Academy, Foundation and Trust schools within North Yorkshire and neighbouring Local Authorities.
16. Preferences for schools within another Local Authority's boundary will be sent to that Local Authority for them to administer according to their co-ordinated scheme.
18. Voluntary Aided, Academy and Trust Schools will be responsible for collecting from parents whatever additional information they need in order to apply their oversubscription criteria.
19. We will receive, from neighbouring Local Authorities information of children expressing preferences for North Yorkshire schools which we will process as part of our co-ordinated arrangements along with those for North Yorkshire children. The exchange of information dates specified at Annex 1 to Appendix C will apply.
20. All admission authorities will then apply their oversubscription criteria and produce a list identifying which children can be offered places and which of their oversubscription criteria categories they fall into. The list will also show the position of other children who have expressed a preference for that school who cannot be allocated a place.
21. We will inform our neighbouring Local Authorities which of their children can and cannot be offered places at any of our schools.

22. We will receive lists from North Yorkshire Voluntary Aided, Academy and Trust schools of children to whom they can offer places and we will produce a list in relation to Community and Voluntary Controlled schools.
23. Having received information from other admissions authorities we will provisionally allocate places to children living in our area according to the highest preference for which a place is available.
24. Where we cannot meet any parental preference expressed for a North Yorkshire child we will allocate a place at an alternative school with places available. This may or may not be the local school.
25. We will communicate the results of this initial allocation to enable other authorities to operate their own co-ordinated schemes.
26. Once the final adjustments have been made, a final allocation of places will take place, based on the highest preference place we are able to offer. We will obtain from other Local and Admission Authorities information enabling us to give reasons why the child has not been allocated a place at their school of preference as this information will go in the letter allocating them a lower preference place.

The Offer of a Place

27. No places will be held in reserve for any school.
28. We will write to all North Yorkshire parents on 16 April 2013, notifying them of the single school place they have been allocated for their child or children.
29. The place allocated could be at one of our Community or Voluntary Controlled schools, one of the Voluntary Aided, Academy or Trust schools within North Yorkshire or a school in an area served by another Local Authority.
30. We will send all schools in North Yorkshire on 16 April 2013, details of the children who have been allocated a place at the school.

Appeals

31. Where we have been unable to offer an expressed preference, parents will be offered the statutory right of appeal against the decision.
32. In such circumstances the offer letter will give the reasons why we have been unable to allocate their other stated preferences. Where the statutory right of appeal is the responsibility of North Yorkshire Local Authority we will inform the parents where the appeal forms can be located on the NYCC website. Where the responsibility is that of another

admissions authority, we will advise parents to contact them to confirm appeal arrangements. Parents who have been refused a place at a North Yorkshire school by their home authority will be informed that they should contact us to discuss the appeals process.

33. Places accepted as a result of successful admission appeals, which take place after the allocation date, will lead to further changes to the original allocation. These changes must again be communicated to other admission authorities (and theirs to us) to enable all authorities to make final adjustments to the allocation.
34. Once appeals have been completed we will communicate with all the schools within our boundary to ensure that they have a correct and up-to-date allocation list. We will exchange final allocation details with our neighbouring authorities to check for North Yorkshire children who will be attending other authorities' schools and other authorities' children who will be attending North Yorkshire schools.
35. Appeals will usually be heard for first admission to schools in June and July of 2013.

Waiting Lists

36. A waiting list will be maintained for all oversubscribed Community and Voluntary Controlled North Yorkshire schools until 31 December 2013.
37. The Local Authority requires the governing body of each Voluntary Aided, Academy and Trust School to provide us with a copy of their waiting list and to update us when places become available. The co-ordination regulations require that any offer of a school place must always be made by the Local Authority.
38. Where places become available they will be allocated from the waiting list in accordance with the published oversubscription criteria.
39. Where we are able to offer a place to a non North Yorkshire child from the waiting list we will liaise with their home authority.

Annex 1 to Appendix C

North Yorkshire Local Authority

Primary for Aided, Community, Voluntary Controlled and Foundation Schools Timetable 2013/14

Date	Activity
September 2012	Primary Guide for Parent booklet and common application forms are available on the NYCC website for North Yorkshire parents. Parents without internet access to contact the LA for information.
15 January 2013	Closing date for the return of Common Application Forms.
21 January 2013	Neighbouring Local Authorities to send us details of children in their area who have expressed preferences for schools in North Yorkshire (depending on their timetables). We send details of children expressing preferences for schools in other Local Authority areas to those authorities for consideration.
21 January 2013	The education office send out details of all children who have expressed preferences for North Yorkshire Voluntary Aided, Academy, and Trust schools to the schools for consideration.
11 February 2013	Information to be returned to us by Voluntary Aided, Academy and Trust schools on which places they can allocate.
11 March 2013	Send first round of allocation information to other authorities identifying potential offer(s).
18 March 2013	Input information from first cycle of parental preferences.
25 March 2013	Send second allocation cycle information to other authorities
31 March 2013	Input preference information from second cycle and send final allocation information to other authorities.
16 April 2013	Send out allocation letters to all North Yorkshire parents. Inform schools of final allocations.
June and July 2013	Statutory admission appeals.
10 June 2013 to 26 August 2013	Manual adjustments to allocation and communicating those results to other authorities.
31 December 2013	Closure of waiting list.

North Yorkshire County Council
Children & Young People's Service

IN YEAR FAIR ACCESS PROTOCOL

- 1.0** The Education and Inspections Act 2006 introduced a requirement for each local authority to have in place an In-Year Fair Access Protocol (IYFAP) by September 2007. Further guidance of this requirement is provided in the School Admissions Code 2010, published in September 2010.

Each local authority must have a Fair Access Protocol, agreed with the majority of schools in its area, which sets out how, outside the normal admissions round, schools in the area will admit their fair share of children with challenging behaviour, children excluded from other schools and children who arrive outside the admissions round who may have difficulty securing a school place. In these circumstances, admission authorities may, if necessary, admit above their Published Admission Number.

- 1.1** **ALL** admission authorities must participate in the In Year Fair Access Protocol in order to ensure that unplaced children are allocated a school place quickly and that no school takes more than its share of children with challenging behaviour. **There is no duty for local authorities or admission authorities to comply with parental preference when allocating places through the In Year Fair Access Protocol.**

2.0 Purpose of Protocol

- 2.1** The operation of In Year Fair Access Protocols is outside the arrangements of co-ordination and is triggered when a parent of an eligible child has not secured a place under in-year admission procedures, even following the outcome of an appeal. The purpose of the protocol is:
- 2.2** To ensure that for in year admissions (i.e. outside of the normal admissions round) children are admitted to a suitable school as quickly as possible.
- 2.3** To encourage the equitable distribution of children needing to be admitted in year so that no school is overburdened.

3.0 To Which Groups of Children does the Protocol Apply?

- 3.1** The list of children to be included in an In Year Fair Access Protocol includes the following children of compulsory school age who may have difficulty securing a school place. The following are a minimum required by the School Admissions Code:-

- Children from the criminal justice system or Pupil Referral Units who need to be reintegrated into mainstream education;
- Children who have been out of education for 2 months or more;
- Children of Gypsies, Roma, Travellers, refugees and asylum seekers;
- Children who are homeless;
- Children with unsupportive family backgrounds for whom a place has not been sought;
- Children who are carers; and
- Children with special education needs, disabilities or medical conditions (but without a statement).

The following groups of children have been agreed with the majority of schools in the area.

- Children permanently excluded from a school or children with fixed term exclusions exceeding 15 days in the current academic year;
- Children without a school place and with a history of serious attendance problems (i.e. less than 50%);
- Looked After Children

- 3.2** It is important to emphasise that, **in the vast majority of cases, children requiring a school place will continue to be admitted in accordance with the usual admission procedures, rather than through the protocol.**
- 3.3** Mid-year admissions where a child is not considered hard to place, will be managed through the usual admission procedure in line with parental preference.
- 3.4** The protocol does not cover the admission of children with statements of SEN which will continue to be managed through the statutory assessment and statementing process.

4.0 General Application of the Protocol

- 4.1** In each area of the County, at secondary level, a local Collaborative panel including secondary Headteachers or their representatives will meet on a regular basis. All Collaboratives in North Yorkshire LA meet regularly: Craven, Hambleton and Richmondshire, Harrogate, Ryedale, Scarborough and Selby meet every fortnight and Whitby meet once a month.

- 4.2 A key purpose of the panel will be to manage in year admissions where the protocol criteria apply.
- 4.3 No school should take more than its share of children with challenging behaviour.
- 4.4 All local partnership schools, including those who are their own admissions authority, will agree to admit 1 hard to place pupil in each year group per academic year. Collaborative panels will consider a 'weighting' for small secondary schools where the impact on small year groups may be considerable.
- 4.5 Schools will not insist on an appeal being heard before admitting a child under this protocol.
- 4.6 Schools will not refuse to admit a pupil who has been denied a place at that school at appeal, if the protocol identifies that school as the one to admit the child.
- 4.7 The panel must take account of any genuine concerns about the admission, for example a previous serious breakdown in the relationship between the school and the family, or a strong aversion to, or desire for the religious ethos of a school.
- 4.8 For a pupil to be placed at a North Yorkshire Grammar School in line with the In Year Fair Access criteria, he or she must also meet the academic criteria for that school.
- 4.9 **Schools must respond within the timescales specified in this protocol, to requests for admission, so that the admission of the pupil is not delayed.**
- 4.10 Wherever possible, pupils with a religious affiliation should be matched to a suitable school. If the school with a religious affiliation has already taken a pupil under the protocol in that year group, then the pupil may be offered a place at a different school that doesn't have the religious affiliation.
- 4.11 Admissions agreed between schools under the Scheme of Managed Moves do not count as places allocated under this protocol. The local authority will collate data on the two schemes separately and make the data available to panels on a regular basis.

5.0 Local Flexibility

- 5.1** Whilst working within the spirit of the protocol a local Collaborative panel must use discretion and judgement to achieve the best outcome for the child concerned and other children. For instance, one school may have compelling reasons (agreed by the panel) for not admitting to a particular year group at that time. The school might therefore agree to make 2 places available in a different year group.

6.0 Monitoring Arrangements

- 6.1** All mid-year admissions under the protocol will be monitored by the local authority and the local Collaborative panel.
- 6.2** A local authority officer will attend all Collaborative Panels wherever possible. This will usually be the Lead for Out of School Provision and/or a colleague from the Admissions team.

7.0 Additional Support

- 7.1** Additional advice for schools admitting children under this protocol may be available from the local authority e.g. from the Education of Looked After Children team. This discussion should take place at the Collaborative meeting.

8.0 Timescales

- 8.1** All referrals under this protocol should be considered within these timescales;

Within 10 working days of the panel meeting, a panel representative will discuss admission and potential school(s) with parent and pupil.

Within 15 days of a panel meeting, the identified school will invite the parent and the young person for an admissions meeting with the opportunity to view the school and formulate an integration plan.

Within 20 days the child should be admitted on roll and start attending the identified school.

9.0 Actions by Schools that Contravene the Agreement

9.1 Schools in the local partnership agree not to advise parents to:

- remove their child from school and find another school.
- remove their child from the roll of the school and voluntarily educate at home.

10.0 Transport

10.1 Free or assisted transport will be provided to enable a pupil to attend the school agreed by the panel if it is over two miles from home for primary age pupils and three miles from home for secondary pupils. This arrangement currently applies to pupils permanently excluded from school.

11.0 Financial Procedures

11.1 Where a pupil is permanently excluded the excluding school must return any remaining Age-Weighted Pupil Unit (AWPU) for that particular pupil to the local authority for transfer to the receiving school.

12.0 Cross Border Issues

12.1 The local authority will consult with neighbouring authorities over financial support and equity for pupils who meet the In Year Fair Access Protocol, and who attend school in one authority, and live in another.

Transfer of pupils from primary to secondary school Common application form September 2012/2013

B1

Please complete this form in BLOCK CAPITALS and in BLACK INK and return it before **31 October 2011** to:
The admissions team, Jesmond House, 31-33 Victoria Avenue, Harrogate, HG1 5QE. Or you can apply online at
www.northyorks.gov.uk/admissions. **WARNING:** This form should only be completed by the parent or carer of the child.

A: Pupil details

Child's first name.....Middle name.....Last name.....

Gender: M F Date of birth.....

Current residential address.....

.....

.....Postcode.....Home telephone no.....

Name and address of child's current school.....

.....Postcode.....

Does your child have a statement of special educational needs (SEN)? (*please tick*) Yes No

Is your child undergoing statutory assessment for SEN? (*please tick*) Yes No

Is the child in the care of a local authority? (*please tick*) Yes No

If yes then please state which local authority.....

B: Brothers and sisters – siblings attending preferred school in September 2012, see page 6 of the summary guide under 'tie-break'.

Forename Middle name(s) Surname Date of birth Gender (M/F) School attending in Sept 2011

.....

.....

.....

.....

C: Parent(s)/carer(s) details – The application should be made by the parent(s)/carer(s) that your child normally lives with. See glossary in summary guide page 23.

Parent/carer 1

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(*please tick*) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

.....

.....

.....

..... Postcode.....

Parent/carer 2

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(*please tick*) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

.....

.....

.....

..... Postcode.....

Please tick here if a copy of all correspondence is to go to parent/carer 2

Appendix 7(F)

Crown service Yes No

Please select 'Yes' if you are applying for a place for a child of UK service personnel or other Crown servants. You may be asked for an official MoD, FCO or GCHQ letter declaring your relocation date.

D: School preferences – please name up to five schools in order of preference.

Think carefully about your preferences; it may not be possible to change them. **See page 5 of the summary guide.** Please note: listing only one school or listing the same school five times will not improve your chances of being offered a place there, and may lead to us offering a place at a school you would prefer your child not to attend.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

If you have asked that your child be considered for a place at Ripon Grammar School please add, next to the school name, if you would like to be considered for a day place, a weekly boarding place or a termly boarding place. If you would like to be considered for both day and boarding places, you should list them as separate preferences.

E: Special reasons for your choice of school. See frequently asked questions on page 18 of the summary guide. (Professional evidence will be required, by 31 October 2011, to support special social or medical reasons.).....

.....
.....
.....

Faith: Please provide religious affiliation if relevant.....

Any additional information.....
.....
.....
.....

F: Declaration: I have read the guide for parents before completing this form, and I:

- 1. certify that, to the best of my knowledge, the details I have provided are correct. I understand that a place offered on the basis of inaccurate information may be withdrawn.
- 2. certify that I am the parent or carer for this child.

Signed..... Date

Name *(please print)*.....

If you have any further queries please contact the education office, details are on the back cover of the Guide for parents 2012/2013. The information provided on this form will be used in accordance with the Data Protection Act 1998. Information may be shared with other local authorities under coordinated admission arrangements and health personnel where appropriate.

Appendix 7(F)

Transfer of pupils from Allertonshire School Common application form September 2012/2013

B2

Please complete this form in BLOCK CAPITALS and in BLACK INK and return it before **31 October 2011** to:
The admissions team, Jesmond House, 31-33 Victoria Avenue, Harrogate, HG1 5QE. Or you can apply online at
www.northyorks.gov.uk/admissions. **WARNING:** This form should only be completed by the parent or carer of the child.

A: Pupil details

Child's first name.....Middle name.....Last name.....

Gender: M F Date of birth.....

Current residential address.....

.....

.....Postcode.....Home telephone no.....

Name and address of child's current school.....

.....Postcode.....

Does your child have a statement of special educational needs (SEN)? *(please tick)* Yes No

Is your child undergoing statutory assessment for SEN? *(please tick)* Yes No

Is the child in the care of a local authority? *(please tick)* Yes No

If yes then please state which local authority.....

B: Brothers and sisters – siblings attending preferred school in September 2012, see page 6 of the summary guide under ‘tie-break’.

Forename Middle name(s) Surname Date of birth Gender (M/F) School attending in Sept 2011

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C: Parent(s)/carer(s) details – The application should be made by the parent(s)/carer(s) that your child normally lives with. See glossary in summary guide page 23.

Parent/carer 1

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

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..... Postcode.....

Parent/carer 2

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

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..... Postcode.....

Please tick here if a copy of all correspondence is to go to parent/carer 2

Appendix 7(F)

Crown service Yes No

Please select 'Yes' if you are applying for a place for a child of UK service personnel or other Crown servants. You may be asked for an official MoD, FCO or GCHQ letter declaring your relocation date.

D: School preferences – please name up to five schools in order of preference.

Think carefully about your preferences; it may not be possible to change them. **See page 5 of the summary guide.** Please note: listing only one school or listing the same school five times will not improve your chances of being offered a place there, and may lead to us offering a place at a school you would prefer your child not to attend.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

If you have asked that your child be considered for a place at Ripon Grammar School please add, next to the school name, if you would like to be considered for a day place, a weekly boarding place or a termly boarding place. If you would like to be considered for both day and boarding places, you should list them as separate preferences.

E: Special reasons for your choice of school. See frequently asked questions on page 18 of the summary guide. (Professional evidence will be required, by 31 October 2011, to support special social or medical reasons.).....

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Faith: Please provide religious affiliation if relevant.....

Any additional information.....
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F: Declaration: I have read the guide for parents before completing this form, and I:

- 1. certify that, to the best of my knowledge, the details I have provided are correct. I understand that a place offered on the basis of inaccurate information may be withdrawn.
- 2. certify that I am the parent or carer for this child.

Signed..... Date

Name *(please print)*.....

If you have any further queries please contact the education office, details are on the back cover of the Guide for parents 2012/2013. The information provided on this form will be used in accordance with the Data Protection Act 1998. Information may be shared with other local authorities under coordinated admission arrangements and health personnel where appropriate.

Appendix 7(F)

Transfer of pupils from Caedmon and Eskdale Schools Common application form September 2012/2013

B3

Please complete this form in BLOCK CAPITALS and in BLACK INK and return it before **31 October 2011** to:
The admissions team, Jesmond House, 31-33 Victoria Avenue, Harrogate, HG1 5QE. Or you can apply online at
www.northyorks.gov.uk/admissions. **WARNING:** This form should only be completed by the parent or carer of the child.

A: Pupil details

Child's first name.....Middle name.....Last name.....

Gender: M F Date of birth.....

Current residential address.....

.....Postcode.....Home telephone no.....

Name and address of child's current school.....
.....Postcode.....

Does your child have a statement of special educational needs (SEN)? *(please tick)* Yes No

Is your child undergoing statutory assessment for SEN? *(please tick)* Yes No

Is the child in the care of a local authority? *(please tick)* Yes No

If yes then please state which local authority.....

B: Brothers and sisters – siblings attending preferred school in September 2012, see page 6 of the summary guide under 'tie-break'.

Forename	Middle name(s)	Surname	Date of birth	Gender (M/F)	School attending in Sept 2011
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C: Parent(s)/carer(s) details – The application should be made by the parent(s)/carer(s) that your child normally lives with. See glossary in summary guide page 23.

Parent/carer 1

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

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..... Postcode.....

Parent/carer 2

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

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..... Postcode.....

Please tick here if a copy of all correspondence is to go to parent/carer 2

Appendix 7(F)

Crown service Yes No

Please select 'Yes' if you are applying for a place for a child of UK service personnel or other Crown servants. You may be asked for an official MoD, FCO or GCHQ letter declaring your relocation date.

D: School preferences – please name up to five schools in order of preference.

Think carefully about your preferences; it may not be possible to change them. **See page 5 of the summary guide.** Please note: listing only one school or listing the same school five times will not improve your chances of being offered a place there, and may lead to us offering a place at a school you would prefer your child not to attend.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

If you have asked that your child be considered for a place at Ripon Grammar School please add, next to the school name, if you would like to be considered for a day place, a weekly boarding place or a termly boarding place. If you would like to be considered for both day and boarding places, you should list them as separate preferences.

E: Special reasons for your choice of school. See frequently asked questions on page 18 of the summary guide. (Professional evidence will be required, by 31 October 2011, to support special social or medical reasons.).....

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Faith: Please provide religious affiliation if relevant.....

Any additional information.....
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F: Declaration: I have read the guide for parents before completing this form, and I:

- 1. certify that, to the best of my knowledge, the details I have provided are correct. I understand that a place offered on the basis of inaccurate information may be withdrawn.
- 2. certify that I am the parent or carer for this child.

Signed..... Date

Name *(please print)*.....

If you have any further queries please contact the education office, details are on the back cover of the Guide for parents 2012/2013. The information provided on this form will be used in accordance with the Data Protection Act 1998. Information may be shared with other local authorities under coordinated admission arrangements and health personnel where appropriate.

Admission to primary school
Common application form September 2012/2013

Please complete this form in BLOCK CAPITALS and in BLACK INK and return it before **15 January 2012** to:
The admissions team, Jesmond House, 31-33 Victoria Avenue, Harrogate, HG1 5QE. Or you can apply online at
www.northyorks.gov.uk/admissions. **WARNING:** This form should only be completed by the parent or carer of the child.

A: Pupil details

Child's first name.....Middle name.....Last name.....

Gender: M F Date of birth.....

Current residential address.....

.....Postcode.....Home telephone no.....

Name and address of child's current school/nursery.....
.....Postcode.....

Does your child have a statement of special educational needs (SEN)? *(please tick)* Yes No

Is your child undergoing statutory assessment for SEN? *(please tick)* Yes No

Is the child in the care of a local authority? *(please tick)* Yes No

If yes then please state which local authority.....

B: Brothers and sisters – siblings attending preferred school in September 2012, see page 6 of the summary guide under ‘tie-break’.

Forename Middle name(s) Surname Date of birth Gender (M/F) School attending in Sept 2012

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.....
.....

C: Parent(s)/carer(s) details – The application should be made by the parent(s)/carer(s) that your child normally lives with. See glossary in summary guide page 23.

Parent/carer 1

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

.....

.....

.....

..... Postcode.....

Parent/carer 2

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

.....

.....

.....

..... Postcode.....

Please tick here if a copy of all correspondence is to go to parent/carer 2

Appendix 7(F)

Crown service Yes No

Please select 'Yes' if you are applying for a place for a child of UK service personnel or other Crown servants. You may be asked for an official MoD, FCO or GCHQ letter declaring your relocation date.

D: School preferences – please name up to five schools in order of preference.

Think carefully about your preferences; it may not be possible to change them. **See page 5 of the summary guide.** Please note: listing only one school or listing the same school five times will not improve your chances of being offered a place there, and may lead to us offering a place at a school you would prefer your child not to attend.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

E: Special reasons for your choice of school. See frequently asked questions on page 18 of the summary guide. (Professional evidence will be required, by 15 January 2012, to support special social or medical reasons.).....

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Faith: Please provide religious affiliation if relevant.....

Any additional information.....

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F: Declaration: I have read the guide for parents before completing this form, and I:

- 1. certify that, to the best of my knowledge, the details I have provided are correct. I understand that a place offered on the basis of inaccurate information may be withdrawn.
- 2. certify that I am the parent or carer for this child.

Signed..... Date

Name *(please print)*.....

If you have any further queries please contact the education office, details are on the back cover of the Guide for parents 2012/2013. The information provided on this form will be used in accordance with the Data Protection Act 1998. Information may be shared with other local authorities under coordinated admission arrangements and health personnel where appropriate.

Appendix 7(F)

Transfer of pupils from infant to junior school Common application form September 2012/2013

B5

Please complete this form in BLOCK CAPITALS and in BLACK INK and return it before **15 January 2012** to:
The admissions team, Jesmond House, 31-33 Victoria Avenue, Harrogate, HG1 5QE. Or you can apply online at
www.northyorks.gov.uk/admissions. **WARNING:** This form should only be completed by the parent or carer of the child.

A: Pupil details

Child's first name.....Middle name.....Last name.....

Gender: M F Date of birth.....

Current residential address.....

.....

.....Postcode.....Home telephone no.....

Name and address of child's current school.....

.....Postcode.....

Does your child have a statement of special educational needs (SEN)? *(please tick)* Yes No

Is your child undergoing statutory assessment for SEN? *(please tick)* Yes No

Is the child in the care of a local authority? *(please tick)* Yes No

If yes then please state which local authority.....

B: Brothers and sisters – siblings attending preferred school in September 2012, see page 6 of the summary guide under ‘tie-break’.

Forename Middle name(s) Surname Date of birth Gender (M/F) School attending in Sept 2012

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C: Parent(s)/carer(s) details – The application should be made by the parent(s)/carer(s) that your child normally lives with. See glossary in summary guide page 23.

Parent/carer 1

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

.....

.....

.....

..... Postcode.....

Parent/carer 2

Title.....Forename(s).....

Surname.....

Relationship to pupil.....

Do you have parental responsibility for this child?
(please tick) Yes No

Home telephone no.....

Daytime telephone no.....

Mobile no.....

Email.....

Home address (if different from above).....

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..... Postcode.....

Please tick here if a copy of all correspondence is to go to parent/carer 2

Appendix 7(F)

Crown service Yes No

Please select 'Yes' if you are applying for a place for a child of UK service personnel or other Crown servants. You may be asked for an official MoD, FCO or GCHQ letter declaring your relocation date.

D: School preferences – please name up to five schools in order of preference.

Think carefully about your preferences; it may not be possible to change them. **See page 5 of the summary guide.** Please note: listing only one school or listing the same school five times will not improve your chances of being offered a place there, and may lead to us offering a place at a school you would prefer your child not to attend.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

E: Special reasons for your choice of school. See frequently asked questions on page 18 of the summary guide. (Professional evidence will be required, by 15 January 2012, to support special social or medical reasons.).....

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Faith: Please provide religious affiliation if relevant.....

Any additional information.....

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F: Declaration: I have read the guide for parents before completing this form, and I:

- 1. certify that, to the best of my knowledge, the details I have provided are correct. I understand that a place offered on the basis of inaccurate information may be withdrawn.
- 2. certify that I am the parent or carer for this child.

Signed..... Date

Name *(please print)*.....

If you have any further queries please contact the education office, details are on the back cover of the Guide for parents 2012/2013. The information provided on this form will be used in accordance with the Data Protection Act 1998. Information may be shared with other local authorities under coordinated admission arrangements and health personnel where appropriate.

Two consultation documents, the draft School Admissions Code and the draft School Admissions Appeals Code were published for consultation by the DfE on Friday 27 May 2011.

The purpose of the consultation documents was to seek views on the changes which aim to simplify the Codes 'which are at the centre of proposed changes to the admissions system'.

The consultation closed on Friday 19 August 2011. We were advised by the DfE that the consultation responses and new Codes would be published in late September 2011, this did not happen. On 2 November 2011 the DfE published their report on the response to the consultation together with revised draft Codes. In their Report, the Department states that 'the Government's overall approach to simplifying the School Admissions and Appeals Codes has received broad support. As a consequence we have not withdrawn any of the proposed policy changes, but we have made a number of drafting changes to the Codes to reflect many of the comments made.' There is a note on each of the revised draft Codes which states 'Between the publication of the draft Code on 2 November 2011 and the laying of the Code before Parliament later in the year there may be minor changes to the text'. The new Codes will come into force in February 2012 for pupil admissions in September 2013.

This means that in order to comply with the statutory timescale for consultation admission authorities may have regard to the proposed changes to the Code but will need to apply the 2010 School Admissions Code to their 2013/14 admission arrangements consultations. To wait for publication of the new Codes could lead to a situation where an admission authority had insufficient time to complete their consultation by the statutory deadline of 1 March 2012. It should be noted that in their report on the consultation response, the Department notes that the publication of the revised drafts allows schools and local authorities to take account of the proposed changes.

The outcome of the consultation will require changes to the Regulations that govern the admissions and appeals process. A Consultation on Changes to the Admissions Regulations was launched by the DfE on 10 November 2011, the consultation will close on 5 December 2011.

It is intended that (subject to achieving consent by Parliament) the Codes will be in force before 1 March 2012. We have been advised that there could be implications for 2012/13 determined admission arrangements. It is intended that both Codes will come into force at the same time.

The statutory timescale for consultation on the 2013/14 school admission arrangements is between 1 November 2011 to 1 March 2012 and each consultation must run for a minimum of eight weeks. All admission arrangements for the 2013/14 admission round must be determined by 15 April 2012.

The 2010 School Admissions Code states, at paragraph 1.26, 'all admission authorities **must** consult by 1 March in the determination year on the admission arrangements for those schools for which they are responsible, unless (in the case

Appendix 6

of admission arrangements for entry in 2011-12 and subsequent years) their admission arrangements were consulted on in one or both of the two previous years and they are the same as the arrangements since the last consultation.

We would urge caution to any admission authority intending not to undertake consultation this year on the basis of paragraph 1.26 of the Code. The reason for this being that the DfE has indicated that the 2013/14 admission round is in effect year one for the new admissions framework and the expectation is that **all** admission authorities will have to make some change to their current admission arrangements in order to comply with the new Codes. We understand that without sight of the new Codes it is difficult to anticipate the changes that may be required. We would strongly suggest that all admission authorities take some time to read the draft Codes prior to launching their own consultation.

The consultation on the Codes sought views on what it describes as ‘a small number of key policy changes, all of which intend to deal with issues which can create unfairness in the system or which frustrate and confuse parents who seek to ensure that their child gets into a suitable school as quickly as possible’. The proposed policy changes in the draft School Admissions Code relate to:

- The removal of the requirement on local authorities to coordinate in year admissions
- Changes to the Published Admission Number (PAN)
- Reduction in consultation requirements where no changes to admission arrangements are proposed
- Infant class size exceptions
- Giving admissions priority at Academies and Free Schools to children attracting the Pupil Premium
- Giving priority within oversubscription criteria to children of school staff – the original proposal has been modified in the revised draft.
- Random allocation
- Changes to objections to the Schools Adjudicator

The proposed policy changes in the draft Admission Appeals Code relate to:

- Operation and governance of appeals panels
- Timetable for appeals
- Three stage process

Appendix 6

Within their Report the Department notes that 'There were two key areas about which the Department did not ask any specific questions but which were raised during the consultation. These two areas are:

1. Any child that is looked after by the state is required to be prioritised in all admissions arrangements at any publicly funded school. That prioritisation is removed if the child is adopted into a stable and loving family relationship, yet he or she may still have social and emotional problems as a consequence of their difficult early childhood. We have amended the Code, therefore, to ensure that any looked after child who leaves care through adoption, a residence order, or special guardianship order, will continue to be given the same priority even though they are no longer looked after by the state.
2. The co-ordination of admissions arrangements is made administratively simpler when there is a single date each year when offers of school places are made. ' For secondary school places this date is 1 March. We intend to introduce a similar approach for admissions for primary schools with the introduction in the Code of a Primary national Offer Day on or about 16 April. This will apply from 2014 onwards.'

If mandatory changes result from the new Code which affect admissions for 2013/14, admission authorities would have to make appropriate amendments to their admission arrangements after they are approved. There is provision in the School Admissions (Admission Arrangements) (England) Regulations 2008 at Regulation 21 to enable admission authorities to do this when such variation is necessary to give effect to any mandatory requirements of the School Admissions Code.

Thus any necessary changes can be effected without recourse to further consultation and any published admission arrangements must be amended accordingly.

NYCC Officers are involved in two national working groups which were established by the DfE to assist with the review of the Codes. This has provided the local authority with the opportunity to be well informed as to Ministerial thinking and the development of the draft Codes ahead of their publication. If any own admission authority school would like to discuss any element of their proposed admission arrangements prior to launching their consultation please do not hesitate to contact me.

Appendix 7(H)

DFE No. 815-	School	Published Admission Number 2012/13	Proposed Published Admission Number 2013/14	Nursery places fte	Pre reception
3616	All Saints Roman Catholic Primary School, Thirsk	14	14		
3361	All Saints, Church of England School, Kirkby Overblow	12	15		
3350	Austwick Church of England (V.A.) Primary School	10	10	6.5	
3369	Barkston Ash Catholic Primary School	20	20		
3301	Bolton-on-Swale St Mary's Church of England Primary School	14	14		
3337	Burneston Church of England (Voluntary Aided) Primary School	19	19		
3352	Burnsall Voluntary Aided Primary School	12	12		
3356	Burnt Yates Church of England Primary School	8	8		
3354	Carleton Endowed School	20	22		
3306	Carlton and Faceby Church of England Voluntary Aided Primary School	11	8		
3355	Cawood Church of England Voluntary Aided Primary School	30	25	13	
3357	Dacre Braithwaite Church of England Primary School	10	10		
3308	Egton Church of England Voluntary Aided Primary School	8	8		
3632	Farnley Church of England Voluntary Aided Primary School	15	15		
3358	Horton-in-Ribblesdale Church of England Voluntary Aided Primary School	10	10	6.5	
3336	Ingleby Arncliffe Church of England Voluntary Aided Primary School	11	11		
3315	Kirkby & Great Broughton Church of England Voluntary Aided Primary School	18	18		
3360	Kirkby in Malhamdale United Voluntary Aided Primary School	12	12		
3362	Long Preston Endowed Voluntary Aided Primary School	13	13		
3363	Marion-cum-Grafton Church of England Voluntary Aided Primary School	14	15		6.5
3319	Masham Church of England VA Primary School	20	20		
3307	Michael Syddall Church of England (Aided) Primary School	36	36		
3320	Middleham Church of England Aided School	13	15		
3365	Rathmell Church of England (Voluntary Aided) Primary School	10	9		5
3368	Richard Taylor Church of England Primary School	39	39		
3353	Richard Thornton's Church of England (Voluntary Aided) Primary School	15	15		
3262	Ripon Cathedral Church of England Primary School	30	30	26	
3902	Sacred Heart RC Primary, Northallerton	13	15		
3600	St. Benedict's Roman Catholic Primary School, Ampleforth	15	15		
3631	St. George's Roman Catholic Primary School, Scarborough	14	15	26	
3602	St. Hedda's Roman Catholic Primary School	7	7		
3620	St. Hilda's Roman Catholic Primary School	15	15		
3370	St. Joseph's Catholic Primary School, Bishop Thornton	8	8		
3378	St. Joseph's Catholic Primary School, Harrogate	30	30		
3376	St. Joseph's Catholic Primary School, Tadcaster	10	10		
3610	St. Joseph's Roman Catholic Primary School, Pickering	15	15	13	
3326	St. Martin's Church of England Voluntary Aided Primary School, Scarborough	40	40		
3371	St. Mary's Catholic Primary School, Knaresborough	30	30		
3373	St. Mary's Catholic Primary School, Selby	26	26		
3609	St. Mary's Roman Catholic Primary School, Malton	15	15		
3614	St. Mary's Roman Catholic Primary School, Richmond	30	30		
3304	St. Peter's Brafferton Church of England Voluntary Aided Primary School	10	13		
3615	St. Peter's Roman Catholic Primary School	30	30		
3377	St. Robert's Catholic Primary School, Harrogate	40	40		
3375	St. Stephen's Catholic Primary School, Skipton	28	25	13	
3372	St. Wilfrid's Catholic Primary School, Ripon	20	20		
3335	Swainby and Potto Church of England Voluntary Aided Primary School	12	12		
3331	Terrington Church of England Voluntary Aided Primary School	9	9		
3351	The Boyle & Petyt Primary School	8	8		
5200	Nun Monkton Primary School	4	4		
3000	Ainderby Steeple Church of England Primary School	15	15		
3001	Aiskew, Leeming Bar Church of England Primary School	14	14		
2150	Alanbrooke School	15	15		
2245	Aine Primary School	15	15		
2242	Alverton Infant School	30	30	26	
2246	Amotherby Community Primary School	25	25		
2080	Applegarth Primary School	40	40		
2301	Appleton Roebuck Primary School	12	12		6
2247	Appleton Wiske Community Primary School	12	14		
3006	Arkengarthdale Church of England Primary School	8	8		
3289	Askrigg Voluntary Controlled Primary School	14	12		
2302	Askwith Community Primary School	13	13		2
3008	Bainbridge Church of England Primary and Nursery School	9	8	6.5	
3009	Baldersby St. James Church of England Voluntary Controlled Primary School	8	8		
2400	Barlby Bridge Community Primary School	22	22	26	
2401	Barlby Community Primary School	45	42	26	
3223	Barlow Church of England Voluntary Controlled Primary School	15	15		
2108	Barrowcliff Nursery & Infant School	60	80	19.5	
3133	Barton Church of England Primary School	11	11		
2348	Beckwithshaw Community Primary School	12	14		
3010	Bedale Church of England Primary School	54	47		
3012	Bilsdale Midcable Chop Gate Church of England Voluntary Controlled Primary School	6	6		

DfE No. 815-	School	Published Admission Number 2012/13	Proposed Published Admission Number 2013/14	Nursery places fte	Pre reception
3226	Birstwith Church of England Primary School	12	12		
3227	Bishop Monkton Church of England Primary School	18	15		
3228	Bishop Thornton Church of England Primary School	8	8		
2309	Boroughbridge Primary School	30	36		
2310	Bradleys Both Community Primary School	19	19		
3231	Brayton Church of England Voluntary Controlled Infant School	60	60		15
2379	Brayton Community Junior School	60	60		
2250	Brompton & Sawdon Community Primary School	10	10		
2249	Brompton Community Primary School	22	22	13	
3015	Brompton-on-Swale Church of England Primary School	25	30		
2225	Broomfield School	35	35		
2311	Brotherton & Byram Community Primary School	30	30	26	
2218	Bullamoor Junior School	30	30		
3232	Burton Leonard Church of England Primary School	10	10		
2312	Burton Salmon Community Primary School	7	7		
2387	Camblesforth Community Primary School	17	17		
2252	Carlton Miniott Community Primary School	27	29		
2314	Carlton-in-Snaith Community Primary School	28	28		
2256	Castleton Community Primary School	8	8		
2212	Catterick Garrison, Carnagill Community Primary School	30	30	13	
2173	Catterick Garrison, Le Cateau Community Primary School	60	59	39	
2189	Catterick Garrison, Wavell Community Infant School	72	72	23	
2188	Catterick Garrison, Wavell Community Junior School	60	60		
2224	Cayton Community Primary School	30	30		
3233	Chapel Haddlesey Church of England Voluntary Controlled Primary School	7	7		
3273	Christ Church Church of England Voluntary (Controlled) Primary School	20	20		
3234	Clapham Church of England Voluntary Controlled Primary School	10	10		
3150	Cliffe Voluntary Controlled Primary School	16	16		
2167	Colburn Community Primary School	30	30	11.5	
2316	Cononley Community Primary School	21	21		
2317	Cowling Community Primary School	19	19		
3235	Cracoe and Rylstone Voluntary Controlled Church of England Primary School	7	7		
3020	Crakehall Church of England Primary School	14	14		
3021	Crayke Church of England Voluntary Controlled Primary School	13	13		
3022	Croft Church of England Primary School	15	15	6.5	
3025	Danby Church of England Voluntary Controlled School	10	10		
2347	Darley Community Primary School	20	14		
2165	Dishforth Airfield Community Primary School	15	15		
3027	Dishforth Church of England Voluntary Controlled Primary School	10	12	6.5	
2318	Drax Community Primary School	10	10		
2164	Easingwold Community Primary School	45	45		
2257	East Ayton Community Primary School	30	30		
3030	East Cowton Church of England Primary School	8	12		
3236	Embsay Church of England Voluntary Controlled Primary School	30	30		
3034	Eppleby Forcett Church of England Primary School	8	7		
3153	Escrick Church of England Voluntary Controlled Primary School	17	17		
2320	Fairburn Community Primary School	8	8		
3154	Filey Church of England Voluntary Controlled Infant and Nursery School	76	76	26	
2413	Filey Junior School	85	85		
3237	Follifoot Church of England Primary School	9	9		
3288	Forest of Galtres Anglican/Methodist Primary School	27	27		
3039	Foston Church of England Voluntary Controlled Primary School	3	4		
3266	Fountains Church of England Primary School	15	15		
3238	Fountains Earth, Lofthouse Church of England Endowed Primary School	6	6		
3139	Fylingdales Church of England Voluntary Controlled Primary School	8	18		
3285	Gargrave Church of England Voluntary Controlled Primary School	20	18		
2324	Giggleswick Primary School	13	13		
3040	Gillamoor Church of England Voluntary Controlled Primary School	7	8		
2117	Gladstone Road Infant School	117	116		
2116	Gladstone Road Junior School	117	116		
2041	Glaisdale Primary School	8	8		
2338	Glasshouses Community Primary School	10	10		
2393	Glusburn Community Primary School	48	48	26	
2043	Goathland Primary School	7	7		
3240	Goldsborough Church of England Primary School	12	12		
3241	Grassington Church of England (Voluntary Controlled) Primary School	12	12		
2426	Great Ayton, Roseberry Community Primary School	30/21	30/21		
2327	Great Ouseburn Community Primary School	15	14		7.5
2047	Great Smeaton Community Primary School	10			
3242	Green Hammerton Church of England Primary School	17	17		
3243	Grewelthorpe Church of England Primary School	10	10		
3207	Gunnerside Methodist Primary School	7	7		

DfE No. 815-	School	Published Admission Number 2012/13	Proposed Published Admission Number 2013/14	Nursery places fte	Pre reception
3045	Hackforth and Hornby Church of England Primary School	7	6		
3046	Hackness Church of England Voluntary Controlled Primary School	8	10		
3244	Hambleton Church of England Voluntary Controlled Primary School	25	25		
3245	Hampsthwaite Church of England Primary School	15	16	6.5	
2328	Harrogate, Bilton Grange Community Primary School	48	48		
2383	Harrogate, Coppice Valley Community Primary School	35	30		
2329	Harrogate, Grove Road Community Primary School	40	40	26	
2368	Harrogate, Hookstone Chase Community Primary School	40	38		
2330	Harrogate, New Park Community Primary School	40	30		
2376	Harrogate, Oatlands Community Junior School	75	75		
2372	Harrogate, Pannal Community Primary School	45	45		
2424	Harrogate, Saltergate Community Junior School	60	59		
3247	Harrogate, St. Peter's Church of England Primary School	40	40		
2332	Harrogate, Starbeck Community Primary School	50	46	26	
2056	Hawes Community Primary School	15	15	6.5	
3050	Hawsker cum Stainsacre Church of England Voluntary Controlled Primary School	12	12		
2336	Hellifield Community Primary School	15	15		
2236	Helmsley Community Primary School	24	24	13	
2402	Hemingbrough Community Primary School	30	30		
2337	Hensall Community Primary School	18	18		
3155	Hertford Vale Church of England Voluntary Controlled Primary School, Staxton	18	18		
2305	High Bentham Community Primary School	25	25	13	
3053	Hipswell Church of England Primary School	24	24	10	
2340	Hirst Courtney & Temple Hirst Community Primary School	7	7		
3284	Holy Trinity Church of England Infant School	60	65	26	
3263	Holy Trinity Church of England Junior School	74	67		
3054	Hovingham Church of England Voluntary Controlled Primary School	8	8		
3055	Huby Church of England Voluntary Controlled Primary School	14	14		
2403	Hunmanby Primary School	30	30	26	
2063	Hunton and Arrathorne Community Primary School	10	10		
3057	Husthwaite Church of England Voluntary Controlled Primary School	20	15	6.5	
2228	Hutton Rudby Primary School	30	30		
3060	Ingleby Greenhow Church of England Voluntary Controlled Primary School	10	10		
2391	Ingleton Primary School	28	25	26	
3076	Kell Bank Church of England Primary School	5	5		
2422	Kellington Primary School	19	19	13	
2321	Kettlesing Felliscliffe Community Primary School	8	8		
2343	Kettlewell Primary School	7	7		5
3287	Kildwick Church of England (Voluntary Controlled) Primary School	17	17		
3248	Killinghall Church of England Primary School	15	15		
3062	Kirby Hill Church of England Primary School	17	17	13	
3251	Kirk Fenton Parochial Church of England Voluntary Controlled Primary School	27	27	13	
3252	Kirk Hammerton Church of England Primary School	12	12		
3253	Kirk Smeaton Church of England (Voluntary Controlled) Primary School	12	12		
3065	Kirkby Fleetham Church of England Primary School	9	9		
3249	Kirkby Malzeard Church of England Primary School	15	15		
2064	Kirkbymoorside Community Primary School	30	30	13	
2377	Knaresborough, Aspin Park Community Primary School	60	60		
2389	Knaresborough, Meadowside Community Primary School	30	30		
3068	Knayton Church of England Voluntary Controlled Primary School	15	12		
2404	Langton Primary School	15	15		
2042	Lealholm Primary School	8	8		
2405	Leavening Community Primary School	10	10		
2040	Leeming and Londonderry Community Primary School	8	8		
2166	Leeming RAF Community Primary School	40	40		
2065	Leyburn Community Primary School	30	30		
2233	Lindhead School	30	30		
2171	Linton-on-Ouse Primary School	15	15		
3255	Long Marston Church of England Voluntary Controlled Primary School	8	8		
2346	Lothersdale Community Primary School	15	15		
2406	Luttons Community Primary School	8	8		
3069	Lythe Church of England Voluntary Controlled Primary School	15	15		
2074	Malton Community Primary School	42	42	13	
3256	Markington Church of England Primary School	12	12		
3042	Marwood Church of England Voluntary Controlled Infant School, Great Ayton	21	19		
3208	Melsonby Methodist Primary School	10	10		
3079	Middleton Tyas Church of England Primary School	19	22		
3257	Monk Fryston Church of England Voluntary Controlled Primary School	30	30		
2366	Moorside Infant School	36	36		
2367	Moorside Junior School	36	30		
2075	Nawton Community Primary School	15	11	6.5	
2076	Newby and Scalby Primary School	60	60		

DFE No. 815-	School	Published Admission Number 2012/13	Proposed Published Admission Number 2013/14	Nursery places fte	Pre reception
2081	North & South Cowton Community Primary School	7	7		
2407	North Duffield Community Primary School	25	25		
3260	North Rigton Church of England (C) Primary School	13	13		
3258	North Stainley Church of England Primary School	8	8		
2163	Northallerton, Mill Hill Community Primary School	30	30		
2408	Norton Community Primary School	60	75	26	
2060	Oakridge Community Primary School	10	10	6.5	
2331	Oatlands Infant School	75	75		
2083	Osmotherley Primary School	10	10		
2235	Pickering Community Infant School	75	75	26	
2222	Pickering Community Junior School	75	75		
3088	Pickhill Church of England Primary School	9	9		
3090	Ravensworth Church of England Primary School	13	12		
2096	Reeth Community Primary School	8	8	13	
2410	Riccall Community Primary School	30	30		
3092	Richmond Church of England Primary School	45	45	26	
3210	Richmond Methodist Primary School	45	45		
2411	Rillington Community Primary School	20	20		
3261	Ripley Endowed (Church of England) School.	13	13		
2388	Ripon, Greystone Community Primary School	28	28	26	
3264	Roecliffe Church of England Primary School	12	14		4
2097	Romanby Primary School	40	40		
2098	Rosedale Abbey Community Primary School	7	7		
2382	Rossett Acre Primary School	60	60		
3126	Ruswarp Church of England Voluntary Controlled Primary School	15	15		
2425	Saltergate Infant School	58	58	26	
3099	Sand Hutton Church of England Voluntary Controlled Primary School	11	11		
3267	Saxton Church of England Voluntary Controlled Primary School	10	10		
2109	Scarborough, Barrowcliff Community Junior School	60	66		
2161	Scarborough, Braeburn Community Junior School	60	66		
2112	Scarborough, Braeburn Infant & Nursery School	60	70		
2114	Scarborough, Friarage Community Primary School	45	57	26	
2118	Scarborough, Hinderwell Community Primary School	30	37	26	
2120	Scarborough, Northstead Community Primary School	87	87		
2170	Scarborough, Overdale Community Primary School	30	37		
2350	Scotton Lingerfield Community Primary School	10	12		
2223	Seamer & Irton Community Primary School	56	60		
3268	Selby Abbey Church of England Voluntary Controlled Primary School	55	51		
2351	Selby Community Primary School	48	48	26	
2390	Selby, Barwic Parade Community Primary School	35	35	26	
2418	Selby, Longman's Hill Community Primary School	29	30		
3101	Sessay Church of England Voluntary Controlled Primary School	15	15		
3270	Settle Church of England Voluntary Controlled Primary School	30	30		
3160	Settrington All Saints' Church of England Voluntary Controlled Primary School	9	9		
3271	Sharow Church of England Primary School	9	9		
3161	Sherburn Church of England Voluntary Controlled Primary School	8	8		
2421	Sherburn in Elmet, Athelstan Community Primary School	29	39	27	
2380	Sherburn in Elmet, Hungate Community Primary School	42	42	13	
2186	Sheriff Hutton Primary School	15	15		
2354	Sicklinghall Community Primary School	9	9		
2221	Sinnington Community Primary School	12	12		
3272	Skelton Newby Hall Church of England Primary School	6	6		
3274	Skipton Parish Church Church of England Voluntary Controlled Primary School	50	50		
2365	Skipton, Greatwood Community Primary School	30	30	16.5	
2355	Skipton, Ings Community Primary and Nursery School	12	12	6.5	
2356	Skipton, Water Street Community Primary School	30	30		
3035	Sleights Church of England Voluntary Controlled Primary School	15	15	6.5	
2132	Slingsby Community Primary School	7	7		
3108	Snainton Church of England Voluntary Controlled Primary School	10	10		
2133	Snape Community Primary School	7	7		
3109	South Kilvington Church of England Voluntary Controlled Primary School	10	10		
2357	South Milford Community Primary School	30	30		
3291	South Otterington Church of England Voluntary Controlled Primary School	20	20		
2183	Sowerby Community Primary School	45	45		
3110	Spennithorne Church of England Primary School	12	12		
3275	Spofforth Church of England (Controlled) Primary School	15	15	6.5	
3903	St John's CE Primary School, Knaresborough	50	50		
3225	St. Cuthbert's Church of England Primary School, Pateley Bridge	21	17	6.5	
3005	St. Hilda's Ampleforth Church of England Voluntary Controlled Primary School	7	7		
3124	St. Nicholas Church of England Primary School, West Tanfield	7	10		
2061	Staithe, Seton Community Primary School	15	15	6.5	
2358	Staveley Community Primary School	10	10		

DfE No. 815-	School	Published Admission Number 2012/13	Proposed Published Admission Number 2013/14	Nursery places fte	Pre reception
2138	Stillington Primary School	12	12		
2139	Stokesley Community Primary School	65	63	39	
2335	Summerbridge Community Primary School	10	12		
3276	Sutton in Craven Church of England Voluntary Controlled Primary School	15	15		
2359	Sutton in Craven Community Primary School	25	25		
3113	Sutton on the Forest Church of England Voluntary Controlled Primary School	13	13		
2392	Tadcaster East Community Primary School	30	28	13	
2427	Tadcaster, Riverside Community Primary School	54	56	26	
2237	Thirsk Community Primary School	45	42	26	
3117	Thornton Dale Church of England Voluntary Controlled Primary School	28	26		
2360	Thornton in Craven Community Primary School	10	11		
3119	Thornton Watlass Church of England Primary School	7	7		
2381	Thorpe Willoughby Community Primary School	41	41		
3277	Threshfield School	17	17		
3278	Tockwith Church of England Voluntary Controlled Primary School	30	30		
3120	Topcliffe Church of England Voluntary Controlled Primary School	19	19		
3122	Warthill Church of England Voluntary Controlled Primary School	6	6		
3163	Weaverthorpe Church of England Voluntary Controlled Primary School	9	7	6.5	
2151	Welburn Community Primary School	12	12		
3016	West Burton Church of England Primary School	7	7		
2197	West Cliff Primary School	30	30		
3165	West Heselton Church of England Voluntary Controlled Primary School	8	8		7
2333	Western Primary School	52	52	52	
2206	Wheatcroft Community Primary School	30	30		
2190	Whitby, Airy Hill Community Primary School	30	30		
2154	Whitby, East Whitby Community Primary School	45	60	26	
2217	Whitby, Stakesby Community Primary School	34	34	26	
2363	Whitley & Eggborough Community Primary School	36	40		
2364	Willow Tree Community Primary School, Harrogate	75	75	39	
3282	Wistow Parochial Church of England Voluntary Controlled Primary School	20	20		
2430	Woodfield Primary School	30	30		
3130	Wykeham Church of England Voluntary Controlled Primary School	8	8		
	Ⓞ This school now holds academy status and will determine their own published admission number				

DfE number [815-]	School	Published Admission Number 2012/2013	Published Sixth Form Limit 2012/2013	Proposed Admission Limit 2013/2014	Proposed 6th form limit 2013/2014
4208	Aireville School	167		167	
4074	Allertonshire School	280		280	
4232	Barlby High School	150		150	
4052	Bedale High School	150		187	
4221	Boroughbridge High School	128	15	128	15
4224	Brayton High School	240		241	
4059	Caedmon School	150		184	
4005	Easingwold School	210	75	210	75
4608	<i>Ermysted's Grammar School</i>	112	20	112	20
4041	Eskdale School	146		146	
4150	Filey School, A Technology College	120		110	
4069	George Pindar Community Sports College	185		185	
4070	Graham School Science College	260		320	
4200	Harrogate Grammar School	256	30		
4219	Harrogate High School	257	10	257	10
4610	<i>Holy Family RC High School</i>	90		90	
4201	Ingleton Middle School	86			
4202	King James's School	253	35	253	35
4054	Lady Lumley's School	140	30	183	30
4077	Malton School	125	80	112	80
4223	Nidderdale High School & Community College	94		94	
4503	Northallerton College	300	65	347	65
4152	Norton College	145	30		
4071	Raincliffe School	173			
4076	Richmond School	245	80	250	80
4203	Ripon College	131	15		
4215	Ripon Grammar School	117 inc 14 boarders	20	117 inc 14 boarders	30
4004	Risedale Sports and Community College	180		180	
4217	Rossett School	235	15		
4022	Ryedale School	110		122	
4073	Scalby School	212		212	
4225	Selby High School	237		237	
4205	Settle College	165	5	168	5
4220	Settle Middle School	97			
4216	Sherburn High School Specialist Science College	205	0	197	0
4518	Skipton Girls' High School	112	20		
4210	South Craven School, The Technology & Engineering College	270	42		
4611	<i>St Aidans Church of England High School</i>	226	100		
4604	<i>St Augustines Catholic School</i>	96		96	
4605	<i>St Francis Xavier School</i>	90		90	
4609	<i>St John Fisher Catholic High School</i>	196	30	186	30
4047	Stokesley School	180	20	180	20
4211	Tadcaster Grammar School Business and Enterprise College	262	10	262	10
4035	Thirsk School & Sixth Form College	210	10	180	10
4206	Upper Wharfedale School - A Specialist Sports College	58		58	
4075	The Wensleydale School	85	20	88	20
4039	Whitby Community College	295	20	295	20

⊕ These schools now hold academy status and will determine their own published admission number

★ These schools will close at the end of the Summer Term 2012 and pupils will transfer to Settle College

◇ This school will close at the end of the Summer Term 2012 and pupils will transfer to Graham School

APPENDIX 8

APPENDIX 1

FINANCIAL PROCEDURE RULES

SUGGESTED AMENDMENTS

Rule	Current Wording	Proposed Amendment	Reason
New Rule 9.6(iii)		<u>Confirm whether the asset was purchased using grant funding, and if so, ensure the disposal and the allocation of proceeds complies with any grant conditions.</u>	To ensure that any rules regarding disposal of assets funded from grant are dealt with in accordance with grant conditions. If the asset is a property, these clauses cross relate to the proposed new Rule 8.1.2 in the Property Procedure Rules.
New Rule 9.7		<u>If the disposal is subject to grant conditions (see rule 9.6(iii)), then those conditions will take precedence, otherwise all disposals must follow the rules set out below.</u>	
9.7 – 9.12		Renumber these to 9.8 to 9.13	Consequent renumbering

APPENDIX 2

CONTRACT PROCEDURE RULES

SUGGESTED AMENDMENTS

Rule	Current Wording	Proposed Amendment	Reason
15.2	<p>Specific exceptions to Contract Procedure Rules are permitted in such other circumstances as the CDFCS and the ACE(LDS) may agree; their agreement shall be recorded in writing and retained by both officers</p>	<p>(a) <u>Specific exceptions to Contract Procedure Rules are permitted in such other circumstances as the CDFCS and the ACE(LDS) may agree.</u></p> <p>(b) <u>Requests for waiver shall be made using a form prescribed by the ACE(LDS) and the CDFCS which shall specify the reasons for the request and include a completed risk assessment of the proposal.</u></p> <p>(c) <u>The ACE(LDS) shall maintain a register of all requests made under 15.2(b) and the responses given to them.</u></p>	<p>To introduce a more robust regime for waiver requests and a central record of responses.</p>
18.1	<p>When a procurement is being considered which is expected to exceed the financial value thresholds specified in Rule 18.2 then the Responsible Officer leading the procurement shall notify the Council's S151 Officer (ie the CDFCS) and its Monitoring Officer (ie ACE(LDS)) before proceeding with the procurement. Such notifications shall include the estimated "whole life" financial value of the contract, the procurement methodology and any other relevant factors including, but without limitations, any TUPE implications and if applicable a copy of the proposed advertisement (except in circumstances where it is proposed to procure from an existing framework agreement).</p>	<p>When a procurement is being considered which is expected to exceed the financial value thresholds specified in Rule 18.2 then the Responsible Officer must complete the necessary Gateway report for consideration by the responsible Corporate Director, the Assistant Director with responsibility for finance within that Directorate, and the ACE(LDS) or by a Legal and Democratic Services Officer authorised by her. No procurement should commence before the Gateway report is approved. <u>The report shall include the estimated "whole life" financial value of the contract, the procurement methodology and any other relevant factors including, but without limitations, any TUPE implications. The Assistant Director with responsibility for finance will enter details on a register of procurements approved under this Rule which will be available to the CDFCS and the ACE(LDS).</u></p>	<p>To amend the process for the application of Rule 18, so that it aligns more clearly with the Procurement Gateway process. In particular, to clarify that the initial financial checks will be made by the Assistant Director with finance responsibility within each Directorate on behalf of the CDFCS. This will reinforce the link to the Gateway process.</p>

Rule	Current Wording	Proposed Amendment	Reason
18.2	<p>The whole contract financial value thresholds for the purposes of Rule 18.1 are:</p> <p>(a) works contracts - £1m</p> <p>(b) services contracts (except in respect of social care and the appointment of Counsel) - £150,000</p> <p>(c) social care contracts - £500,000</p> <p>(d) supply contracts (except in respect of equipment and other assets including vehicles and hardware) - £1m</p> <p>(e) equipment and other assets including vehicles and hardware - £100,000</p>	<p>No amendment proposed.</p>	<p>This clause is included to allow Members to understand the context of the reworded Rules 18.1 and 18.3</p>
18.3	<p>No advertisement or order placed under existing framework arrangements, or any other action leading towards procurement shall be published or undertaken for the procurement until confirmation of the process has been given following notification given under Rule 18.1.</p>	<p><u>No action leading towards procurement, including any steps to undertake a further competition under an existing framework arrangement, shall be undertaken until confirmation of the process has been given under the terms set out in Rule 18.1.</u></p>	<p>To clarify the intention of Rule 18, which is about the additional approvals required before a new procurement takes place.</p>

APPENDIX 3

PROPERTY PROCEDURE RULES

SUGGESTED AMENDMENTS

Rule	Current Wording	Proposed Amendment	Reason
4.2	<p>Subject to Rules 4.3 and 4.4, every Property Contract must be:-</p> <p>(a) executed as a Deed by the ACE(LDS); or</p> <p>(b) signed by the ACE(LDS) (if the value is less than £50,000); or</p> <p>(c) signed by the ACE(LDS) and another officer authorised by ACE(LDS) (if the value is £50,000 or more).</p>	<p>Subject to Rules 4.3 and 4.4, every Property Contract must be:-</p> <p>(a) executed as a Deed by the ACE(LDS) <u>or by a Legal and Democratic Services Officer authorised by her</u>; or</p> <p>(b) signed by the ACE(LDS) <u>or by a Legal and Democratic Services Officer authorised by her</u> (if the value is less than £50,000); or</p> <p>(c) signed by the ACE(LDS) <u>or by a Legal and Democratic Services Officer authorised by her and another officer authorised by ACE(LDS)</u> (if the value is £50,000 or more).</p>	<p>To enable the Assistant Chief Executive (Legal and Democratic Services) to authorise members of her staff also to seal property contracts. This ensures greater resilience and also reflects the approach taken to all other forms of contract.</p>
New clause 8.1.2		<p>Prior to a decision to dispose of a property, it is necessary to confirm whether this was purchased using grant funding. If so, steps must be taken to ensure that the disposal and the allocation of proceeds complies with any grant conditions. Any grant conditions that conflict with the rules set out below will always take precedence. If this is the case, the advice of the CD FCS and the ACE (LDS) should be sought before any steps to dispose are taken.</p>	<p>To ensure that any rules regarding disposal of property funded from grant are dealt with in accordance with grant conditions. This clause cross relates to the proposed new clauses 9.6(iii) and 9.7 in the Financial Procedure Rules.</p>