Herefordshire Council

Corporate Support Centre
Paul Walker - Chief Executive

To: All members of the Council

our ref: Council - 13 February 2026
contact: Matthew Evans, Democratic Services
telephone: 01432 383690
email: matthew.evans@herefordshire.gov.uk

5 February 2026

Dear Councillor,

You are hereby summoned to attend the meeting of the Herefordshire Council to be held on **Friday 13 February 2026** at the Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE at **10.00 am** at which the business set out in the attached agenda is proposed to be transacted.

Yours sincerely
Claire Porter

Monitoring Officer

Herefordshire Council

AGENDA

Council

Date:	**Friday 13 February 2026**
Time:	**10.00 am**
Place:	**Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE**
Notes:	Please note the time, date and venue of the meeting.
	For any further information please contact:
	Matthew Evans, Democratic Services Tel: 01432 383690 Email: matthew.evans@herefordshire.gov.uk

If you would like help to understand this document, or would like it in another format or language, please call Matthew Evans, Democratic Services on 01432 383690 or e-mail matthew.evans@herefordshire.gov.uk in advance of the meeting.

Agenda for the Meeting of the Council

Membership

Chairman	**Councillor Roger Phillips**
Vice-Chair	**Councillor Stef Simmons**

Councillor Polly Andrews
Councillor Jenny Bartlett
Councillor Graham Biggs
Councillor Harry Bramer
Councillor Simeon Cole
Councillor Pauline Crockett
Councillor Dave Davies
Councillor Mark Dykes
Councillor Toni Fagan
Councillor Carole Gandy
Councillor Peter Hamblin
Councillor Helen Heathfield
Councillor David Hitchiner
Councillor Terry James
Councillor Jonathan Lester
Councillor Ed O'Driscoll
Councillor Rob Owens
Councillor Daniel Powell
Councillor Philip Price
Councillor Adam Spencer
Councillor Pete Stoddart
Councillor Elissa Swinglehurst
Councillor Richard Thomas
Councillor Diana Toynbee
Councillor Allan Williams
Councillor Mark Woodall
Councillor Bruce Baker
Councillor Chris Bartrum
Councillor Dave Boulter
Councillor Jacqui Carwardine
Councillor Frank Cornthwaite
Councillor Clare Davies
Councillor Barry Durkin
Councillor Matthew Engel
Councillor Elizabeth Foxton
Councillor Catherine Gennard
Councillor Liz Harvey
Councillor Robert Highfield
Councillor Dan Hurcomb
Councillor Jim Kenyon
Councillor Nick Mason
Councillor Aubrey Oliver
Councillor Justine Peberdy
Councillor Ivan Powell
Councillor Ben Proctor
Councillor Louis Stark
Councillor John Stone
Councillor Charlotte Taylor
Councillor Kevin Tillett
Councillor Rebecca Tully
Councillor Rob Williams

Agenda

		Pages
NOLAN PRINCIPLES		9 - 10
1.	**APPOINTMENT OF VICE CHAIRPERSON** To appoint the vice chairperson of the Council.	
2.	**APOLOGIES FOR ABSENCE** To receive apologies for absence.	
3.	**DECLARATIONS OF INTEREST** To receive any declarations of interest by Members in respect of items on the Agenda.	
4.	**MINUTES** To approve and sign the Minutes of the meeting held on 5 December 2025.	11 - 30
5.	**CHAIRMAN AND CHIEF EXECUTIVE'S ANNOUNCEMENTS** To receive the Chairman and Chief Executive's announcements.	31 - 36
How to submit questions *The deadline for submission of questions for this meeting is:* *5:00 p.m. on Monday 9 February 2026.* *Questions must be submitted to councillorservices@herefordshire.gov.uk. Questions sent to any other address may not be accepted.* ***Please note:** questions to the budget meeting of the Council must relate to items on the agenda.* *Accepted questions and the response to them will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at https://www.herefordshire.gov.uk/getinvolved.*		
6.	**QUESTIONS FROM MEMBERS OF THE PUBLIC** To receive questions from members of the public.	
7.	**QUESTIONS FROM MEMBERS OF THE COUNCIL** To receive any written questions from members of the Council.	
8.	**2026/27 COUNCIL TAX REDUCTION SCHEME** To approve the 2026/27 local Council Tax Reduction (CTR) scheme.	37 - 182
9.	**2026/27 CAPITAL INVESTMENT BUDGET AND CAPITAL STRATEGY UPDATE** To approve the revised capital investment budget and capital strategy for 2026/27 onwards.	183 - 266
10.	**2026/27 REVENUE BUDGET, MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY**	267 - 520

To approve the 2026/27 revenue budget, Medium Term Financial Strategy and the Treasury Management Strategy.

11. PAY POLICY STATEMENT 2026/27 521 - 534

To approve the pay policy statement 2026-27 for publication.

YOU HAVE A RIGHT TO: -

- Attend all Council, Cabinet, Committee and Sub-Committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public register stating the names, addresses and wards of all Councillors with details of the membership of Cabinet and of all Committees and Sub-Committees.
- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
- Access to this summary of your rights as members of the public to attend meetings of the Council, Cabinet, Committees and Sub-Committees and to inspect and copy documents.

Recording of meetings

Please note that filming, photography and recording of this meeting is permitted provided that it does not disrupt the business of the meeting.

Members of the public are advised that if you do not wish to be filmed or photographed you should let the governance services team know before the meeting starts so that anyone who intends filming or photographing the meeting can be made aware.
The reporting of meetings is subject to the law and it is the responsibility of those doing the reporting to ensure that they comply.

The council may make an official recording of this public meeting or stream it live to the council's website. Such recordings form part of the public record of the meeting and are made available for members of the public via the council's web-site.

Public transport links

The Herefordshire Council office at Plough Lane is located off Whitecross Road in Hereford, approximately 1 kilometre from the City Bus Station. The location of the office and details of city bus services can be viewed at:
http://www.herefordshire.gov.uk/downloads/file/1597/hereford-city-bus-map-local-services,

Herefordshire Council

The Seven Principles of Public Life

(Nolan Principles)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

Herefordshire Council

Minutes of the meeting of Council held at Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Friday 5 December 2025 at 10.00 am

Present: **Councillor Roger Phillips (chairperson)**
Councillor Stef Simmons (vice-chairperson)

Councillors: Polly Andrews, Bruce Baker, Jenny Bartlett, Chris Bartrum, Graham Biggs, Dave Boulter, Jacqui Carwardine, Simeon Cole, Frank Cornthwaite, Pauline Crockett, Clare Davies, Dave Davies, Barry Durkin, Matthew Engel, Toni Fagan, Elizabeth Foxton, Carole Gandy, Catherine Gennard, Peter Hamblin, Helen Heathfield, Robert Highfield, David Hitchiner, Dan Hurcomb, Terry James, Jim Kenyon, Jonathan Lester, Nick Mason, Ed O'Driscoll, Aubrey Oliver, Rob Owens, Justine Peberdy, Dan Powell, Ivan Powell, Philip Price, Ben Proctor, Louis Stark, Pete Stoddart, John Stone, Elissa Swinglehurst, Charlotte Taylor, Richard Thomas, Kevin Tillett, Diana Toynbee, Rebecca Tully, Allan Williams, Rob Williams and Mark Woodall

Officers: **Chief Executive, Corporate Director Economy and Environment*, Director of Governance and Law, Director of Finance and Democratic Services Manager**

***denotes virtual attendance**

28. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bramer, Dykes, Harvey and Spencer.

29. DECLARATIONS OF INTEREST

Councillor David Hitchiner declared an interest and outlined the dispensation granted in relation to agenda item no. 8, Local Transport Plan 5, as a local resident to the proposed Hereford bypass.

30. MINUTES

RESOLVED: That the minutes of the meeting held on 10 October 2025 be confirmed as a correct record and signed by the Chairman.

31. CHAIRMAN AND CHIEF EXECUTIVE'S ANNOUNCEMENTS

Council noted the Chairman’s and Chief Executive’s announcements as printed in the agenda papers.

32. QUESTIONS FROM MEMBERS OF THE PUBLIC (PAGES 5 - 12)

A copy of the public questions and written answers, together with supplementary questions asked at the meeting and their answers, is attached to the Minutes at Appendix 1.

33. QUESTIONS FROM MEMBERS OF THE COUNCIL (PAGES 13 - 20)

A copy of the Member questions and written answers, together with supplementary questions asked at the meeting and their answers, is attached to the Minutes at Appendix 2.

34. APPOINTMENTS TO COUNCIL COMMITTEES

Council considered a report by the solicitor to the Council relating to appointments to committees of the Council in line with the rules of political proportionality. The Chairman outlined the supplement, published on 5 December which provided appendix a to the report and the recommended allocation of seats to political groups and committees of the Council.

The Chairman moved and Councillor Durkin seconded a motion that the allocation of seats on committees of the Council as set out in appendix a (supplement published – 5 December) be agreed.

The motion was put to the vote and was carried by a simple majority.

RESOLVED – the allocation of those seats to political groups as set out at appendix 1 (supplement – 5 December) be approved.

35. LOCAL TRANSPORT PLAN 5

Council considered a report by the Cabinet Member Transport and Infrastructure to seek approval for the Local Transport Plan 2025-2041.

The Cabinet Member Transport and Infrastructure introduced the report and moved the recommendation that the Local Transport Plan 5 (LTP 5) 2025-2041 for Herefordshire is adopted.

The Leader seconded the recommendation.

Council debated the adoption of the Local Transport Plan 5 2025-2014.

The recommendation that the Local Transport Plan 5 2025-2014 be adopted was put to the recorded vote and was carried by a simple majority.

FOR (36): Councillors Andrews, Baker, Bartrum, Biggs, Boulter, Carwardine, Cole, Cornthwaite, Clare Davies, Dave Davies, Durkin, Foxton, Gandy, Hamblin, Highfield, Hurcomb, James, Kenyon, Lester, Mason, O'Driscoll, Oliver, Owens, Phillips, Dan Powell, Ivan Powell, Price, Proctor, Stark, Stoddart, Stone, Swinglehurst, Thomas, Tillett, Allan Williams and Rob Williams.

AGAINST (13): Councillors Bartlett, Crockett, Engel, Fagan, Gennard, Heathfield, Hitchiner, Peberdy, Simmons, Taylor, Toynbee, Tully and Woodall.

ABSTENTIONS (0)

RESOLVED – That the Local Transport Plan 5 (LTP5) 2025 – 2041 for Herefordshire is adopted.

There was an adjournment at 11:19 a.m.; the meeting reconvened at 11:34 a.m.

Councillors Biggs and Rob Williams left the meeting at 11:19 a.m.

36. LEADER'S REPORT

The Leader presented his report on the activities of Cabinet since the meeting of Council on 11 October 2025.

Council questioned the Leader and the following actions were raised:

- In response to a question regarding concessionary bus travel to undertake an assessment of the impact of the recent changes to concessionary bus travel times on young people and students accessing schools and colleges;
- In response to a question regarding a safer school streets initiative to investigate the information provided to local residents regarding the new permit requirements in the local area;
- In response to a question regarding the government data service (GDS) to investigate the commitment of council staff and Hoople time to interaction with the local GDS ahead of the procurement of new data systems.

Councillor Jim Kenyon left the meeting at 12:29 p.m.

37. NOTICES OF MOTION UNDER STANDING ORDERS

Council debated the motions contained in the report by the Director of Governance and Law.

Motion – Charter for the River Wye

Councillor Swinglehurst proposed and introduced the motion.

Councillor Stark seconded the motion.

Council debated the motion.

The motion was put to the vote and was carried by a simple majority.

RESOLVED – that:

This Notice of Motion calls on the executive to support the following charter for the River Wye and tributaries:

The Right to Flow and Perform Natural Functions
To maintain its natural course and seasonal rhythms without obstructions or extractions that detrimentally affect ecological function of any part of the river system.

The Right to Biodiversity
To good biological heath through the existence of balanced, diverse, and viable, populations of native species and habitats specific to the Wye and its tributaries.

The Right to Be Free from Pollution
To exist in a state of ecological health and not be subject to detrimental levels of known and emerging pollutants that adversely affect the life of the river.

The Right to be Supported by a Healthy Catchment

To flow through environments which support the river as a balanced, sustainable, and resilient aquatic ecosystem.

The Right to Regenerate
To recover to full ecological function through natural processes and for this to be supported by intervention, where necessary, to halt the decline in biodiversity and abundance and to increase both over time.

The Right to Representation
To be represented and have these intrinsic rights recognised in the determination of matters that directly affect the river's health now and in the future.

The meeting ended at 12.53 pm **Chairperson**

Agenda item no. 5 - Questions from members of the public

Question Number	Questioner	Question	Question to
PQ 1	Mr Banks, Hereford	Under the Council's Planning Code, Rule 5.6.28 requires late representations received after the noon deadline to be either published in the Schedule of Updates or discounted, while Rule 5.6.60 permits deferral of an item if new material evidence changes circumstances immediately prior to a meeting. Can the Chair clarify whether the Council interprets these rules as permitting material received after the noon deadline to be presented to Committee without prior publication in the Schedule of Updates, provided it is referenced verbally in the officer's presentation? Does the Council accept that if late material is not published in advance, objectors are denied the opportunity to respond, thereby undermining natural justice and procedural fairness? Will the Council commit to publishing all late material or deferring items in accordance with these rules going forward?	Cabinet member environment

Response:

The Council always suggests that, in line with the Council's Planning Code (referenced) late representations are received before 12pm on the day before the committee meeting. This allows the officers time to add representations to the Updates sheet for publication. Planning code rule 5.6.28 provides that "papers received after that time will normally be discounted, since time will not be available to check their accuracy or to give consideration to their implications".

There are times where representations are sent directly to the Members of the Planning Committee after this time. This is not uncommon and members are asked to send this to the officers (if they have not already been copied in) so that officers can review this and make a decision as to whether the information raises matters that would require the deferral of the application for further consideration. Officers will refer to this correspondence in their verbal updates.

It should also be noted that verbal representations received on the day by members can also be taken into account. These do, on occasion also raise matters not previously received in writing.

If members, having reviewed the late representation, require further information or clarity from officers, then they can resolve to defer the item.

Officers will, where possible, continue to review late submissions and provide a verbal update. They will also consult with the Chair of the Committee, in accordance with rule 5.6.60, if it is considered that new, material evidence changes circumstances and it is appropriate to defer the item to avoid procedural unfairness.

Supplementary question:

Thank you. The written response states that when late material is sent directly to Members after the noon deadline, officers "refer to this in their verbal updates."
However, Rule 5.6.28 provides only two options for late representations: publication in the Schedule of Updates or discounting them entirely.

Could the Chair therefore confirm whether the Council now interprets Rule 5.6.28 as allowing a third option—namely, the verbal presentation of material that has not been published—and, if so, how this approach complies with the transparency and fairness requirements of the Planning Code and the Localism Act 2011?

Response from Cabinet Member:
Rule 5.6.28 does not prevent the introduction of a verbal update to committee where information is received after the stated deadline of noon on the day before the committee hearing. It states that "Papers received after that time will **normally** [my emphasis] be discounted, since time will not be available to check their accuracy or to give consideration to their implications. If officers are able to review and give consideration to the representations then they will be presented by way of verbal update.
Officers will advise committee and the committee, as the decision maker, will determine whether the representation introduces evidence of significant weight which may impact upon the assessment undertaken on the application and the ability of committee to continue with a decision.
Where late material has significant weight and may affect the assessments undertaken on an application a decision can be reached by the committee to defer the application. The representation can then be considered by all interested parties prior to presentation at a further meeting of the planning committee.
Where late representations do not introduce new and relevant material matters the committee can continue to decide an application as such matters have already been considered in assessments of the application and neither natural justice nor procedural fairness is undermined.

PQ 2	Ms Mathias, Hereford	Herefordshire Council's taxi licensing policy emphasises public safety, including safeguarding against child sexual abuse and exploitation. But the safety of women and children cannot be secured without enforcement of the policy. Taxi driver identification is paramount for passenger safety, accountability and maintaining public trust. The fact that individuals may be operating licensed taxis without matching identification is concerning and may suggest potential misuse of taxi licences. What precautions does Herefordshire Council take to make sure their strict licensing regulations are adhered to?	Cabinet member roads and regulatory services

Response:

As part of the Winter of Action 2025/26, and through Operation Radiate, we are planning joint patrols and targeted licensing activity to strengthen visibility and assurance. Passenger safety is reinforced through the conditions attached to every licence, including the requirement for CCTV in licensed vehicles. This work is supported by close partnership arrangements with West Mercia Police, Children's Services, the Community Safety Partnership and safeguarding boards to identify and address risks quickly.

Public safety is central to Herefordshire Council's taxi licensing responsibilities, and we take robust steps to ensure that only safe vehicles and fit and proper drivers operate within the county. Before a licence is granted, applicants undergo enhanced DBS checks with barred-list information, right-to-work verification, medical and driving-standards assessments, and mandatory safeguarding and child-exploitation training. A licence is only issued once all requirements have been fully met.

All licensed drivers must wear their council-issued photo identification badge, and every licensed vehicle must display the correct licence plate. These identifiers are tightly controlled and traceable, and any report that a driver or vehicle may be using incorrect or mismatched identification is treated as a safeguarding concern and investigated immediately. In practice, such incidents are extremely rare, and the close-knit nature of Herefordshire's taxi community means potential issues are brought to our attention very quickly.

Through this combination of stringent licensing checks, intelligence-led enforcement and strong partnership working, the Council ensures that taxi licensing regulations are adhered to and that the public can have confidence in the safety of licensed taxis in Herefordshire.

Supplementary question: A significant amount of Herefordshire women remain feeling unsafe. Please confirm the exact times that a physical in-person check is undertaken of licensed taxi drivers in Herefordshire Council. For clarification, during the three years of the personal taxi driver license, when is an in-person check of ID and the physical presentation of a taxi driver undertaken?

Response from Cabinet Member:
A written response would be provided.

Written response provided on 19 December:

In relation to identity spot checks, joint patrols with West Mercia Police were undertaken on 13 December 2025 between 9pm and 1am, and previously during late-night hours on 30 August 2025. These patrols included direct engagement with drivers and verification of licensing compliance. No concerns were identified during these checks, including in respect of driver identity or safeguarding. These were targeted operations rather than blanket checks, consistent with our intelligence-led enforcement model.

Identity verification is not limited to scheduled patrols. Licensing officers routinely confirm driver identity in response to intelligence received from the public, the trade and partner agencies, and through proactive out-of-hours activity. Where concerns are raised, officers verify that the person driving is the licensed holder, that the correct badge and vehicle plate are in use, and that licence conditions are being complied with. Incidents involving individuals attempting to drive a Herefordshire-licensed vehicle without holding the appropriate licence are extremely rare, but any such report is treated as a safeguarding concern and followed up promptly.

Further targeted activity is planned under the Winter of Action 2025/26 and Operation Radiate, including joint patrols with West Mercia Police and on-street identity checks during peak periods. These operations are intended to increase visibility and reassurance and to complement, rather than replace, ongoing intelligence-led enforcement. *In relation to education and responsibility, the Council is clear that responsibility for compliance rests with the licensing authority and licensed drivers. We do not expect vulnerable passengers to act as enforcers, and public challenge is not a substitute for regulatory oversight. However, visible identification is a key safeguarding control, and drivers should be accustomed to being asked to confirm their identity in a calm and professional manner.* *The Council is currently updating its mandatory safeguarding training for licensed drivers, which is being developed jointly with Herefordshire Council's safeguarding team. This refresh will reinforce expectations around professional conduct, appropriate responses when challenged, the importance of clearly displayed identification, and respectful engagement with passengers seeking reassurance. This sits alongside existing safeguarding, disability awareness and customer-care training and is intended to strengthen protections for vulnerable users rather than shift responsibility onto them.*			
PQ3	Mr Morfett, Hereford	The Herefordshire Biodiversity Action Plan is not a credible plan to tackle climate change while protecting and enhancing the natural and built environment. In the Local Transport Plan the Biodiversity Net Gain Policy TN13 states: "We will support local groups and volunteers to keep the Herefordshire Biodiversity Action Plan updated." This statement by Herefordshire Council lacks any commitment to actually protect and enhance the environment through its transport policies by environmental impact analysis, net biodiversity loss assessment, mitigation and full offset of the inevitable environmental impacts. It only commits to update the plan. How could policy TN13 possibly deliver on the Council's strategic objective of "Tackling climate change and protecting and enhancing the natural and built environment" ?	Cabinet member transport and infrastructure

Response:

Policy TN14 in the Local Transport Plan is regarding biodiversity and TN13 is regarding carbon; as your question refers to biodiversity I have answered the question based on biodiversity which is why there will be difference between the policy numbers in the question and this answer. TN14 reflects our commitment to ensuring transport planning supports biodiversity and environmental objectives. We recognise that tackling climate change and protecting the natural and built environment requires a joined-up approach. The transport planning team will work closely with the Council's Natural Environment Team and other partners to integrate biodiversity considerations into the design and delivery of transport schemes.

TN14 is not just about keeping the Biodiversity Action Plan updated—it is about using that plan as a key reference point when developing transport projects. This means assessing environmental impacts, identifying opportunities for biodiversity net gain, and incorporating mitigation measures wherever possible. By aligning transport policies with sustainability priorities, we can ensure that infrastructure improvements contribute positively to Herefordshire's unique environment.

As detailed in the LTP the council have invested £250,000 in supporting highways biodiversity net gain plus we detail a case study where through FCC Environment grant we awarded up to £35,00 for community projects to improve biodiversity.

Alongside TN14, the LTP includes wider commitments such as reducing carbon emissions, promoting active travel, and embedding environmental appraisal into scheme development. Together, these measures help deliver the Council's strategic objective of tackling the climate and ecological emergency and protecting and enhancing the natural and built environment.

Supplementary question:

Thank you for your answer on the LTP BNG biodiversity net gain policy TN14.

How much of the Council's £40 million budget for infrastructure, in Phase 1, is allocated to survey, analyse and pay for BNG, the loss of priority habitat for biodiversity?

Will these BNG funds be made available for local organisations including Parish Councils, Local Charities and Trusts, impacted by the infrastructure?

Response from Cabinet Member:

Thank you for your supplementary question. The Council recognises the importance of biodiversity net gain (BNG) and the need to address potential impacts on priority habitats as part of infrastructure delivery. At this stage, the £40 million Phase 1 infrastructure budget is primarily allocated to the design and construction of transport schemes. However, environmental appraisal, including biodiversity surveys and mitigation measures, is an integral part of scheme development and is funded within project costs.

Currently there has been no decision on allocation of the budget to local organisations.

PQ 4	Mrs Morawiecka, Hereford	Investing in safe, active travel measures and 20mph in urban and residential areas is shown to reduce car use for short journeys and cut car insurance costs, in Wales by £50 per household. Reducing car use and lower traffic speeds, creates higher disposable incomes for residents and thus strengthens the local economy whilst also improving the health, access and productivity of residents. This view is supported by both Active Travel England and the Dept for Transport. Why then does the Herefordshire LTP Transport Network Strategy "Supporting a Thriving & Prosperous Economy" omit any mention of improving active travel networks?	Cabinet member transport and infrastructure

Response: The Local Transport Plan (LTP) fully recognises the importance of active travel and speed management in delivering economic, health, and environmental benefits. While the Transport Network Strategy focuses on the overall connectivity needed to support economic growth, active travel is a core element of the LTP and is addressed in detail within the plan and supporting Council policies.

The detailed active travel measures you mention are covered in the dedicated Active Travel Strategy; the Local Cycling, Walking and Wheeling Plan (LCWWIP). The LCWWIP will provide the detailed list of schemes and investment priorities for walking and cycling improvements across Herefordshire. This ensures that active travel receives the focus and resources it deserves, complementing the wider transport network strategy.

Together, these strategies work to deliver the Council's objectives of tackling climate change, improving health, and supporting a thriving and prosperous economy.

Supplementary question:
The 2016-31 LTP has two pages of sound policies for active travel but nothing of equivalent value, essential as an integral part of the Transport Network, in the proposed LTP before members today. Your response fails to explain or amend this omission.

The LCWWIP document does not yet exist so reference to it is meaningless. The overdue LCWWIP needs to sit within a sound strategic LTP policy framework so that when eventually it is adopted, it carries real weight in decision-making & funding requests.

Active travel & connected public transport links are what attract employers, students & young people. How will the Cabinet member ensure that the necessary policies for active travel are embedded within the LTP when there is no LCWWIP & no timetable for it?

Response from Cabinet Member:
You are correct that the LCWWIP is still in development, and I acknowledge the importance of embedding strong active travel policies within the Local Transport Plan itself. The proposed LTP sets out the overarching framework for all transport modes in Herefordshire, and while the Transport Network Strategy focuses on connectivity for economic growth, active travel is not omitted—it is recognised as a key principle within the plan's objectives and delivery themes.
To ensure active travel has real weight in decision-making and funding, the LTP includes a commitment to integrate the LCWWIP as soon as it is adopted. In the meantime, the LTP provides policy support for active travel by prioritising sustainable modes, reducing car dependency, and improving

accessibility. These principles will guide investment decisions even before the LCWWIP is finalised. The LTP is the overarching plan that sets the objectives, methodology and actions for the council and all its policies while the LCWWIP is the supplementary document which will hold all the detail and delivery plan for the active travel.
Furthermore, the Cabinet is actively working to accelerate the LCWWIP timetable so that it can sit within the LTP framework and strengthen our case for external funding. Active travel and public transport connectivity are central to attracting employers, students, and young people, and this remains a priority for the Council's economic and climate objectives.

PQ 5	Mr Milln, Hereford	Cabinet on 20th November agreed to make amendments consequential of the errors and omissions pointed out in the draft LTP before bringing it to Council today. This was confirmed in the response to Ms Martin's question regarding Active Travel England. Mine regarding the City Car Club based at Bartonsham & St James, about which the Cabinet member confessed ignorance, is another example. Yet these amendments have not been made in the so-called final version brought to Council today. How will the Cabinet Member ensure he delivers on his promise to make good the errors and omissions in the Local Transport Plan which have been pointed out to him so that members are not in a position where they must either refuse or defer its approval?	Cabinet member transport and infrastructure

Response: Thank you for raising this concern. Cabinet agreed on 20th November that any factual errors or omissions identified would be addressed where they materially affect the content of the Local Transport Plan (LTP). The reference to car clubs in the LTP states that the Council will explore opportunities to expand car club provision, which remains valid even though some schemes already exist. Therefore, no change to the LTP is required on this point.

The LTP is a strategic framework, not an exhaustive record of all current initiatives. Its purpose is to set direction and priorities, and the Implementation Plan that follows adoption will provide more detail on how existing schemes, such as car clubs, can be supported and expanded.

Adopting the LTP today ensures we maintain momentum on delivering transport improvements while allowing flexibility to reflect operational details in future implementation stages.

Supplementary question:
My substantive question invited the Cabinet Member to make good various errors and omissions in the Local Transport Plan so it is disappointing the response to my question wheedles out of this, especially as he had previously promised in his response to Ms Martin at Cabinet on 20th Nov to make good the omission of Active Travel England in the list of
stakeholders and to correct the reference to car clubs as we already have these in Hereford though the Plan is ignorant of them.

Another relates to parking on the pavement accepted in the Network Strategy on page 76 but which is contrary to rule 244 of the Highway Code which says 'drivers should not park
on the pavement unless signs permit it'. Clearly the LTP needs to be revised to reflect this.

I ask again how will the Cabinet Member go about making good the errors and omissions in the Plan so that it can be approved?
Response from Cabinet Member: A written response would be provided. *Written response provided on 19 December:* *Thank you for your supplementary question and as previously advised any factual errors or missions identified would be addressed where they materially affect the content of the Local Transport Plan (LTP).*

Appendix 2 - Questions from members of the Council

Question Number	Questioner	Question	Question to
MQ 1	Cllr O'Driscoll, Ross East	Council agreed in July, on an overwhelming cross-party basis, to send a formal representation to Ministers and to publish a Herefordshire Advanced Manufacturing and Defence Prospectus. We now know the letter wasn't sent until I informed officers the decision had already been made, and we'd missed out. Additionally, the prospectus still remains unfinished while neighbouring counties have secured places on the Government's new munitions and energetics programme. This inaction means Herefordshire was not even considered for this substantial investment and the vital jobs it could have brought. Can you explain why your administration failed to carry out the clear instructions of Council, and do you understand why councillors and local people feel let down again by your administration's dithering and delay?	Leader

Response: Firstly, Herefordshire has not missed out on any opportunities, the government announced an intention to select locations for future munitions factories and identified some potential locations as part of that announcement. I also note that whilst there was strong support for the overall motion in the council meeting in July, a number of Cllrs expressed significant concerns over the munitions factory element. At the council meeting Cllr Simmons said that she had spoken to businesses in the lead up to the council meeting and questioned why there is a focus on munitions and would be 'astonished' if we attracted one of the factories. Cllr Harvey said its disappointing that motion misses the target and said that a munitions factory should not be where this council puts its energy, stating 'is a munitions factory the best we can come up with, I hope not'. Cllr Tully questioned 'how a munitions factory will support a safe and prosperous community. Cllr Bartlett said we have a lot of expertise in the county, but questioned the inclusion of the munitions factory and if businesses has been consulted, saying 'it's a flaw in the motion to include it'.

At the time of the council meeting the cabinet were happy to support the overall principles of the motion, and remain fully committed to supporting the growth of the defence and security sector, building on our local strengths to boost our economy and create more better paid jobs for local people. However, specific to the munitions factory element, in hearing the concerns raised by Cllrs, and the feedback from leading local businesses as to where our strengths and opportunities are, there has been a deliberate effort to take the time to ensure the we (the Cabinet) got the prospectus and the letter to government right. In this regard – this is not a missed opportunity.

As was summarised in email correspondence in October, from the Chief Executive, since the council meeting at the end of July, we have;

- Held a meeting of leading defence and security businesses in the county in early September to understand opportunities and barriers to growth.
- We have drafted and now finalised the Defence and Security Prospectus, which was circulated to these businesses for comment.

- We have sent a letter to the Secretary of State for Defence, the Chancellor of the Exchequer, and the Ministry for Business and Trade highlighting local opportunities.

- We have supported the development of the new West Midlands Regional Defence and Security Cluster (being co-ordinated by the West Midlands Combined Authority and the MoD), ensuring Herefordshire businesses were invited and attended the foundation meeting in early October.

- The Economy and Place Board have commissioned a refresh of the Economic Plan, which again will have a key focus on Defence and Security opportunities.

- We have written to both local MPs and received positive follow-up from Jesse Norman

Looking forward,

- the county's first inward investment website, with a focus on defence and security, is due to launch in January 2026.
- We are planning a major presence with partners such as NMITE and local businesses at the SDSC-UK defence trade conference in February.
- We continue to be in discussions with leading defence and security businesses across the county as to how we can support their growth, including the potential for drone and communication technology test beds (raised as a need by local businesses)
- We are in discussions with international defence and security businesses interested in locating on the Hereford Enterprise Zone.

I trust this demonstrates our resolve and commitment to progressing this important work – it is a priority and we continue to take steps to unlock the opportunities it presents before us.

Supplementary question:

I was quite frankly flabbergasted by the response if I'm honest. Firstly, saying we didn't miss out is an obvious misdirection. If we didn't miss out, why did other counties secure consideration while Hereford didn't? Secondly, since when do minority statements in debate nullify the will of the majority, including just about every member of his own party? And thirdly, saying the letter was sent is deliberately misleading. It wasn't sent until I notified officers the announcement had been made and we'd missed the boat. There was then a mad scramble to get the letter out and it was sent within a couple of hours. I've got the email chain. If the letter was ready to go and it was deemed acceptable to send it when I raised the alarm, why wasn't it sent sooner?

Response to supplementary question:

In relation to the motion itself, it was really great that you raised the fact that there was we need to raise the profile of our defence priorities and focus especially in the enterprise zone. So, it's great that we're talking about this. Absolutely. The government has identified potential locations for consideration. So nothing has been agreed, nothing has been allocated, nothing has been confirmed. So I don't think it's right to say that missed the boat there. But on the issue of raising a motion to full Council, it is asking respectfully, it's asking the council to consider it. And when we consider that motion, we have to consider a strategic response to that motion. And over the passage of time since the motion was raised, we've had lots of

opportunity as the answer sets out, we've had lots of opportunity to reflect on what was said at the meeting to engage with those businesses in the local enterprise zone and to reflect on the proper strategic strengths of that area and really have a lot of thought about what is good for the development in that area. The letter was sent out. It should have been sent out sooner. That's true, but it wasn't so much of a
delay. It was the fact that they were trying to get a strategic approach, get the prospectus ready, get the fact that they'd consulted with businesses there. And so it was an approach that was I would suggest is strategic. But in terms of the fundamental issue about what is right for the enterprise zone, we have excellent businesses there that are already doing defence related industries and we need to strengthen those and it is right to get government help to make sure that we do that so that we can really develop those high paid jobs that we need.

MQ 2	Cllr Taylor, Credenhill	Highways England say they support a bypass for Hereford if the new road will alleviate congestion on the motorway network by increasing road capacity by taking increased through traffic on the A49 with vehicle speeds in line with the national speed limit of 60mph. How will this be achieved if the Local Plan is proposing over 10,000 new homes to the west of Hereford though which the bypass is planned to be built?	Cabinet member transport and infrastructure

Response:

National Highways (formerly Highways England) supports our calls for a Hereford Western Bypass, and they have written a letter of support to us during the LTP consultation confirming this. National Highways have placed no constraints on the design speed of the road other then they would seek journey times to be less than the current A49 were they to adopt the road. Modelling undertaken to date shows that the new road would offer an improvement in travel times - they agreed in principle to a 40mph limit to be used for the modelling, but it is likely that sections of it may be at national speed limit. Modelling confirms that the bypass reduces long-distance and freight delays on the A49. The additional river crossing provides improved resilience to National Highways Strategic Road Network (SRN) which they very much support.

The bypass is designed to keep through-traffic separated, while local roads can be made safer (e.g., 20–30 mph zones, cycle lanes dependent upon local need and agreed policies). The long term vision for the bypass would see a road which works similar to the Worcester bypass, with just a few key junctions so that it provides a better alternative then traveling through the City centre. The key junctions would then contain distributor slip roads that provide the key link to new housing and employment sites.

Supplementary question:

The LTP report under risk management six racket 16.2 claims that without adopting the LTP5,
including the Hereford bypass, congestion will continue to worsen and air quality remain a concern, negatively affecting the daily lives of all 190,000 plus residents who rely on the local transport network. If the emerging local plan is proposing 10,000 new homes to the west of Hereford, then to achieve the claimed improved air quality and reduce noise pollution for new and existing residents, surely the Hereford bypass should be located well away from any major housing developments to remove the noise and pollution and enable traffic speeds to achieve 60 miles per hour and the de-trunking of the current A49 through Hereford.

Response to supplementary question:

I believe that the Hereford bypass is necessary and it becomes more necessary as and when the local plan says that we've got to deal with this mandated extra 27,000 houses of which there could be up to 14,000 in and around north and west of Hereford. The LTP is a strategic document that makes it possible to have the discussion going forward as these plans mature and we don't know for sure what is going to happen with the housing where it's going to be and as such we can only ensure that we make the right decision when we have the right expectation of the way to move forward. It's a question that you could sit down and have a discussion for hours. So I hope I can have a conversation with you at some point to address the innuendos of your suggestions. At this moment in time the LTP is the strategic document that gives us the opportunity to further develop schemes on the local knowledge that we acquire especially as the local plan is developed as well. So, it's not really an answer, but it's trying to follow on your train of thought.

MQ 3	Cllr Fagan, Birch	The 33 bus (7.33am) service from Ross on Wye to Hereford has left students stranded since the beginning of November. According to parents this bus arrives in Ross on Wye from Gloucester already full. The second bus that eased the situation at the beginning of the academic year in September was axed after half term leaving fee paying students watching as a full bus drives past them - causing untold stress, disruption to studies - and adding to city congestion. How many bus passes were sold to students using this route, at what fee? How was consultation undertaken with students and parents before axing the second bus and how was the failure to provide transport communicated to paid-up users? When will the situation be rectified and is the Transport team aware of our commitment to Child Friendly Herefordshire?	Cabinet member transport and infrastructure

Response:
Please be assured that, I as Cabinet Member am working closely with the Public Transport Team and we are actively engaged in addressing this issue. We are actively looking for solutions around the specific issues you have identified and we will continue to work with partners to find this. Please also be assured that we remain committed and recognise the imperative to support all young people's access to education.

Supplementary question:
So are we waiting (it's been five weeks now) for our students to give up and make alternative arrangements. So we lose another generation in terms of behaviour change with absolutely no communication, apology or action for students and their hardworking families for the stress and disruption to their education and reputational damage to Hereford Council. I will repeat the question and ask please for a written response. How many bus passes were sold to students using the 33 bus route and at what fee? How was consultation undertaken with students and parents before axing the second bus? And how was the failure to provide transport communicated to paid up users? When will the situation be rectified? And how is the transport team planning to acknowledge our commitment to a child-friendly Hereford?

Response to supplementary question:
A written response would be provided.

Written response provided on 19 December:

We understand there are ongoing challenges with the Service 33 bus between Ross-on-Wye and Hereford. We fully understand the disruption this has caused for students and families and would like to provide some clarity on the current position and next steps.

Stagecoach's 33 Service is a commercially registered public service route, and the council have no authority to dictate that they increase capacity. Our Public Transport Team has been in close contact with Stagecoach to explore all possible solutions. Unfortunately, Stagecoach has confirmed that they are currently unable to provide an additional bus or driver to increase capacity on this route as they have reached their maximum number of weeks to provide duplicate journeys, as set out in their policy. Any duplication of route would not commence until January 2026.

The council has funded a duplicate bus over many years to ensure there's enough capacity on the service, despite college transport being a non-statutory obligation. This still relies on the operator accepting the request of utilising larger buses or even a duplicate journey.

In context, 55 students have purchased passes on a bus that has a capacity of 88 passengers. It is important to note that purchasing a pass does not guarantee a seat, as these passes apply to public services rather than dedicated school transport. Standing is allowed up to a maximum of 15 people on this bus.

For those affected at Kingsthorne, we have worked with Newport coaches to allow those students to use the 66 service with their current bus pass. The team have requested patronage data from Newport Transport, to determine whether we can move these students on to this bus. There are six paying customers that could be moved within this area. Due to the commercial nature, we cannot guarantee how many members of the public will use the service, nor any other students who pay Stagecoach direct.

Additional revenue funds for buses in the form of the Bus Service Improvement Plan (BSIP) are allocated to improve or support our own subsidised services or assist commercial services that are at risk of cancellation. The duplicate bus that operated at the beginning of term was funded from our core public transport budget

Please be assured that the Public Transport Team are actively engaged in addressing this issue and remain committed to supporting young people's access to education.

MQ 4	Cllr Hitchiner, Stoney Street	The WSP Strategic Environmental Assessment contains at 5.1.1 some next steps including a requirement that the Report will be presented for public consultation alongside the Draft LTP5 and for the representations received to be documented and considered in reviewing the proposals for the LTP5. What steps were taken to consult with the public? How have the representations been documented?	Cabinet member transport and infrastructure

Response: The Strategic Environmental Assessment (SEA) prepared by WSP was published for consultation alongside the Draft Local Transport Plan (LTP5) during the formal consultation period, which ran from 1st May to the end of June 2025. This ensured that the public could review both documents and provide feedback on the environmental implications of the proposed transport strategy as detailed in 5.1.1.

The consultation process included:

- Online publication of the Draft LTP5 and SEA on the Council's website with dedicated response forms.
- Public engagement events
- Promotion through press releases, social media, and stakeholder networks to encourage participation.

All representations received were documented in a Consultation Summary Report, which sets out the number of responses, key themes, and how these informed revisions to LTP5. Any feedback relating to the SEA was considered alongside transport policy responses to ensure environmental objectives were integrated into the final draft.

The Consultation Summary Report is available as part of the supporting documents for the LTP and will be published alongside the adopted plan for transparency.

Supplementary question:
The very last sentence of the reply says the consultation summary report is available as part of the supporting documentation of the LTP and will be published alongside the adopted plan. So what does the word availability mean? Does it mean it was published or not? Are there two steps? One it's available but no one can find it and then the second is when it's actually published. And I do note at the end of the statement it refers for transparency. So transparency would be appreciated in this question.

Response to supplementary question:
A written response would be provided.

Written response provided on 19 December:

The last section of the LTP which can be found as the first appendix had the entire unedited consultation summary attached. If there is difficultly finding this please contact officers.

MQ 5	Cllr Heathfield, Hope End	When is the last time that licensed taxi drivers were spot checked on the street that they were the licence holder, and how often are these checks carried out? If taxi drivers are not who they say they are, what is the point in any of the checks our hardworking taxi licensing team carries out?	Cabinet member roads and regulatory services

Response:

Licensing officers confirm the identity of taxi drivers through an intelligence-led approach that focuses on information received from the public, the trade and the police. Whenever concerns are raised, officers verify that the person driving a licensed vehicle is the authorised licence holder, that the correct badge and plate are being used, and that the vehicle meets all licensing conditions. The most recent driver-identity enquiries were undertaken in response to intelligence received in recent weeks.

As part of the Winter of Action 2025/26, through Hotspot Policing under Operation Radiate, the Council is working with West Mercia Police to plan joint patrols and targeted licensing checks that will include on-street driver-identity verification. These operations are designed to provide increased visibility and reassurance during peak periods.

Incidents of individuals attempting to drive a Herefordshire-licensed taxi without holding the appropriate licence are extremely rare. The taxi community in Herefordshire is small and closely connected, and concerns about improper use of badges or vehicles are reported to the Council quickly. Identity checks are therefore an essential safeguard that ensures the extensive vetting carried out before a licence is granted is meaningfully linked to the person who is actually carrying passengers.

This approach helps maintain high standards across the trade, reinforces driver accountability, and provides assurance to the public, particularly vulnerable passengers, that licensed taxis in Herefordshire remain a safe and well-regulated form of transport.

Supplementary question:

I understand that intelligence led enquiries are made but from what I understand of intelligence-led response is that means that a woman or a young person or another vulnerable person will have been put at risk by getting into a taxi where the taxi driver is not who is pictured on the license. Please will you consider spot checks on street spot checks of our taxi drivers.

Response to supplementary question:

A written response would be provided.

Written response provided on 19 December:

In relation to identity spot checks, joint patrols with West Mercia Police were undertaken on 13 December 2025 between 9pm and 1am, and previously during late-night hours on 30 August 2025. These patrols included direct engagement with drivers and verification of licensing compliance. No concerns were identified during these checks, including in respect of driver identity or safeguarding. These were targeted operations rather than blanket checks, consistent with our intelligence-led enforcement model.

Identity verification is not limited to scheduled patrols. Licensing officers routinely confirm driver identity in response to intelligence received from the public, the trade and partner agencies, and through proactive out-of-hours activity. Where concerns are raised, officers verify that the person driving is the licensed holder, that the correct badge and vehicle plate are in use, and that licence conditions are being complied with. Incidents involving individuals attempting to drive a Herefordshire-licensed vehicle without holding the appropriate licence are extremely rare, but any such report is treated as a safeguarding concern and followed up promptly.

Further targeted activity is planned under the Winter of Action 2025/26 and Operation Radiate, including joint patrols with West Mercia Police and on-street identity checks during peak periods. These operations are intended to increase visibility and reassurance and to complement, rather than replace, ongoing intelligence-led enforcement.

In relation to education and responsibility, the Council is clear that responsibility for compliance rests with the licensing authority and licensed drivers. We do not expect vulnerable passengers to act as enforcers, and public challenge is not a substitute for regulatory oversight. However, visible identification is a key safeguarding control, and drivers should be accustomed to being asked to confirm their identity in a calm and professional manner.

The Council is currently updating its mandatory safeguarding training for licensed drivers, which is being developed jointly with Herefordshire Council's safeguarding team. This refresh will reinforce expectations around professional conduct, appropriate responses when challenged, the importance of clearly displayed identification, and respectful engagement with passengers seeking reassurance. This sits alongside existing safeguarding, disability awareness and customer-care training and is intended to strengthen protections for vulnerable users rather than shift responsibility onto them.

Chairman of Council report – Council Meeting 13 February 2026

Chairs Report to Council

I know all members welcomed that Herefordshire Council's Children's Services have now been rated 'Good' overall by Ofsted, with each specific service area receiving a 'Good' judgement and the 'Impact of leaders on social work practice with children and families' judged as 'Outstanding' . This is a significant achievement for the Council, reflecting the hard work and dedication of practitioners, managers, elected members and partners who committed to deliver the improvements. The very nature and complexities of children`s care mean you can never be overconfident in this area, but the service leads led by Tina Russell and political leaders Cllr Ivan Powell, Cllr Jonathan Lester and Cllr Toni Fagan deserve all credit for what has been achieved.

I was delighted to attend a special showing of the film Hamnet at the Courtyard, organised by Visit Herefordshire to help promote our County tourism. Filmed on location at Weobley, the Cwmmau Farmhouse in Brilley, and the river wye at Clifford, it has already received International awards and future nominations including for the BAFTAs and Oscars. The evening including a special presentation and a audio message from the author of Hamnet, Maggie O`Farrell.

Herefordshire Council worked closely with the film company in identifying sites and during the making of the film and gets a thank you mention in the long closing titles.

Last month HRH The Prince of Wales ,in his capacity as Paton of We Are Farming Minds ,visited farmers John and Laura Bowler at Much Cowarne. The Charity raises mental health awareness in rural communities of Herefordshire offering 24 hour support, professional counselling and befriending services, combats isolation, provides resources and advice.

The Prince spent time on the farm discussing the challenges and pressures of Farming and the isolation in the Countryside.

Pictures include HM Lord Lieutenant Edward Harley, HRH Prince of Wales, John and Laura Bowley, Sam and Emily Stables (founders of the Charity) and myself.

Can I express my thanks for all the kind words and congratulations I have received on my recent award in the New Years Honours list. I have been fortunate over many years to work with many wonderful people, both inside and outside the county, on projects and policy development I think we can all be proud of.

Since the last council meeting I have attended many events and services over the Christmas period and spoken at two citizenship ceremonies.

Cllr Roger Phillips OBE JP

Chair of Herefordshire Council

Herefordshire Council

Chief Executive's report to Council, Herefordshire Council – 13 February 2026

I am pleased to update Council on key highlights of our delivery, investment and engagement since my last report in December 2025, as well as outlining ongoing challenges and strategic priorities.

I am delighted to report that the final **Ofsted inspection report**, published on 12 January 2026 following the November 2025 visit, judged Herefordshire Children's Services as "Good" overall with "Outstanding" leadership. Inspectors highlighted vast improvements, a strong culture of leadership, diligent work by teams and the positive impact on children and families. This marks a significant milestone in our long-term improvement journey, and I extend my sincere thanks to Tina Russell, the dedicated teams in the Children and Young People's Directorate, Cllr Powell, and all members for their leadership, challenge and support throughout this process.

We continue to await formal outcomes from the **CQC assessment** of adult social care, building on positive initial feedback. In related areas, we are seeking input from people with lived experience to help shape future community activities for adults with care and support needs, ensuring services reflect real needs and preferences.

The Council continues to operate within an exceptionally **challenging national financial climate**, particularly for rural authorities with dispersed populations and high service-delivery costs. The impact of the Fair Funding Review remains significant, leaving Herefordshire with a structural funding gap that does not reflect the true cost of providing statutory services across a large rural county. This has placed sustained pressure on the organisation's ability to manage rising demand, particularly in social care, transport and SEND provision.

In recent weeks, we have intensified our engagement with government officials to underline the scale of the challenge. I have met with senior leadership at the Ministry of Housing, Communities and Local Government to set out the financial realities faced by Herefordshire and to advocate for a funding model that recognises rural need. Alongside this, we continue to work closely with the Rural Services Network and maintain regular dialogue with our local Members of Parliament to press the case for fairer, more sustainable funding for rural councils.

This collective lobbying is essential as we await the Final Local Government Finance Settlement. The scale of the financial pressures for 2026/27 remains considerable, and we are continuing to plan responsibly and proactively so we can sustain vital services while delivering the best outcomes for residents. A **revised SEND Policy Statement** will also be prepared once the Final Settlement is confirmed, ensuring our future approach reflects both local needs and the national funding context.

Major capital projects are also progressing well, with Hereford's new **Transport Hub** continuing to take shape. Construction of the central canopy is now underway, marking another key milestone in creating a modern, integrated transport interchange for the county. Once complete, the Hub will strengthen connections between different modes of travel and help deliver a more efficient, accessible and future-ready public transport network.

In education, the Council has welcomed the granting of planning permission for **Aylestone School's** £13.1 million expansion in January 2026. This significant investment will expand capacity and strengthen inclusive education, ensuring more young people have access to high-quality learning environments that meet their needs. The project highlights the Council's continued commitment to supporting schools and improving educational outcomes across Herefordshire.

However, the Council had to respond firmly to the government's disappointing decision (December 2025) to withdraw funding for a **new SEND school.** This intervention underscores the Council's ongoing commitment to challenging national decisions that disadvantage vulnerable young people and highlights its readiness to advocate strongly on their behalf.

Construction is advancing at **Ross Enterprise Park,** a 17-acre strategic employment site backed by the Council's investment. Work is underway to deliver office and light industrial space, expected to create around 600 jobs and power economic growth in Ross-on-Wye and the wider county.

We have named M Group Highways as the preferred provider for our **new Public Realm Services** contract, approved in December 2025 to replace the current arrangement. Starting in June 2026, it will cover road maintenance, green spaces, highway drainage, street lighting and more, ensuring high-quality, efficient delivery.

In December 2025, we invested nearly £2 million through the **Community Spaces Capital Grant Scheme**, awarding 13 grants to enhance community venues, strengthen connections and improve local facilities.

On 5 February 2026, a major county-wide partnership coordinated by the Council submitted a bold Expression of Interest to bid for **UK City of Culture** 2029. Involving arts, culture, creative industries, community groups and public-sector partners, this zero-cost initial step positions Herefordshire's rural heritage, creativity and communities for potential national recognition and lasting benefits, with up to £10 million possible for a winning bid.

Herefordshire Council has once again been awarded Gold status in the **Defence Employer Recognition Scheme**, reaffirming the organisation's longstanding commitment to supporting members of the Armed Forces community. This highest-level accreditation reflects the Council's continued dedication to both current and former military personnel and their families, delivered through its active implementation of the Armed Forces Covenant.

During the recent period of **severe wet weather**, our highways, drainage and emergency response teams - working closely with Balfour Beatty Living Places - have shown exceptional commitment in keeping the county moving. BB crews and council officers have worked around the clock to monitor high-risk locations, clear debris, unblock drains and culverts, and respond swiftly to reports of flooding.

This has included coordinated action with the Environment Agency to manage river levels, prioritise public safety and ensure timely, accurate communications to residents. Their efforts have enabled the rapid reopening of roads, the protection of local communities and the minimisation of disruption across the county. I would like to extend my sincere thanks to everyone involved for their professionalism and dedication during challenging conditions.

Enhancing mobility is also at the heart of the Council's new partnership with **Citymapper,** launched in late December 2025. By integrating journey planning tools into a widely used digital platform, the initiative makes navigating Herefordshire smarter, simpler and more accessible for residents, students and visitors alike.

Supporting our high streets remains a priority, including by the opening of a **new Business Hub in Leominster** town centre in December 2025. Offering free, personalised support to local enterprises, the Hub strengthens the business ecosystem by helping entrepreneurs access advice, resources and growth opportunities. This investment signals the Council's ongoing commitment to fostering a resilient, diverse and thriving local economy.

The establishment of the **new Integrated Care Board** covering Herefordshire, Worcestershire, Coventry and Warwickshire marks an important step in strengthening system-wide collaboration across our region. As a member of the ICB Board, I continue to support work to develop the new strategic commissioning arrangements and deliver the ambitions of the NHS Long Term Plan. Central to this is a shared focus on the wider determinants of health - education, employment, quality housing and strong communities - and the opportunities that closer partnership working creates for more joined-up services. By deepening collaboration between health, local government and community partners, the new ICB provides a platform to shift further towards prevention and integrated community-based care, ensuring residents can access the right support at the right time, closer to home.

Alongside this strengthened collaboration across the health system, we continue to work closely with partners through the **Herefordshire Chief Executives Group** and wider regional networks to progress shared priorities for the county. These partnerships bring together expertise and resources across housing, community support, children's services and wider public services, helping us address complex challenges in a more coordinated way. By aligning our efforts, we are better able to support vulnerable residents, strengthen community wellbeing and deliver long-term, sustainable improvements that no single organisation could achieve alone.

Across the organisation, colleagues continue to demonstrate exceptional commitment, professionalism and care in a period of sustained pressure. Recent staff recognitions have highlighted the depth of expertise and dedication across our workforce, including long-serving colleagues who were thanked for 25 years of service across roles spanning social care, trading standards, archaeology and housing development. We have also celebrated outstanding teamwork and impact in services supporting adults and children, including the Adult Safeguarding team and our Children's Services teams, whose achievements have been recognised not only internally but also in our recent Ofsted inspection. These examples reflect the strength, resilience and values of colleagues across the council who work tirelessly to deliver for residents every day.

Finally, I would like to express my **congratulations to Cllr Roger Phillips**, who was awarded an OBE in the 2026 New Year's Honours List. This honour reflects his outstanding contribution to the county and its residents over many years. It serves as a timely reminder of the importance of civic leadership and the value placed on those who demonstrate dedication to public service and community wellbeing.

I ask members to note these updates and the positive momentum they represent. Please contact me for any further details.

Herefordshire Council

Title of report: 2026/27 Council Tax Reduction Scheme

Meeting: Council

Meeting date: Friday 13 February 2026

Report by: Cabinet Member Finance and Corporate Services

Classification
Open

Decision type

Budget and policy framework

Wards affected
All Wards

Purpose
To approve the 2026/27 local Council Tax Reduction (CTR) scheme.

Recommendation(s)
That:

a) The Council Tax Reduction Scheme for 2026/27, with the same parameters as the existing scheme, be approved.

Alternative options

1. The local CTR scheme discount was increased to its maximum level in 2021/22 and this was maintained in 2022/23, 2023/24, 2024/25 and 2025/26. It cannot be increased further in 2026/27. A reduced discount scheme could be proposed for 2026/27 however this is not recommended as it would limit the support offered to residents; maintaining the maximum level of discount in 2026/27 will ensure that eligible households receive support as the impact of the rising cost of living continues.

Key considerations

2. Council tax charges can be reduced if the bill payer meets certain set criteria contained in the CTR scheme. CTR is available to working age and pensioner claimants. The pensioner CTR scheme is set nationally. The working age CTR scheme is set locally by this council. More than

11,000 bill payers in Herefordshire are currently in receipt of CTR, with over 6,000 claims from working age applicants.

3. The existing local working age CTR scheme was approved by Council in February 2025 and is included at Appendix 1; with the maximum discount maintained in 2025/26 to mirror those available to eligible pensioners. This means that a 100% discount is awarded under CTR (unless their income breaches the threshold) irrespective of the council tax band the property falls into.

4. During recent years, the number of working age CTR claimants has increased; reflecting the national picture and the impact of increases in the cost of living and inflation on working age residents. Having a higher discount rate reduces potential debt recovery action where charges raised cannot be paid. The number of CTR claims for 2024/25 and the value of discount awarded is shown below.

Caseload Type	**Number of claims**	**Discount value (£'000)**
Working age	6,547	8,700
Pensioner	4,747	6,759
Total	**11,294**	**15,549**

Community impact

5. In addition to the CTR scheme, the council provides other discounts and these are listed on the council's website. Maintaining the maximum discount in 2026/27 will have a positive impact on the community by minimising the debt burden on residents who struggle to pay their council tax charge.

Environmental impact

6. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

Equality duty

7. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.

8. The mandatory equality impact screening checklist has been completed for this decision and it has been found to have high impact for equality. A full equality impact assessment has been completed and this is attached as an appendix to this report.

Resource implications

9. The 2026/27 budget proposals are being presented assuming the current CTR scheme continues in 2026/27. Should the local CTR discount be reduced then additional resources will be available however the resourcing of increased debt recovery action is also likely to be required.

Legal implications

10. The CTR scheme is locally determined by each billing authority under Section 13A and Schedule 1A of the Local Government Finance Act 1992.

11. For each financial year a billing authority must consider whether to revise its scheme or to replace it with another scheme and this must take place in the financial year preceding that for which the revision or replacement scheme is to have effect.

12. A statutory procedure is provided for under Paragraph 3 of Schedule 1A which a billing authority must follow when revising its scheme. Public consultation to determine support for continuation of the discount took place, via an online survey, in December 2025.

Risk management

13. By maintaining an increased discount, the risk that claimants may not pay their council tax charge and move further into debt if summons charges are levied, is reduced. The costs and time associated with collecting unpaid, overdue debts will not increase.

Consultees

14. Public consultation is required before scheme changes are proposed. Public budget consultation took place during December 2025; the results report some support for continuing discount for council tax for those most in need: 38% of respondents agreed that the council should continue to offer the maximum level of support, 41% disagreed. Whilst no changes are proposed for 2026/27, the responses of the survey will support improvements and inform plans to increase participation in future rounds of consultation.

Appendices

Appendix 1 Approved 2025/26 Council Tax Reduction Scheme
Appendix 2 Equality Impact Assessment Council Tax Reduction Scheme 2026/27

Background papers

None identified.

Herefordshire Council

Council Tax Reduction Scheme

S13A and Schedule 1a of the Local Government Finance Act 1992

1.0 Introduction to the Council Tax Reduction Scheme 5
2.0 Interpretation – an explanation of the terms used within this scheme 11
3.0 Definition of non-dependant 19
4.0 Requirement to provide a National Insurance Number 20
5.0 Persons who have attained the qualifying age for state pension credit 20
6.0 Remunerative work 20
7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control 21
Persons subject to immigration control 24
8.0 Temporary Absence (period of absence) 24
9.0 Membership of a family 28
10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person. 28
11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household 29
12.0 Applicable amounts 31
13.0 Polygamous marriages 31
14.0 Applicable amount: persons who are not pensioners who have an award of universal credit .31
15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage 34
16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's 35
17.0 Calculation of income on a weekly basis 35
18.0 Treatment of child care charges 35
19.0 Average weekly earnings of employed earners 39
20.0 Average weekly earnings of self-employed earners 40
21.0 Average weekly income other than earnings 40
22.0 Calculation of average weekly income from tax credits 40
23.0 Calculation of weekly income 41
24.0 Disregard of changes in tax, contributions etc. 41
25.0 Earnings of employed earners 41
26.0 Calculation of net earnings of employed earners 42
27.0 Earnings of self-employed earners 43
28.0 Calculation of net profit of self-employed earners 44
29.0 Deduction of tax and contributions of self-employed earners 45
30.0 Calculation of income other than earnings 46
31.0 Capital treated as income 48
32.0 Notional income 48
33.0 Capital limit 52
34.0 Calculation of capital 52
35.0 Disregard of capital of child and young person 52
36.0 Income treated as capital 52
37.0 Calculation of capital in the United Kingdom 52
38.0 Calculation of capital outside the United Kingdom 53
39.0 Notional capital 53
40.0 Not Used 54
41.0 Capital jointly held 54
42.0 Not Used 54
43.0 Student related definitions 56
44.0 Treatment of students 59
45.0 Students who are excluded from entitlement to council tax reduction 59
46.0 Calculation of grant income 60
47.0 Calculation of covenant income where a contribution is assessed 61
48.0 Covenant income where no grant income or no contribution is assessed 62
49.0 Student Covenant Income and Grant income – non disregard 62
50.0 Other amounts to be disregarded 62
51.0 Treatment of student loans 62
51A.0 Treatment of fee loans 64

52.0 Treatment of payments from access funds 64
53.0 Disregard of contribution 64
54.0 Further disregard of student's income 64
55.0 Income treated as capital 64
56.0 Disregard of changes occurring during summer vacation 65
57.0 Maximum council tax reduction 67
58.0 Non-dependant deductions 67
59.0 Council tax reduction taper (applies to persons defined within Class E) 69
60.0 Extended reductions 69
60A.0 Duration of extended reduction period 70
60B.0 Amount of extended reduction 70
60C Extended reductions – movers 70
60D.0 Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement 71
61.0 Extended reductions (qualifying contributory benefits) 71
61A.0 Duration of extended reduction period (qualifying contributory benefits) 72
61B.0 Amount of extended reduction (qualifying contributory benefits) 72
61C.0 Extended reductions (qualifying contributory benefits) – movers 72
61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement 73
62.0 - 63.0Not Used 73
64.0 Date on which entitlement is to begin 75
65.0 - 66.0 Not Used 75
67.0 Date on which change of circumstances is to take effect 75
Sections 68– 74A 76
Claiming and the treatment of claims for Council tax reduction purposes 76
69.0 Procedure by which a person may apply for a reduction under the authority's scheme 78
70.0 Submission of evidence electronically 81
71. 0 Use of telephone provided evidence 81
72.0 Information and evidence 81
73.0 Amendment and withdrawal of application 82
74.0 Duty to notify changes of circumstances 83
75.0 Decisions by the authority 86
76.0 Notification of decision 86
77.0 Time and manner of granting council tax reduction 87
78.0 Persons to whom reduction is to be paid 87
79.0 Shortfall in reduction 88
80.0 Payment on the death of the person entitled 88
81.0 Offsetting 88
82 .0 Payment where there is joint and several liability 88
83.0 – 90.0 Not used 89
91.0 Use of information from and to the Department of Work and Pensions (DWP) and Hi Majesty's Revenues and Customs (HMRC) 91
92.0 Collection of information 91
93.0 Recording and holding information 91
94.0 Forwarding of information 91
95.0 Persons affected by Decisions 93
96.0 Revisions of Decisions 93
97.0 Written Statements 93
98.0 Terminations 93
99.0 Procedure by which a person may make an appeal against certain decisions of the authority 95
100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act 97
Electronic Communication 98
101.0 Interpretation 99
102.0 Conditions for the use of electronic communication 99
103.0 Use of intermediaries 99

104.0 Effect of delivering information by means of electronic communication 99
105.0 Proof of identity of sender or recipient of information 100
106.0 Proof of delivery of information 100
106A.0 Proof of content of information 100
Section 107 101
Counter Fraud and Compliance 101
107.0 Counter Fraud and compliance 102
Schedule 1 103
Applicable Amounts 103
Schedule 2 108
Not Used 108
Schedule 3 109
Sums to be disregarded in the calculation of earnings 109
Schedule 4 115
Sums to be disregarded in the calculation of income other than earnings 115
Schedule 5 126
Capital to be disregarded 126

1.0 Introduction to the Council Tax Reduction Scheme

1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period from 1st April 2024.

1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1st April 2024 for a period of one financial year.

1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
- Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
- The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2018;
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2020:
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2021;
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2022:
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2022;
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2023;
- Council Tax Reduction Schemes Prescribed Requirements)(Amendment)(England) Regulations 2024; and
- Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The scheme for pension age applicants – Central Government's scheme as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012

1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;

a. has attained the qualifying age for state pension credit; and
b. is not, or, if he has a partner, his partner is not;
    i. a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance; or
    ii. a person with an award of universal credit

The three prescribed classes are as follows;

Class A: pensioners whose income is less than the applicable amount.

On any day Class A consists of any person who is a pensioner:

a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
c. who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
d. whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
e. not have capital savings above £16,000; and
f. who has made an application for a reduction under the authority's scheme.

Class B: pensioners whose income is greater than the applicable amount.

On any day class B consists of any person who is a pensioner:

a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
c. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
d. whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
e. in respect of whom amount A exceeds amount B where;
    (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
    (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;
g. not have capital savings above £16,000; and
h. who has made an application for a reduction under the authority's scheme.

Class C: alternative maximum Council Tax Reduction

On any day class C consists of any person who is a pensioner:

a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
c. in respect of whom a maximum Council Tax Reduction amount can be calculated;
d. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
e. who has made an application for a reduction under the authority's scheme; and
f. in relation to whom the condition below is met.

The condition referred to in sub-paragraph f. is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

a. is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
b. is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
c. is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
    (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
    (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
d. is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
e. is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Disregard of certain incomes

1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:

a. a war disablement pension;
b. a war widow's pension or war widower's pension;
c. a pension payable to a person as a widow, widower or surviving civil partner under any power of Hi Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
d. a guaranteed income payment;
e. a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
f. a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
g. pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

The provisions outlined above, enhance the Central Government's scheme.

THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME

1.6 The adopted scheme for working age applicants is a means test, which compares income against an assessment of *applicable amounts* (unless otherwise stated). Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;

a. has not attained the qualifying age for state pension credit; or
b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.

1.7 The Council has resolved that there will be *two* classes of persons who will receive a reduction in line with adopted scheme. There will be *two* main classes prescribed for, for each of which there will be a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

Class D

To obtain reduction the individual (or partner) must:

a. have not attained the qualifying age for state pension credit[1]; or

b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.

c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;

d. is not deemed to be absent from the dwelling;

e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;

f. be somebody in respect of whom a maximum Council Tax Reduction[2] amount can be calculated;

g. not have capital savings above £6,000[3];

h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*[4] is **less** than their *applicable amount*[5] *or* the applicant or partner is in receipt of income support, jobseekers' allowance (income based) or employment and support allowance (income related); and

i. has made a valid application for reduction[6].

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme.

Class E

To obtain reduction the individual (or partner) must:

a. have not attained the qualifying age for state pension credit[7]; or

b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.

c. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;

d. is not deemed to be absent from the dwelling;

e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;

f. be somebody in respect of whom a maximum Council Tax Reduction[8] amount can be calculated;

g. not have capital savings above £6,000[9];

h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*[10] is **more** than their *applicable amount*[11];

i. have made a valid application for reduction[12];

j. be a person in respect of whom amount A exceeds amount B where;

   (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and

   (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme.

---

[1] Section 5 of this scheme
[2] Sections 57 to 63 of this scheme
[3] Sections 33 to 42 and Schedule 5 of this scheme
[4] Sections 15 to 32 and Schedules 3 and 4 of this scheme
[5] Sections 12 to 14 and Schedule 1 of this scheme
[6] Sections 68 to 74a of this scheme
[7] Section 5 of this scheme
[8] Sections 57 to 63 of this scheme
[9] Sections 33 to 42 and Schedule 5 of this scheme
[10] Sections 15 to 32 and Schedules 3 and 4 of this scheme
[11] Sections 12 to 14 and Schedule 1 of this scheme
[12] Sections 68 to 74a of this scheme

Council Tax Reduction Scheme

Details of reduction to be given for **working age applicants** for the financial year 2024/25

Sections 2- 8

Definitions and interpretation

2.0 Interpretation – an explanation of the terms used within this scheme.

2.1 In this scheme–

'the Act' means the Social Security Contributions and Benefits Act 1992;

'the Administration Act' means the Social Security Administration Act 1992;

'the 1973 Act' means of Employment and Training Act 1973;

'the 1992 Act' means the Local Government Finance Act 1992;

'the 2000 Act' means the Electronic Communications Act 2000;

'Abbeyfield Home' means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

'adoption leave' means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

'an AFIP' means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004

'applicable amount' means the amount determined in accordance with schedule 1 of this scheme.

'applicant' means a person who the authority designates as able to claim Council tax reduction – for the purposes of this scheme all references are in the masculine gender but apply equally to male and female;

'application' means an application for a reduction under this scheme:

'appropriate DWP office' means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker's allowance or an employment and support allowance;

'assessment period' means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;

'attendance allowance' means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

'the authority' means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

'Back to Work scheme(s)' means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

'basic rate', where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

'the benefit Acts' means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;

'board and lodging accommodation' means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

'care home' has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality,

Improvement and Regulation) (Northern Ireland) Order 2003 or a residential care home within the meaning of Article 10 of that Order;

'the Caxton Foundation' means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

'child' means a person under the age of 16;

'child benefit' has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

'the Children Order' means the Children (Northern Ireland) Order 1995;

'child tax credit' means a child tax credit under section 8 of the Tax Credits Act 2002;

'claim' means a claim for council tax reduction;

'close relative' means a parent, parent-in-law, son, son-in-law, daughter, daughter- in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

'concessionary payment' means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

'the Consequential Provisions Regulations' means the Housing Benefit and Council tax reduction (Consequential Provisions) Regulations 2006;

'contributory employment and support allowance" means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

'converted employment and support allowance' means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

'council tax benefit' means council tax benefit under Part 7 of the SSCBA;

'council tax reduction scheme' has the same meaning as **'council tax reduction or reduction.'**

'council tax support (or reduction) ' means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

'couple' means;

(a) a man and a woman who are married to each other and are members of the same household;

(b) a man and a woman who are not married to each other but are living together as if they were a married couple or civil partners;

(c) two people of the same sex who are civil partners of each other and are members of the same household; or

(d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

'date of claim' means the date on which the application or claim is made, or treated as made, for the purposes of this scheme.

'**designated authority**' means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

'**designated office**' means the office designated by the authority for the receipt of claims for council tax reduction;

(a) by notice upon or with a form approved by it for the purpose of claiming council tax reduction; or

(b) by reference upon or with such a form to some other document available from it and sent

by electronic means or otherwise on application; or

(c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

'disability living allowance' means a disability living allowance under section 71 of the Act;

'dwelling' has the same meaning in section 3 or 72 of the 1992 Act;

'earnings' has the meaning prescribed in section 25 or, as the case may be, 27;

'the Eileen Trust' means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

'electronic communication' has the same meaning as in section 15(1) of the Electronic Communications Act 2000 ;

'employed earner' is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

'Employment and Support Allowance Regulations' means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

'Employment and Support Allowance (Existing Awards) Regulations' means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

'the Employment, Skills and Enterprise Scheme' means a scheme under section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills, and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **'Back to Work Schemes'**;

'employment zone' means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and 2014 and an **'employment zone programme'** means a programme established for such an area or areas designed to assist applicants for a jobseeker's allowance to obtain sustainable employment;

'employment zone contractor' means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;

'enactment' includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

'extended reduction)' means a payment of council tax reduction payable pursuant to section 60;

'extended reduction period' means the period for which an extended reduction is payable in accordance with section 60A or 61A of this scheme;

'extended reduction (qualifying contributory benefits)' means a payment of council tax reduction payable pursuant to section 61;

'family' has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

'the Fund' means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

'a guaranteed income payment' means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

'he, him, his' also refers to the feminine within this scheme.

'housing benefit' means housing benefit under Part 7 of the Act; 'the Housing Benefit Regulations' means the Housing Benefit Regulations 2006;

'Immigration and Asylum Act' means the Immigration and Asylum Act 1999;

'an income-based jobseeker's allowance' and **'a joint-claim jobseeker's allowance'** have the meanings given by section 1(4) of the Jobseekers Act 1995;

'income-related employment and support allowance' means an income-related allowance

under Part 1 of the Welfare Reform Act 2007;

'Income Support Regulations' means the Income Support (General) Regulations 1987**(a)**;

'independent hospital'–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and

(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

'the Independent Living Fund (2006)' means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

'invalid carriage or other vehicle' means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

'Jobseekers Act' means the Jobseekers Act 1995; 'Jobseeker's Allowance Regulations' means the Jobseeker's Allowance Regulations 1996 and Jobseeker's Allowance Regulations 2013 as appropriate;

'limited capability for work' has the meaning given in section 1(4) of the Welfare Reform Act;

'limited capability for work-related activity' has the meaning given in section 2(5) of the Welfare Reform Act 2007;

'the London Bombing Relief Charitable Fund' means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

'lone parent' means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

'the Macfarlane (Special Payments) Trust' means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

'the Macfarlane (Special Payments) (No.2) Trust' means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

'the Macfarlane Trust' means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

'main phase employment and support allowance' means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

'the Mandatory Work Activity Scheme' means a scheme within section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

'maternity leave' means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

'member of a couple' means a member of a married or unmarried couple;

'MFET Limited' means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

'mobility supplement' means a supplement to which paragraph 9 of Schedule 4 refers;

'mover' means an applicant who changes the dwelling in which the applicant is resident and in

respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a dwelling in the area of the second authority;

'net earnings' means such earnings as are calculated in accordance with section 26;

'net profit' means such profit as is calculated in accordance with section 28;

'the New Deal options' means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

'new dwelling' means, for the purposes of the definition of 'second authority' and sections 60C, and 61C the dwelling to which an applicant has moved, or is about to move, in which the applicant is or will be resident;

'non-dependant' has the meaning prescribed in section 3;

'non-dependant deduction' means a deduction that is to be made under section 58;

'occasional assistance' means any payment or provision made by a local authority, the Welsh Ministers, or the Scottish Ministers for the purposes of:

(a) meeting, or helping to meet an immediate short-term need;

(i) arising out of an exceptional event or exceptional circumstances, or

(ii) that needs to be met to avoid a risk to the well-being of an individual, and

(b) enabling qualifying individuals to establish or maintain a settled home, and—

(i) 'local authority' has the meaning given by section 270(1) of the Local Government Act 1972 ;and

(ii) 'qualifying individuals' means individuals who have been, or without the assistance might otherwise be:

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and 'local authority' means a local authority in England within the meaning of the Local Government Act 1972;

'occupational pension' means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

'occupational pension scheme' has the same meaning as in section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;

'ordinary clothing or footwear' means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

'partner' in relation to a person, means;

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

'paternity leave' means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

'payment' includes part of a payment;

'pensionable age' has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

'pension fund holder' means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

'pensioner' a person who has attained the age at which pension credit can be claimed;

'person affected' shall be construed as a person to whom the authority decides is affected by any decision made by the council;

'person on income support' means a person in receipt of income support;

'**personal independence payment'** has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

'person treated as not being in Great Britain' has the meaning given by section 7;

'personal pension scheme' means–

a. a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
b. an annuity contractor trust scheme approved under section 620 or 621of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004[13];
c. a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;
d. a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
e. Back to Work scheme;

'policy of life insurance' means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

'polygamous marriage' means a marriage to which section 133(1) of the Act refers namely;
(a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
(b) either party to the marriage has for the time being any spouse additional to the other party.

'public authority' includes any person certain of whose functions are functions of a public nature;

'qualifying age for state pension credit' means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)–
(a) in the case of a woman, pensionable age; or
(b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

'qualifying contributory benefit' means;
(a) severe disablement allowance;
(b) incapacity benefit;
(c) contributory employment and support allowance;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker's Allowance Regulations 1996

'qualifying income-related benefit' means.
(a) income support;
(b) income-based jobseeker's allowance;
(c) income-related employment and support allowance;

'qualifying person' means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

'reduction week' means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

'relative' means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

'relevant authority' means an authority administering council tax reduction;

'relevant week' In relation to any particular day, means the week within which the day in question falls;

'remunerative work' has the meaning prescribed in section 6;

'rent' means 'eligible rent' to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;

'resident' has the meaning it has in Part 1 or 2 of the 1992 Act;

'Scottish basic rate' means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

'Scottish taxpayer' has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998

[13] As amended by the Finance Act 2014

'second authority' means the authority to which a mover is liable to make payments for the new dwelling;

'self-employed earner' is to be construed in accordance with section 2(1)(b) of the Act;

'self-employment route' means assistance in pursuing self-employed earner's employment whilst participating in–

(a) an employment zone programme;

(b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.);

(c) the Employment, Skills, and Enterprise Scheme;

(d) a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

(e) Back to Work scheme.

'Service User' references in this scheme to an applicant participating as a service user are to

a. a person who is being consulted by or on behalf of—
   (i) the Secretary of State in relation to any of the Secretary of State's functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or
   (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or

b. the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph;

'the Skipton Fund' means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions.

'special account' means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker's Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

'sports award' means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

'the SSCBA' means the Social Security Contributions and Benefits Act 1992

'State Pension Credit Act' means the State Pension Credit Act 2002;

'student' has the meaning prescribed in section 43;

'subsistence allowance' means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

'support or reduction week' means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

'the Tax Credits Act' means the Tax Credits Act 2002;

'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next;

'training allowance' means an allowance (whether by way of periodical grants or otherwise) payable–

(a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People's Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;

(b) to a person for his maintenance or in respect of a member of his family; and

(c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Actor is training as a teacher;

'the Trusts' means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

'Universal Credit' means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

'Uprating Act' means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014, and the Welfare Benefits Up-rating Order 2015;

'voluntary organisation' means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

'war disablement pension' means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

'**war pension'** means a war disablement pension, a war widow's pension or a war widower's pension;

'war widow's pension' means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'war widower's pension' means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'water charges' means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

'week' means a period of seven days beginning with a Monday;

'Working Tax Credit Regulations' means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended[14]; and

'young person' has the meaning prescribed in section 9(1) and in section 142 of the SSCBA.

2.2 In this scheme, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.

2.3 In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.

2.4 For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day;

(a) in respect of which he satisfies the conditions for entitlement to an income- based jobseeker's allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker's allowance is not payable); or

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income- based jobseeker's allowance is payable to him or would be payable to him but for regulation 27A of the

[14] The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;

(c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;

(d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

2.4A For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;

(a) in respect of which he satisfies the conditions for entitlement to an income- related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or

(b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income- related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

2.5 For the purposes of this scheme, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

2.6 In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

3.0 Definition of non-dependant

3.1 In this scheme, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.

3.2 This paragraph applies to;

a. any member of the applicant's family;

b. if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;

c. a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);

d. subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);

e. subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;

f. a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

3.3 Excepting persons to whom paragraph 3.2 a) to c) and f) refer, a person to whom any of the following sub-paragraphs applies shall be a non-dependant–

a. a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;

i. that person is a close relative of his or her partner; or

ii. the tenancy or other agreement between them is other than on a commercial basis;

b. a person whose liability to make payments in respect of the dwelling appears to the

authority to have been created to take advantage of the council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;

c. a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the reduction scheme.

4.0 Requirement to provide a National Insurance Number[15]

4.1 No person shall be entitled to reduction unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming reduction.

4.2 This subsection is satisfied in relation to a person if–

a. the claim for reduction is accompanied by;
   i. a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
   ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or

b. the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply–

a. in the case of a child or young person in respect of whom council tax reduction is claimed;
b. to a person who;
   i. is a person in respect of whom a claim for council tax reduction is made;
   ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act; and
   iii. has not previously been allocated a national insurance number.

5.0 Persons who have attained the qualifying age for state pension credit.

5.1 This scheme applies to a person if:

(i) he has not attained the qualifying age for state pension credit; or
(ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
   (a) a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or
   (b) a person with an award of universal credit.

6.0 Remunerative work

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked

[15] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

over;

a. if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
b. in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately,

6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.

6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.

6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.

6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.

6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;

a. a sports award has been made, or is to be made, to him; and
b. no other payment is made or is expected to be made to him.

7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control

Persons treated as not being in Great Britain

7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man, or the Republic of Ireland.

7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man, or the Republic of Ireland unless the person has a right to reside in one of those places.

7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—

(a) regulation 13 of the EEA Regulations;

(aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—

(i) a jobseeker for the purpose of the definition of "qualified person" in regulation 6(1) of those Regulations, or

(ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;

(b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (5) of that regulation of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).

7.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—

(a) (Removed by the Council Tax Reductions Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021

(b) Appendix EU to the immigration rules made under section 3(2) of that Act;

(c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or

(d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.

7.4B Paragraph (4A)(b) does not apply to a person who—

(a) has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and

(b) would have a right to reside under the EEA Regulations if the relevant person of Northern Ireland were an EEA national, provided that the right to reside does not fall within paragraph (4)(a) or (b)

7.5 A person falls within this paragraph if the person is—

(za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971, where such leave is granted by virtue of—

(i)the Afghan Relocations and Assistance Policy; or

(ii)the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);

(zb) a person in Great Britain not coming within sub-paragraph (za) or (e) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021;

(zc) a person in Great Britain who was residing in Ukraine immediately before 1st January 2022, left Ukraine in connection with the Russian invasion which took place on 24th February 2022 and—

(i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;

(ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or

(iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;

(zd) a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights, or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights, or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—

(i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,

(ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or

(iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;

(ze) a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—
(i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
(ii)has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
(iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act

(a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;

(b) a family member of a person referred to in sub-paragraph (a);

(c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;

(ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;

(cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;

(cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971

(d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;

(e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971

(f) a person who has humanitarian protection granted under those rules;

(g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion, or other removal by compulsion of law from another country to the United Kingdom;

(h) in receipt of income support or on an income-related employment and support allowance; or

(ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4).

7.6 A person falls within this paragraph if the person is a Crown servant or member of Hi Majesty's forces posted overseas.

7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Hi Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

7.8 In this regulation—
"claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
"Crown servant" means a person holding an office or employment under the Crown;
"EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and the Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014 and references to the EEA Regulations are to be read with Schedule 4 to the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 (Consequential, Saving, Transitional and Transitory Provisions) Regulations 2020
"EEA national" has the meaning given in regulation 2(1) of the EEA Regulations;

"family member" has the meaning given in regulation 7(1)(a), (b) or (c) of the EEA Regulations, except that regulation 7(4) of the EEA Regulations does not apply for the purposes of paragraphs (4B) and (5)(ca);
"relevant person of Northern Ireland" has the meaning given in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971; and
"Hi Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

Persons subject to immigration control

7.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9.

7.11 "Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

7A.0 Transitional provision

7A.1 The above does not apply to a person who, on 31st March 2015—

(a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and

(b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 7A.2 occurs.

7A.2 The events are—

(a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or

(b) the person ceases to be entitled to an income-based jobseeker's allowance.

7A.3 In this section "the Act" means the Local Government Finance Act 1992.

8.0 Temporary Absence (period of absence)

8.1 Where a person is absent from the dwelling throughout any day then no reduction shall be payable.

8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.

8.3 In paragraph 8.2, a 'period of temporary absence' means–

a. a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation where and for so long as;
   i. the person resides in that accommodation;
   ii. the part of the dwelling in which he usually resided is not let or sub-let; and
   iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

b. a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
   i. the person intends to return to the dwelling;
   ii. the part of the dwelling in which he usually resided is not let or sub-let; and

iii. that period is unlikely to exceed 13 weeks; and

c. a period of absence not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
   i. the person intends to return to the dwelling;
   ii. the part of the dwelling in which he usually resided is not let or sub-let;
   iii. the person is a person to whom paragraph 8.4 applies; and
   iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

8.4 This paragraph applies to a person who is;

a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
   i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
   ii. in premises approved under section 13 of the Offender Management Act 2007 as amended by the Offender Rehabilitation Act 2014, or, detained in custody pending sentence upon conviction;
b. resident in a hospital or similar institution as a patient;
c. undergoing, or his partner or his dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
d. following, in the United Kingdom or elsewhere, a training course;
e. undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
g. in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
h. a student;
i. receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is:

a. detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
b. on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989

8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release–

a. if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
b. for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
c. If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident.

8.7 In this section;

- 'medically approved' means certified by a medical practitioner;
- 'patient' means a person who is undergoing medical or other treatment as an in- patient in any hospital or similar institution; 'residential accommodation' means accommodation which is provided;
  a. in a care home;

b. in an independent hospital;
c. in an Abbeyfield Home; or
d. in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;

- 'training course' means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Sections 9 - 11

The family for Council tax reduction purposes

9.0 Membership of a family

9.1 Within the reduction scheme adopted by the Council 'family' means;

a. a married or unmarried couple;
b. married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
c. two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
d. two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
e. and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
f. except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'
A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

9.2 9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;

a. on income support ;
b. an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
c. a person to whom section 6 of the Children (Leaving Care) Act 2000 applies.

9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable.

.

10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.

10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him, and this includes a child or young person to whom paragraph 9.3 applies.

10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;

a. the person who is receiving child benefit in respect of him; or
b. if there is no such person;
    i. where only one claim for child benefit has been made in respect of him, the person who made that claim; or

ii. in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household.

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is;

a. placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
b. placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
c. placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he–

a. is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
b. has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
c. has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household in any reduction week where;

a. that child or young person lives with the applicant for part or all of that reduction week; and
b. the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955**,** the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989**,** the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

Sections 12 – 14 & Schedule 1

Applicable Amounts for Council tax reduction purposes

12.0 Applicable amounts

12.1 Subject to sections 13 and 14, an applicant's weekly applicable amount shall be aggregate of such of the following amounts as may apply in his case;

a. an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
b. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
c. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium);
d. the amount of any premiums which may be applicable to him, determined in accordance with paragraphs 4 to 16 of Schedule 1 of this document (premiums).
e. the amount of either the
    i. work-related activity component; or
    ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 of this document(the components)
f. the amount of any transitional addition which may be applicable to him in accordance with paragraph 19 to 20 of Schedule 1 of this scheme (transitional addition).

13.0 Polygamous marriages

13.1 Subject to section 14, where an applicant is a member of a polygamous marriage, his weekly applicable amount shall be the aggregate of such of the following amounts as may apply in his case;

a. the amount applicable to him and one of his partners determined in accordance with paragraph 1of Schedule 1 of this scheme as if he and that partner were a couple;
b. an amount equal to the lowest amount within paragraph 1 of Schedule 1 of this scheme in respect of each of his other partners;
c. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme (applicable amounts) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;
d. if he or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in paragraph 3 of Schedule 1 of this scheme (family premium);
e. the amount of any premiums which may be applicable to him determined in accordance with paragraphs 4 to 16 of Schedule 1 of this scheme (premiums).
f. the amount of either the;
    i. work-related activity component; or
    ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 (the components).
g. the amount of any transitional addition which may be applicable to him in accordance with paragraphs 19 and 20 of Schedule 1 of this scheme (transitional addition)

14.0 Applicable amount: persons who are not pensioners who have an award of universal credit.

14.1 In determining the applicable amount for a week of an applicant—

a. who has, or
b. who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (2).

14.2 The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.

14.3 In this paragraph "maximum amount" means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012

Sections 15 – 32 & Schedules 3 & 4

Definition and the treatment of income for Council tax reduction purposes

15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage

15.1 The income and capital of:
(a) an applicant; and
(b) any partner of that applicant,

is to be calculated in accordance with the provisions of this Part.

15.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

15.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
(a) the applicant must be treated as possessing capital and income belonging to each such member; and
(b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

15A.0 Calculation of income and capital: persons who have an award of universal credit.

15A.1 In determining the income of an applicant;
a. who has, or
b. who (jointly with his partner) has,
an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

15A.2 The authority may adjust the amount referred to in sub-paragraph (1) to take account of
(a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);
(b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
(c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
(d) section 33 (circumstances in which income and capital of non-dependant is to be treated as applicant's) if the authority determines that the provision applies in the applicant's case;
(e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).

15A.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.

15A.4 Sections 33 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)

15A.5 In determining the capital of an applicant;
(a) who has, or
(b) who (jointly with his partner) has,
an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award.

16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's.

16.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the council tax reduction scheme and the non-dependant has more capital and income than the applicant, that authority shall, except were the applicant is on income support, an income- based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.`

16.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 16.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the ' applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

17.0 Calculation of income on a weekly basis

17.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis;

a. by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of Part 6 of the Housing Benefit Regulations 2006;
b. by adding to that amount, the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 18.2 are met, from those earnings plus whichever credit specified in sub- paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.

17.2 The conditions of this paragraph are that;

a. the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
b. that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.

17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;

a. where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
b. where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.

The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which an applicant is treated as possessing under section 32 (notional income).

18.0 Treatment of child care charges

18.1 This section applies where an applicant is incurring relevant child-care charges and;

a. is a lone parent and is engaged in remunerative work;

b. is a member of a couple both of whom are engaged in remunerative work; or
c. is a member of a couple where one member is engaged in remunerative work and the other;
    i. is incapacitated;
    ii. is an in-patient in hospital; or
    iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he–
a. is paid statutory sick pay;
b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
c. is paid an employment and support allowance;
d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975**.**

18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
b. the first day of the period in respect of which earnings are credited, as the case may be.

18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.

18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply and shall be calculated on a weekly basis in accordance with paragraph 18.10.

18.6 The charges are paid by the applicant for care, which is provided;
a. in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
b. in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.

18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid–
a. in respect of the child's compulsory education;
b. by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
c. in respect of care provided by a relative of the child wholly or mainly in the child's home.

18.8 The care to which paragraph 18.7 refers may be provided;
a. out of school hours, by a school on school premises or by a local authority;
    i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
    ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or

b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
e. by;
    i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010;
    or
    ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering, or kinship carer is looking after; or
l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
m. by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where;

a. the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work- related activity component on account of his having limited capability for work.
b. the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
c. the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or 2013 as appropriate;

d. the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose, any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;

e. the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

f. there is payable in respect of him one or more of the following pensions or allowances–

i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
ii. attendance allowance under section 64 of the Act;
iii. severe disablement allowance under section 68 of the Act;
iv. disability living allowance under section 71 of the Act;
v. personal independence payment under the Welfare Reform Act 2012;
vi. an AFIP;
vii. increase of disablement pension under section 104 of the Act;
viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (v) above;
ix. main phase employment and support allowance;

g. a pension or allowance to which head (ii), (iv). (v) or (vi) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.

h. an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

i. paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or

j. he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

18.12 For the purposes of paragraph 18.11 once paragraph 18.11d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

18.12AFor the purposes of paragraph 18.11, once paragraph 18.11e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person–

a. in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
b. who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
c. who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

18.14 For the purposes of paragraph 18.1 a person on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that–

a. in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;
b. the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
c. she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on–

a. the date that leave ends;
b. if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
c. if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

18.16 In paragraphs 18.14 and 18.15

a. **'qualifying support'** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987**;** and
b. **'child care element'** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.

18.17 In this section 'applicant' does not include an applicant;

a. who has, or
b. who (jointly with his partner) has,

an award of universal credit

19.0 Average weekly earnings of employed earners.

19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment–

a. over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
    i. 5 weeks, if he is paid weekly; or
    ii. 2 months, if he is paid monthly; or
b. whether or not sub-paragraph 19.1a i) or ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated

more accurately.

19.2 Where the applicant has been in his employment for less than the period specified in paragraph 19.1 a)(i) or (ii)

a. if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;

b. in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.

19.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.

19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26.

20.0 Average weekly earnings of self-employed earners

20.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.

20.2 For the purposes of this section the applicant's earnings shall be calculated in accordance with section 27 to 29 of this scheme.

21.0 Average weekly income other than earnings

21.1 An applicant's income which does not consist of earnings shall, except where paragraph 18.2 applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks; and nothing in this paragraph shall authorise the authority to disregard any such income other than that specified in Schedule 4 of this scheme.

21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that support is payable.

21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this scheme.

22.0 Calculation of average weekly income from tax credits

22.1 This section applies where an applicant receives a tax credit.

22.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 22.3.

22.3 Where the instalment in respect of which payment of a tax credit is made is;

a. a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;

b. a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;

c. a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
d. a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

22.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

23.0 Calculation of weekly income

23.1 For the purposes of sections 19 (average weekly earnings of employed earners), 21 (average weekly income other than earnings) and 22 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made;
a. does not exceed a week, the weekly amount shall be the amount of that payment;
b. exceeds a week, the weekly amount shall be determined–
    i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
    ii. in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.

23.2 For the purpose of section 20 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

24.0 Disregard of changes in tax, contributions etc.

24.1 In calculating the applicant's income the appropriate authority may disregard any legislative change;
a. in the basic or other rates of income tax;
b. in the amount of any personal tax relief;
c. in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section11(4) of the Act (small profits threshold in relation to Class 2 contributions);
d. in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act;
e. in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

25.0 Earnings of employed earners.

25.1 Subject to paragraph 25.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes–
a. any bonus or commission;
b. any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
c. any payment in lieu of notice, or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
d. any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
e. any payment by way of a retainer;
f. any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment,

including any payment made by the applicant's employer in respect of–

g. (i) travelling expenses incurred by the applicant between his home and his place of employment;
(ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;

h. any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);

i. any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);

j. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);

k. any statutory sick pay, statutory maternity pay, statutory paternity pay, or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;

l. any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;

m. the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended[16].

25.2 Earnings shall not include–

a. subject to paragraph 25.3, any payment in kind;

b. any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;

c. any occupational pension

d. any payment in respect of expenses arising out of an applicant participating as a service user.

25.3 Paragraph 25.2 a) shall not apply in respect of any non-cash voucher referred to in paragraph 25.1 m)

26.0 Calculation of net earnings of employed earners.

26.1 For the purposes of section 19 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 26.2, be his net earnings.

26.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 14 of Schedule 3.

26.3 For the purposes of paragraph 26.1 net earnings shall, except where paragraph 26.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;

a. any amount deducted from those earnings by way of
i) income tax;
ii) primary Class 1 contributions under the Act;

b. one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

c. one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and

d. where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory

[16] Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.

26.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.

26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined–

a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less–

a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
c. one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme if the earnings so estimated were actual earnings.

27.0 Earnings of self-employed earners

27.1 Subject to paragraph 27.2, 'earnings', in the case of employment as a self- employed earner, means the gross income of the employment plus any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

27.2 'Earnings' shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.

27.3 This paragraph applies to–

a. royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
b. any payment in respect of any–
(i) book registered under the Public Lending Right Scheme 1982; or
(ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the

copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by

(a) the amount of the reduction under this scheme which would be payable had the payment not been made, plus ;

(b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

28.0 Calculation of net profit of self-employed earners

28.1 For the purposes of section 20 (average weekly earnings of self- employed earners) the earnings of an applicant to be taken into account shall be;

a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;

b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less–

i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and

ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.

28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less;

a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;

b. an amount in respect of;
(i) income tax, and
(ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and

c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in respect of–

a. any capital expenditure;

b. the depreciation of any capital asset;

c. any sum employed or intended to be employed in the setting up or expansion of the employment;

d. any loss incurred before the beginning of the assessment period;

e. the repayment of capital on any loan taken out for the purposes of the employment;

f. any expenses incurred in providing business entertainment, and
g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.

28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for–
a. the replacement in the course of business of equipment or machinery; and
b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.

28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a. or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.

28.8 For the avoidance of doubt–
a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
b. a deduction shall be made thereunder in respect of–
i. the excess of any value added tax paid over value added tax received in the assessment period;
ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
iii. any payment of interest on a loan taken out for the purposes of the employment

28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
a. income tax; and
b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution.

28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner, and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.

28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined;
a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
b. in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.

28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

29.0 Deduction of tax and contributions of self-employed earners

29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the

assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of–

a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and

b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section 'chargeable income' means–

a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph 28.3(a) or, as the case may be, 28.4 of section 28;

b. in the case of employment as a child minder, one-third of the earnings of that employment.

30.0 Calculation of income other than earnings

30.1 For the purposes of section 21 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs 27.2 to 27.4, be his gross income and any capital treated as income under section 31 (capital treated as income).

30.2 There is to be disregarded from the calculation of an applicant's gross income under paragraph 30.2, any sum, where applicable, specified in Schedule 4.

30.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under paragraph 30.1 shall be the gross amount payable.

30.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008 or 2013 as appropriate, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 27.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

30.6 In paragraph 30.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.

30.7 Paragraphs 30.8 and 30.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

30.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph 30.7 applies, shall be calculated by applying the formula–

$$\frac{A - (BxC)}{D}$$

Where;

A = the total amount of the relevant payment which that person would have received had he remained a student until he last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 51.5

B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 51.2 had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax reduction immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;

D = the number of reduction weeks in the assessment period.

30.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 30.8 but as if–

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 51.5

30.10 In this section– 'academic year' and 'student loan' shall have the same meanings as for the purposes of sections 43 to 45, 'assessment period' means–

a. in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
b. in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes–
    i. the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
    ii. the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of those date is earlier.

'quarter' in relation to an assessment period means a period in that year beginning on;

a. 1st January and ending on 31st March;
b. 1st April and ending on 30th June;
c. 1st July and ending on 31st August; or
d. 1st September and ending on 31st December;

'relevant payment' means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 46.7 or both.

30.11 For the avoidance of doubt there shall be included as income to be taken into account under

paragraph 30.1.

a. any payment to which paragraph 25.2 (payments not earnings) applies; or

b. in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

31.0 Capital treated as income.

31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £6,000, be treated as income.

31.2 Any payment received under an annuity shall be treated as income.

31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.

31.4 Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 Act shall be treated as income.

31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

32.0 Notional income

32.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of reduction or increasing the amount of that reduction.

32.2 Except in the case of–

a. a discretionary trust;
b. a trust derived from a payment made in consequence of a personal injury;
c. a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
d. any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
e. any sum to which paragraph 48(a) of Schedule 5 refers;
f. rehabilitation allowance made under section 2 of the 1973 Act;
g. child tax credit; or
h. working tax credit,
i. any sum to which paragraph 32.13 applies;

any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

32.3 – 32.5 Not used

32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made–

a. to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an

occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

b. to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

c. to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.7 Paragraph 32.6 shall not apply in respect of a payment of income made–

a. under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);

b. pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);

c. pursuant to section 2 of the 1973 Act in respect of a person's participation–
(i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
(ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
(iii) in the Intense Activity Period specified in regulation75(1)(a)(iv)of those Regulations;
(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

d. in respect of a previous participation in the Mandatory Work Activity Scheme;

e. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where–
(i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration, or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
(ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
(iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.8 Where an applicant is in receipt of any benefit (other than council tax reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

32.9 Subject to paragraph 32.10, where–

a. applicant performs a service for another person; and

b. that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

32.10 Paragraph 32.9 shall not apply–

a. to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or

b. in a case where the service is performed in connection with–
(i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
(ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or

c. to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

32.10A In paragraph 32.10 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

32.11 Where an applicant is treated as possessing any income under any of paragraph 32.1 to (32.8), the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

32.12 Where an applicant is treated a possessing any earnings under paragraph 32.9 the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;

b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and

c. one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

32.13 Paragraphs (32.1), (32.2), (32.6) and (32.9) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation as a service user.

Sections 33 – 42 & Schedule 5

Definition and the treatment of capital for Council tax reduction purposes

33.0 Capital limit

33.1 For the purposes of this scheme, the prescribed amount is £6,000 and no reduction shall be granted when the applicant has an amount greater than this level.

34.0 Calculation of capital

34.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 36 (income treated as capital).

34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

35.0 Disregard of capital of child and young person

35.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

36.0 Income treated as capital.

36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.

36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.

36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.

36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.

36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.

36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.

36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self- employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.

36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

37.0 Calculation of capital in the United Kingdom

37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less–

a. where there would be expenses attributable to the sale, 10 per cent.; and
b. the amount of any encumbrance secured on it;

38.0 Calculation of capital outside the United Kingdom

38.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated.

a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.

b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

39.0 Notional capital

39.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax reduction or increasing the amount of that reduction except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

39.2 Except in the case of

(a) a discretionary trust; or

(b) a trust derived from a payment made in consequence of a personal injury; or

(c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or

(d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or

(e) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or

(f) any sum to which paragraph 48(a) of Schedule 5 refers; or

(g) child tax credit; or

(h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

39.3 Any payment of capital, other than a payment of capital specified in paragraph (39.4), made.

(a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

39.4 Paragraph 39.3 shall not apply in respect of a payment of capital made:

a. under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, or the London Bombings Relief Charitable Fund;

b. pursuant to section 2 of the 1973 Act in respect of a person's participation:

i. in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's

Allowance Regulations;

ii. in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

iii. in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;

iv. in a qualifying course within the meaning specified in regulation17A(7) of those Regulations; or

v. in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

c. in respect of a person's participation in the Mandatory Work Activity Scheme;

d. Enterprise Scheme;

e. in respect of an applicant's participation in the Employment, Skills, and Enterprise Scheme or Back to Work Scheme;

f. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where–

i. a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;

ii. the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

iii. the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

39.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case;

a. the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and

b. he shall, subject to paragraph 39.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

39.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.

39.7 Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

40.0 Not Used

41.0 Capital jointly held.

41.1 Except where an applicant possesses capital which is disregarded under paragraph 39(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess

42.0 Not Used

Sections 43 - 56

Definition and the treatment of students for Council tax reduction purposes[17]

[17] Amounts shown in sections 43 to 56 will be uprated in line with the Housing Benefit Regulations 2006 (as amended)

43.0 Student related definitions

43.1 In this scheme the following definitions apply;

'academic year' means the period of twelve months beginning on 1st January 1st April 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

'access funds' means;

a. grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;

b. grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;

c. grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;

d. discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or

e Financial Contingency Funds made available by the Welsh Ministers;

'college of further education' means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

'contribution' means;

a. any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or

b. any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder's expenses;

(i) the holder of the allowance or bursary;

(ii) the holder's parents;

(iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or

(iv) the holder's spouse or civil partner;

'course of study' means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

'covenant income' means the gross income payable to a full-time student under a Deed of Covenant by his parent;

'education authority' means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973, an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

'full-time course of study' means a full time course of study which;

a. is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers

at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;

b. is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—

(i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or

(ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or

c. is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—

(i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or

(ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

'full-time student' means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

'grant' (except in the definition of 'access funds') means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

'grant income' means;

(a) any income by way of a grant;

(b) any contribution whether or not it is paid;

'higher education' means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992;

'last day of the course' means;

a. in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;

b. in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

'period of study' means–

a. in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;

b. in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either–

(i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or

(ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;

c. in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

'periods of experience' means periods of work experience which form part of a sandwich course;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

'modular course' means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

'sandwich course' has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

'standard maintenance grant' means–

a. except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ('the 2003 Regulations') for such a student;
b. except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
c. in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980**,** the amount of money specified as 'standard maintenance allowance' for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
d. in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

'student' means a person, other than a person in receipt of a training allowance, who is attending or undertaking–

a. a course of study at an educational establishment; or
b. a qualifying course;

'student' loan' means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Student's Allowances (Scotland) Regulations 2007

43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course;

a. in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending;
   (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
   (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
b. in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

a. where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
b. any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

44.0 Treatment of students

44.1 The following sections relate to students who claim Council tax reduction.

45.0 Students who are excluded from entitlement to council tax reduction.

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council tax reduction under Classes D and E of the Council's reduction scheme.

45.2 To be eligible for reduction, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992, and they must not be deemed to be a full time student or a persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

45.3 Paragraph 45.2 shall not apply to a student;

(a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) who is a lone parent;

(c) whose applicable amount would, but for this section, include the disability premium or severe disability premium;

(d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;

(e)who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose, any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;

(f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.

(g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;

(h)who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;

(i) who is;

(i) aged under 21 and whose course of study is not a course of higher education, or

(ii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person);

(j) in respect of whom

i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;

(ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;

(iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

(iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or

(v) a supplementary requirement has been determined under paragraph 9 of

Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

45.3A For the purposes of paragraph 45.3(h)(i) the student must have begun, or been enrolled or accepted onto the course before attaining the age of 19

45.4 For the purposes of paragraph 45.3, once paragraph 45.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

45.5 In paragraph 45.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

45.6 A full-time student to whom sub-paragraph (i) of paragraph 45.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

45.7 Paragraph 45.2 shall not apply to a full-time student for the period specified in paragraph 45.8 if;

(a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
(i) engaged in caring for another person; or
(ii) ill;

(b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and

(c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.

45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

(a) the day on which he resumes attending or undertaking the course; or

(b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,

which shall first occur.

46.0 Calculation of grant income

46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.

46.2 There shall be excluded from a student's grant income any payment;

(a) intended to meet tuition fees or examination fees;

(b) in respect of the student's disability;

(c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;

(d) on account of the student maintaining a home at a place other than that at which he resides during his course;

(e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;

(f) intended to meet the cost of books and equipment;
(g) intended to meet travel expenses incurred as a result of his attendance on the course;
(h) intended for the child care costs of a child dependant.
(i) of higher education bursary for care leavers made under Part III of the Children Act 1989.

46.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;
(a) the sum of £303 per academic year in respect of travel costs; and
(b)the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

46.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

46.5 Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;

(a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
(b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

46.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

46.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

46.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

47.0 Calculation of covenant income where a contribution is assessed.

47.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.

47.2 The weekly amount of the student's covenant shall be determined–
(a) by dividing the amount of income which falls to be taken into account under paragraph

47.1 by 52 or 53, whichever is reasonable in the circumstances; and

(b) by disregarding from the resulting amount, £5.

47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

48.0 Covenant income where no grant income or no contribution is assessed.

48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;

(a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;

(b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;

(c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and

(d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.

48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph 48.1, except that;

(a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and

(b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

49.0 Student Covenant Income and Grant income – non disregard

49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this scheme.

50.0 Other amounts to be disregarded.

50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

51.0 Treatment of student loans

51.1 A student loan shall be treated as income.

51.2 In calculating the weekly amount of the loan to be taken into account as income;

(a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;

(i) except in a case where (ii) applies, the reduction week ,the first day of which coincides

with, or immediately follows, the first day of the single academic year;

(ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,

(b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;

(c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;

(i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;

(ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term,

and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

(d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;

(i) the first day of the first reduction week in September; or

(ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term,

and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June,

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5;

(a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to

(i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and

(ii) any contribution whether or not it has been paid to him;

(b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;

(i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and

(ii) no deduction in that loan was made by virtue of the application of a means test.

51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4;
(a) the sum of £303 per academic year in respect of travel costs; and
(b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

51A.0 Treatment of fee loans

51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

52.0 Treatment of payments from access funds

52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.

52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.

52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.

52.4 Where a payment from access funds is made–
(a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
(b) before the first day of the course to a person in anticipation of that person becoming a student,
that payment shall be disregarded as income.

53.0 Disregard of contribution

53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

54.0 Further disregard of student's income

54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

55.0 Income treated as capital.

55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

56.0 Disregard of changes occurring during summer vacation

56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

Sections 57 – 63

The calculation and amount of Council tax reduction

57.0 Maximum council tax reduction

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax reduction in respect of a day for which he is liable to pay council tax, shall be 100 per cent, of the amount A divided by B where;

(a) A is the amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls.

57.2 In calculating a person's maximum council tax reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax reduction) applies, in determining the maximum council tax reduction in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case.

58.0 Non-dependant deductions[18]

58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax reduction) shall be;

(a) in respect of a non-dependant aged 18 or over in remunerative work, £15.10 x 1/7;

(b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £4.90 x 1/7.

58.2 In the case of a non-dependant aged 18 or over to whom paragraph 58.1(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is–

(a) less than £256.00, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);

(b) not less than £256.00, but less than £445.00, the deduction to be made under this section shall be £10.05 x1/7

(c) not less than £445.00, but less than £554.00, the deduction to be made under this section shall be £12.60 x 1/7;

58.3 Only one deduction shall be made under this section in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.

[18] The amounts shown within this section shall be uprated in line with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012

58.4 In applying the provisions of paragraph 58.2 in the case of a couple or, as the case may be a polygamous marriage, regard shall be had, for the purpose of that paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.

58.5 Where in respect of a day–

a. a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
b. other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
c. the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.

58.6 No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is–

a. blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
b. receiving in respect of himself:
    - attendance allowance, or would be receiving that allowance but for:
        i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
        ii. an abatement as a result of hospitalisation; or
    - the care component of the disability living allowance, or would be receiving that component but for:
        i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
        ii. an abatement as a result of hospitalisation; or
c. the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
d. an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

58.7 No deduction shall be made in respect of a non-dependant if:

a. although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
b. he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
c. he is a full time student within the meaning of section 44.0 (Students); or
d. he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
e. 'patient' has the meaning given within this scheme, and
f. where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;
g. he is not residing with the claimant because he is a member of the armed forces away on operations.

58.8 No deduction shall be made in respect of a non-dependant;

(a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;

(c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.";

For the purposes of sub-paragraph (c), "earned income" has the meaning given in regulation 52 of the Universal Credit Regulations 2013.

58.9 In the application of paragraph 58.2 there shall be disregarded from his weekly gross income:

a. any attendance allowance, disability living allowance or personal independence payment or an AFIP received by him;
b. any payment made under or by the Trusts, the Fund, the Eileen Trust , MFET Limited, the Skipton Fund, the Caxton Foundation, or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
c. any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

59.0 Council tax reduction taper (applies to persons defined within Class E)

59.1 The prescribed daily percentage for the purpose of calculating reduction as a percentage of excess of income over the applicable amount, which is deducted from maximum council tax reduction, shall be 2 6/7 per cent. Where an applicant's income exceeds their applicable amount, their council tax reduction shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax reduction as defined within section 57 of this scheme.

60.0 Extended reductions

60.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

(a) the applicant or the applicant's partner was entitled to a qualifying income- related benefit;
(b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner–
  (i) commenced employment as an employed or self-employed earner;
  (ii) increased their earnings from such employment; or
  (iii) increased the number of hours worked in such employment,
  and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
(c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where–

(a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;

(b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and

(c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

60A.0 Duration of extended reduction period

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

(a) at the end of a period of four weeks; or

(b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax if that occurs first.

60B.0 Amount of extended reduction

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of–

(a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income- related benefit;

(b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or

(c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement if section 60 did not apply to the applicant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

60C Extended reductions – movers

60C.1 This section applies;

(a) to a mover; and

(b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax

reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;

(a) the second authority; or

(b) the mover directly.

60C.4 Where–

(a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and

(b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

60D.0 Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement

60D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

61.0 Extended reductions (qualifying contributory benefits)

61.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

(a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;

(b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner;

(i) commenced employment as an employed or self-employed earner;

(ii) increased their earnings from such employment; or

(iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;

(c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and

(d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where;

(a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;

(b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and

(c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

61A.0 Duration of extended reduction period (qualifying contributory benefits)

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

(a) at the end of a period of four weeks; or

(b) on the date on which the applicant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax if that occurs first.

61B.0 Amount of extended reduction (qualifying contributory benefits)

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

(a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;

(b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or

(c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement if section 61 did not apply to the applicant.

61B .2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

61C.0 Extended reductions (qualifying contributory benefits) – movers

61C.1 This section applies;

(a) to a mover; and

(b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to–

(a) the second authority; or

(b) the mover directly.

61C.4 Where

(a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and

(b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement

61D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

61E.0 **Extended reductions: movers into the authority's area**[19]

61E.1 Where;

(a) an application is made to the authority for a reduction under its scheme, and

(b) the applicant or the partner of the applicant, is in receipt of an extended reduction from;

(i)another billing authority in England; or

(ii) a billing authority in Wales,

the current authority must reduce any reduction to which the applicant is entitled under its scheme by the amount of that extended reduction.

62.0 - 63.0 Not Used

[19] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Sections 64 – 67

Dates on which entitlement and changes of circumstances are to take effect.

64.0 Date on which entitlement is to begin.

64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax reduction is made and who is otherwise entitled to that reduction shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.

64.2 Where a person is otherwise entitled to council tax reduction and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that reduction week.

65.0 - 66.0 Not Used

67.0 Date on which change of circumstances is to take effect.

67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.**)** applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.

67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.

67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or where more than one day is concerned, from the earlier day.

67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

Sections 68– 74A

Claiming and the treatment of claims for Council tax reduction purposes

68.0 Making an application[20]

68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;

(a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or

(c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.

68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);

(a) it may at any time revoke the appointment;

(b) the person appointed may resign his office after having given 4 weeks' notice in writing to the authority of his intention to do so;

(c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

68.7 The authority must;

(a) inform any person making an application of the duty imposed by paragraph 9(1)(a);

(b) explain the possible consequences (including prosecution) of failing to comply with that duty; and

(c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

[20] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

69.0 Procedure by which a person may apply for a reduction under the authority's scheme[21]

69.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

69.2. An application may be made;

(a) in writing,
(b) by means of an electronic communication in accordance with sections 101 – 106A of this scheme, or
(c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

69.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.

(2) The form must be provided free of charge by the authority for the purpose.

69.4 (1) Where an application made in writing is defective because—

(a) it was made on the form supplied for the purpose, but that form is not accepted by the authority as being properly completed; or

(b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

(1) Where an applicant ;

(a) makes an application under this scheme which includes (or which he subsequently requests should include) a period before the application is made; and

[21] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

(b) from a day in that period, up to the date he made the application (or subsequently requested that the application should include a past period), the applicant had continuous good cause for failing to make an application (or request that the application should include that period),

the application is to be treated as made on the date determined in accordance with sub-paragraph (2).

(2) That date is the latest of;

a. the first day from which the applicant had continuous good cause;
b. the day 3 months before the date the application was made;
c. the day 3 months before the date when the applicant requested that the application should include a past period.

69A.0 Date on which an application is made.

69A.1 Subject to sub-paragraph (7), the date on which an application is made is;

(a) in a case where;

(i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and

(ii) the application for a reduction is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;

(b) in a case where

(i) an applicant or his partner is a person in receipt of a guarantee credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling he occupies as his home, and

(iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(c) in a case where;

(i) an award of income support, an income-based jobseeker's allowance or an income- related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and

(ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(d) in a case where;

(i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

(iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(e) in a case where;

(i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and

(ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation,

the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(g) in any other case, the date on which an application is received at the designated office.

69A.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or

(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),

have been entitled to that allowance.

69A.3 Where there is a defect in an applications by telephone;

(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;

(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.

69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

69A.5 The conditions are that—

(a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or

(b) where an application is not on approved form or further information requested by authority applies;

(i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;

(ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,

in either case, within such longer period as the authority may consider reasonable; or

(c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

69A.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.

69A.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application, but the authority is of the opinion that unless there is a change of circumstances, he will be entitled to a reduction

under its scheme for a period beginning not later than;

(a) in the case of an application made by;

(i) a pensioner, or

(ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit,

the seventeenth reduction week following the date on which the application is made, or

(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,

the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

69A.8 In this paragraph "appropriate DWP office" means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims of income support, a job seekers allowance or an employment and support allowance.

70.0 Submission of evidence electronically

70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim.

71. 0 Use of telephone provided evidence

71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim.

72.0 Information and evidence[22]

72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

72.2 This sub-paragraph is satisfied in relation to a person if—

(a) the application is accompanied by;

(i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or

(ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or

(b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;

(i) evidence of the application for a national insurance number to be so allocated; and

(ii) the information or evidence enabling it to be so allocated.

72.3 Sub-paragraph (2) does not apply;

(a) in the case of a child or young person in respect of whom an application for a reduction is made;

(b) to a person who;

(i) is a person treated as not being in Great Britain for the purposes of this scheme;

(ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and

(iii) has not previously been allocated a national insurance number.

[22] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

72.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

72.6 Where the authority makes a request under sub-paragraph (4), it must;
(a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
(b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.

72.7 This sub-paragraph applies to any of the following payments;
(a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
(b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);
(c) a payment which is disregarded under paragraph 58.9.

72.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;
(a) the name and address of the pension fund holder;
(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

73.0 Amendment and withdrawal of application[23]

73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

73.2 Where the application was made by telephone the amendment may also be made by telephone.

73.3 Any application amended is to be treated as if it had been amended in the first instance.

73.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

73.5 Where the application was made by telephone, the withdrawal may also be made by telephone.

73.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

[23] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

74.0 Duty to notify changes of circumstances[24]

74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;
(a) between the making of an application and a decision being made on it, or
(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;
(a) in writing; or
(b) by telephone—
(i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
(ii) in any case or class of case where the authority determines that notice may be given by telephone; or
(c) by any other means which the authority agrees to accept in any particular case,
within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying;
(a) changes in the amount of council tax payable to the authority;
(b) changes in the age of the applicant or that of any member of his family;
(c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.

74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.

74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

74.6 A person who has been awarded a reduction under the authority's scheme who is also on state pension credit must report;
(a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;
(b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks.

74.7 In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only a savings credit must also report—
(a) changes affecting a child living with him which may result in a change in the amount of

[24] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

reduction under the authority's scheme allowed in his case, but not changes in the age of the child;

(b) any change in the amount of the applicant's capital to be taken into account which does or may take the amount of his capital to more than £6,000;

(c) any change in the income or capital of;

(i) a non-dependant whose income and capital are treated as belonging to the applicant; or

(ii) a person to whom their partner is treated as member of the household,

and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

74.8 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within one calendar month of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later that the actual change of circumstances.

Sections 75- 90

Decisions, decision notices and awards of Council tax reduction

75.0 Decisions by the authority[25]

75.1 The authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and section 69 being satisfied, or as soon as reasonably practicable thereafter.

76.0 Notification of decision[26]

76.1 The authority must notify in writing any person affected by a decision made by it under its scheme;
(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;
(a) informing the person affected of the duty imposed by 74.1;
(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

76.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

76.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

76.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

76.8 This sub-paragraph applies to—
(a) the applicant;
(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;
(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000(**3**) who has power to apply or, as the case may be, receive benefit on the person's behalf; or
(iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney

[25] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
[26] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

(c) a person appointed by the authority to act for a person unable to act.

77.0 Time and manner of granting council tax reduction[27]

77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

(a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or

(b) where;

(i) such a reduction is not possible; or

(ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or

(iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

77.3 In a case to which paragraph (1)(b) refers;

(a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;

(i) must be paid to that person if he so requires; or

(ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;

(b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter

(c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

78.0 Persons to whom reduction is to be paid [28]

78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount of a reduction must be made to that person.

[27] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

[28] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

79.0 Shortfall in reduction[29]

79.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

(a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or

(b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonably practicable, as soon as possible afterwards.

80.0 Payment on the death of the person entitled[30]

80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

81.0 Offsetting

81.1 Where a person has been allowed or paid a sum of council tax reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

82 .0 Payment where there is joint and several liability[31]

82.1 Where;

(a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;

(b) the person entitled to the reduction is jointly and severally liable for the council tax; and

(c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,

it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

[29] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
[30] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
[31] Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

83.0 – 90.0 Not used

Sections 91 – 94

Collection, holding and forwarding of information for Council tax reduction purposes.

91.0 Use of information from and to the Department of Work and Pensions (DWP) and Hi Majesty's Revenues and Customs (HMRC)

91.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

91.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements[32].

92.0 Collection of information

92.1 The authority may receive and obtain information and evidence relating to claims for council tax reduction, the council may receive or obtain the information or evidence from–

(a) persons making claims for council tax reduction;
(b) other persons in connection with such claims;
(c) other local authorities; or
(d) central government departments including the DWP and HMRC

92.2 The authority may verify relevant information supplied to or obtained.

93.0 Recording and holding information.

93.1 The authority may

(a) may make a record of such information; and
(b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax reduction.

94.0 Forwarding of information.

94.1 The authority may forward it to the person or authority for the time being administering claims to or awards of council tax reduction to which the relevant information relates, being;

(i) a local authority;
(ii) a person providing services to a local authority; or
(iii) a person authorised to exercise any function of a local authority relating to council tax reduction.

[32] Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

Sections 95 – 98

Revisions, Written Statements, Termination of Council tax reduction

95.0 Persons affected by Decisions.

95.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;

a. an applicant;

b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act

(i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or reduction on his behalf,

(ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or

(iii) an attorney with a general power or a power to receive benefit or reduction appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;

c. a person appointed by the authority under this scheme;

96.0 Revisions of Decisions

96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision) may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;

(i) one month of the date of notification of the original decision; or

(ii) such extended time as the authority may allow.

96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;

i) one month of the date of notification of the additional information; or

(ii) such extended time as the authority may allow

97.0 Written Statements

97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council tax reduction. The request must be received within one month of the date of the notification being issued by the authority.

98.0 Terminations

98.1 The authority may terminate reduction in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;

a. the conditions for entitlement to Council tax reduction are or were fulfilled; or

b. a decision as to an award of such a reduction should be revised or superseded.

98.2 The authority may terminate, in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;

a. the conditions for entitlement to Council tax reduction are or were fulfilled; or

b. a decision as to an award of such a reduction should be revised or superseded.

Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

Section 99

Appeals against the authority's decisions.

99.0 Procedure by which a person may make an appeal against certain decisions of the authority[33]

99.1 A person who is aggrieved by a decision of the authority, which affects;
(a) the person's entitlement to a reduction under its scheme, or
(b) the amount of any reduction to which that person is entitled,
may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

99.2 The authority must
(a) consider the matter to which the notice relates;
(b) notify the aggrieved person in writing;
(i) that the ground is not well founded, giving reasons for that belief; or
(ii) that steps have been taken to deal with the grievance, stating the steps taken.

99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act[34].

.

[33] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
[34] As amended by the Tribunal Procedure (Amendment No 3) Rules 2014

Section 100

Procedure for applying for a discretionary reduction.

100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act[35]

100.1 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;

(a) in writing,

(b) by means of an electronic communication in accordance this scheme or

(c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

100.2 Where;

(a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and

(b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

[35] Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Section 101 – 106A[36]

Electronic Communication

[36] Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

101.0 Interpretation

101.1 In this Part;
"information" includes an application, a certificate, notice or other evidence; and
"official computer system" means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

102.0 Conditions for the use of electronic communication

102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.

102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.

102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

102.4 The second condition is that the person uses an approved method of;
(a) authenticating the identity of the sender of the communication;
(b) electronic communication;
(c) authenticating any application or notice delivered by means of an electronic communication; and
(d) subject to sub-paragraph (7), submitting to the authority any information.

102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.

102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

102.8 In this paragraph "approved" means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

103.0 Use of intermediaries

103.1 The authority may use intermediaries in connection with;
(a) the delivery of any information by means of an electronic communication; and
(b) the authentication or security of anything transmitted by such means,
and may require other persons to use intermediaries in connection with those matters.

104.0 Effect of delivering information by means of electronic communication.

104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority's scheme on the day the conditions imposed;
(a) by this section; and
(b) by or under an enactment,
are satisfied.

104.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

105.0 Proof of identity of sender or recipient of information

105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—

(a) the sender of any information delivered by means of an electronic communication to an official computer system; or

(b) the recipient of any such information delivered by means of an electronic communication from an official computer system,

the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

106.0 Proof of delivery of information

106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

(a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or

(b) any such information has been delivered by the relevant authority if the delivery of that information has been recorded on an official computer system.

106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case if that information delivered to the relevant authority has not been recorded on an official computer system.

106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

106A.0 Proof of content of information

106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

Section 107

Counter Fraud and Compliance

107.0 Counter Fraud and compliance

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

a. Prevent and detect fraudulent claims and actions in respect of Council tax reduction;
b. Carry out investigations fairly, professionally and in accordance with the law; and
c. Ensure that sanctions are applied in appropriate cases.

107.2 The authority believes that it is important to minimise the opportunity for fraud and;

a. will implement rigorous procedures for the verification of claims for council tax reduction;
b. will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
c. will actively tackle fraud where it occurs in accordance with this scheme;
d. will co-operate with the Department for Work and Pensions (DWP), Hi Majesty's Revenues and Customs and take part in joint working including prosecutions; and
e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

Schedule 1

Applicable Amounts[37]

[37] [37] The amounts shown within this schedule shall be uprated in line with the Housing Benefit Regulations 2006 as amended.

Personal Allowance

1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

Column 1 Person or Couple	Column 2
1. A Single applicant who; a) is entitled to main phase employment and support allowance	£90.50
b) is aged not less than 25	£90.50
c) is aged not less than 18 but less than 25	£71.70
2. Lone Parent	£90.50
3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance	£142.25
b) Where one member is aged not less than 18	£142.25
c) For each additional spouse who is a member of the same household as the claimant	£51.75

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

a. Paragraph 17 or 18 is satisfied in relation to the applicant; or
b. The applicant is entitled to a converted employment and support allowance.

2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

Column 1 Child or Young Person	Column 2
Person in respect of the period– (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£83.24
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	£83.24

(2) In column (1) of the table in paragraph (1), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

Family Premiums

3. (1) The amount for the purposes of this scheme in respect of a family of which at least one member is a child or young person shall be

a. where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the Housing Benefit Regulations 2006 applies, £22.20;
b. in any other case, £19.15;

Premiums

4. Except as provided in paragraph 5, the premiums specified this Schedule shall, for the purposes of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 4 to 16 in respect of that premium.

5. Subject to paragraph 6, where an applicant satisfies the conditions in respect of more than one premium in this this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.

6 (1) The following premiums, namely–

a. severe disability premium to which paragraph 10 applies;
b. an enhanced disability premium to which paragraph 11 applies;
c. a disabled child premium to which paragraph 12 applies; and a
d. carer premium to which paragraph 13 applies,

may be applicable in addition to any other premium which may apply under this Schedule.

7. (1) Subject to sub-paragraph (2), for the purposes of this Schedule, once a premium is applicable to an applicant under this Part, a person shall be treated as being in receipt of any benefit for

a. in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
b. any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 1973 Act or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under or section 2 of the Enterprise and New Towns(Scotland) Act 1990 for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Act or the daily living component of the personal independence payment under the Welfare Reform Act 2012 or an AFIP.

Disability Premium

8. The condition (s) to be met is contained in Schedule 3 (12) Housing Benefit Regulations 2006

Additional Condition for the Disability Premiums

9. The condition (s) to be met is contained in Schedule 3 (13) Housing Benefit Regulations 2006

Severe Disability Premiums

10. The condition (s) to be met is contained in Schedule 3 (14) Housing Benefit Regulations 2006

Enhanced Disability Premium

11. The condition (s) to be met is contained in Schedule 3 (15) Housing Benefit Regulations 2006

Disabled Child Premium

12. The condition (s) to be met is contained in Schedule 3 (16) Housing Benefit Regulations 2006

Carer Premium

13. The condition (s) to be met is contained in Schedule 3 (17) Housing Benefit Regulations 2006

Persons in receipt of concessionary payments

14. For the purpose of determining whether a premium is applicable to a person under paragraphs 8 to 13, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

Persons in receipt of benefit for another

15. For the purposes of this Schedule, a person shall be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

Amounts of Premium

16. For the purposes of this Schedule, the following amounts shall apply;

Premium	Amount
Disability Premium a. where the applicant satisfies the condition in paragraph 12(a) of Schedule 3 Housing Benefit Regulations 2006	£42.50
b. where the applicant satisfies the condition in paragraph 12(b) of Schedule 3 Housing Benefit Regulations 2006	£60.60
Severe Disability Premium a. where the applicant satisfies the condition in paragraph 14(2)(a) of Schedule 3 Housing Benefit Regulations 2006	£81.50
b. where the applicant satisfies the condition in paragraph 14(2)(b) of Schedule 3 Housing Benefit Regulations 2006 **i.** in a case where there is someone in receipt of carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 14(5);	£81.50
ii. in a case where there is no one in receipt of such an allowance	£163.00
Disabled Child Premium	£80.01 in respect of each child or young person in respect of whom the condition specified in paragraph 16 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
Carer Premium	£45.60 in respect of each person who satisfies the condition specified in paragraph 17 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
Enhanced Disability Premium	(a) £32.20 in respect of each child or young person in respect of whom the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied; (b) £20.85 in respect of each person who is neither– (i)a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied; (c) £29.75 where the applicant is a member of a couple or a

Premium	Amount
	polygamous marriage and the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied in respect of a member of that couple or polygamous marriage.

The components

17. The condition (s) to be met is contained in Schedule 3 (21 -24) Housing Benefit Regulations 2006 as amended by the Social Security (Miscellaneous Amendments) Regulations 2013

18. The amount of the work-related activity component is £35.95. The amount of the support component is £47.70.

Transitional Addition

19. The applicant is entitled to the transitional addition calculated in accordance with paragraph 30 of Schedule 3 of the Housing Benefit Regulations 2006 where the applicant or the applicant's partner meets the conditions contained within paragraphs 27 – 29 of Schedule 3 of the Housing Benefit Regulations 2006

Amount of transitional addition

20. The amount of any transitional addition is calculated in accordance with paragraphs 30 and 31 of Schedule 3 of the Housing Benefit Regulations 2006

Schedule 2

Not Used

Schedule 3

Sums to be disregarded in the calculation of earnings[38]

[38] All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended)

1. In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged–

(a) where–

(i) the employment has been terminated because of retirement; and

(ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,

any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;

(b) where before the first day of entitlement to council tax reduction the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except–

(i) any payment of the nature described in
(aa) paragraph 25.1(e), or

(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and

(ii) any award, sum or payment of the nature described in

(aa) paragraph 25.1(g)or(h),or
(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;

(c) where before the first day of entitlement to council tax reduction–

(i) the employment has not been terminated, but
(ii) the applicant is not engaged in remunerative work,

any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii) (bb) or paragraph 25.1(i), or (j).

2. In the case of an applicant who, before first day of entitlement to council tax reduction;

(a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and

(b) has ceased to be engaged in that employment, whether or not that employment has been terminated,

any earnings paid or due to be paid in respect of that employment except;
(i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
(ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).

2A. In the case of an applicant who has been engaged in remunerative work or part- time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation

of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

3. (1) In a case to which this paragraph applies and paragraph 4 does not apply, £20; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant, it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.

(3) This paragraph applies where
(a) he is a member of a couple, and his applicable amount includes an amount by way of the disability premium; and
(b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

(4)–(5) Not used.

4. In a case where the applicant is a lone parent, £25.

5. (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium, £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.

6. Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
(a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £20;

(b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.

7. In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

8. (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £20 of earnings derived from one or more employments as–
(a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;

(b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005(**a**)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;

(c) an auxiliary coastguard in respect of coast rescue activities;

(d) a person engaged part-time in the manning or launching of a life boat;

(e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant, it shall not apply to his partner except to the extent specified in sub-paragraph (2).

(2) If the applicant's partner is engaged in employment;

(a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;

(b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.

9. Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £20.

10. In a case to which none of the paragraphs 3 to 9 applies, £5.

10A. (1) Where;

(a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;

(b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and

(c) paragraph 12 does not apply,

the amount specified in sub-paragraph (7) ('the specified amount').

(2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case, where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.

(3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is;

(a) in receipt of a contributory employment and support allowance;

(b) in receipt of incapacity benefit;

(c) in receipt of severe disablement allowance; or

(d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975

(6) 'Exempt work' means work of the kind described in;
(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)
(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,
and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

11. Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

12. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

13. Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.

14. Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.

15. Any earnings of a child or young person.

16. (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.

(2) The conditions of this sub-paragraph are that–
(a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or
(b) the applicant–
(i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
(ii) is a member of a couple and
(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and
(bb) his applicable amount includes a family premium; or
(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and;
(aa) the applicant's applicable amount includes a disability premium, the work-related activity component or the support component ;
(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week.

(3) The following are the amounts referred to in sub-paragraph (1);
(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 3 to 10A of this Schedule;
(b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and
(c) £17.10

(4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.

17. In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.

Schedule 4

Sums to be disregarded in the calculation of income other than earnings[39]

[39] Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended.

1. Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).

A2. Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.

A3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills, and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.

2. Any payment in respect of any expenses incurred or to be incurred by an applicant who is–

(a) engaged by a charitable or voluntary organisation, or

(b) volunteer,

if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).

2A. Any payment in respect of expenses arising out of the applicant's participation as a service user.

3. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.

4. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.

5. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.

6. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.

7. Any disability living allowance or personal independence payment or AFIP

8. Any concessionary payment made to compensate for the non-payment of;

(a) any payment specified in paragraph 7 or 10;

(b) income support;

(c) an income-based jobseeker's allowance.

(d) an income-related employment and support allowance.

9. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983or any payment intended to compensate for the non-payment of such a supplement.

10. Any attendance allowance.

11. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

12. (1) Any payment–

(a) by way of an education maintenance allowance made pursuant to;

(i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992

(b) corresponding to such an education maintenance allowance, made pursuant to;
(i) section14 or section181 of the Education Act 2002(power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
(ii) regulations made under section 181 of that Act; or

(iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
(a) regulations made under section 518 of the Education Act 1996;
(b) regulations made under section 49 of the Education (Scotland) Act 1980; or
(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

13. Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.

14 (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
(a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
(b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
(c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

15 (1) Subject to sub-paragraph (2), any of the following payments;
(a) a charitable payment;
(b) a voluntary payment;
(c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
(d) a payment under an annuity purchased;
(i) pursuant to any agreement or court order to make payments to the applicant; or
(ii) from funds derived from a payment made,
in consequence of any personal injury to the applicant; or
(e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of

any personal injury to the applicant.

(2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by–
(a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
(b) the parent of a child or young person where that child or young person is a member of the applicant's family.

16. 100% of any of the following, namely
(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
(b) a war widow's pension or war widower's pension;
(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Hi Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
(d) a guaranteed income payment;
(e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
(g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

17. Subject to paragraph 35, £15 of any;
(a) widowed mother's allowance paid pursuant to section 37 of the Act;
(b) widowed parent's allowance paid pursuant to section 39A of the Act.

18. (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.
(2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of–
(a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
(b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.
(3) The definition of 'water charges' in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words 'in so far as such charges are in respect of the dwelling which a person occupies as his home'.

19. Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating–
(a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student's award;
(b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
(c) the student's student loan,
an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

20. (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;

(a) is not in receipt of any award, grant or student loan in respect of that education; or

(b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount shall be equal to–

(a) the weekly amount of the payments; or

(b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

21. Any payment made to the applicant by a child or young person or a non- dependant.

22. Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family–

(a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or

(b) where the aggregate of any such payments is £20 or more per week, £20.

23. (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to–

(a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;

(b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.

(2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.

24. (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.

(2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

25. Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

26. (1) Any payment made to the applicant in respect of a person who is a member of his family–

(a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(**b**) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)

(b) not used

(ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);

(c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);

(d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(**c**) (special guardianship support services);

(2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made. to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

27. Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made

(a) by a local authority under–

(i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),

(ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or

(iii) regulations 33 or 51 of the Looked After Children (Scotland)Regulations 2009 (fostering and kinship care allowances and fostering allowances); or

(b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).

28. Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by–

(a) a health authority;

(b) a local authority but excluding payments of housing benefit made in respect of the person concerned;

(c) a voluntary organisation;

(d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;

(e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or

(f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006

29. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

29A. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(**e**) or section 29 of the Children (Scotland) Act 1995(local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A;

(a) was formerly in the applicant's care, and

(b)is aged 18 or over, and

(c)continues to live with the applicant.

30. (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;

(a) on a loan which is secured on the dwelling which the applicant occupies as his home; or

(b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to–

(a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and

(b) meet any amount due by way of premiums on–

(i) that policy; or

(ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home, and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

31. Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.

32. Any social fund payment made pursuant to Part 8 of the Act (the Social Fund), or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013

33. Any payment under Part 10 of the Act (Christmas bonus for pensioners).

34. Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

35. The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 16 and 17 shall in no case exceed £20 per week.

36. (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of–

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either;

(i) to that person's parent or step-parent, or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

37. Any housing benefit.

38. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

39. - 40. not used

41. Any payment to a juror or witness in respect of attendance at a court other than compensation

for loss of earnings or for the loss of a benefit payable under the benefit Acts.

42. Not used

43. Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).

44. Not used

45. (1) Any payment or repayment made–

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).

46. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).

47. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

48. (1)Where an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.

(2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.

(3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

48A. (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

(2) In paragraph (1)

'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;

(a) the Child Support Act 1991;

(b) the Child Support (Northern Ireland) Order 1991;

(c) a court order;

(d) a consent order;

(e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

49. **Provision for all applicants: Homes for Ukraine scheme**

(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—

(a) an applicant's entitlement to a reduction under the scheme; or

(b) the amount of any reduction to which the applicant is entitled.

(2) In this regulation—

"the Homes for Ukraine scheme" means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022.

50. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

51. Any guardian's allowance.

52. (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

53. Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

54. In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(**a**) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

55 (1) Any payment which is

(a) made under any of the Dispensing Instruments to a widow, widower or

(b)surviving civil partner of a person;

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

55A. Any council tax reduction or council tax benefit to which the applicant is entitled.

56. Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10

57. Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

58. (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person–

(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;

(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account

59. (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

60. Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.

61. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.

62. Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.

63. (1)Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.

64. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

(a)an applicant's entitlement to a reduction under the scheme; or

(b)the amount of any reduction to which the applicant is entitled.

"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022

65. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments

66. Any payment of child benefit.

Schedule 5

Capital to be disregarded[40]

[40] Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended.

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.

A2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.

A3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills, and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.

2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.

4. Any premises occupied in whole or in part–

(a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;

(b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.

6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.

7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub- leases or sub-tenancies.

8. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

(2) The assets of any business owned in whole or in part by the applicant where–

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax reduction is made, or is treated as made, or, if it is unreasonable to expect him to become engaged

or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(3) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;

(a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
(b) an income-related benefit under Part 7 of the Act;
(c) an income-based jobseeker's allowance;
(d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
(e) working tax credit and child tax credit
(f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

(a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
(b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax reduction, for the remainder of that award if that is a longer period.

(3) For the purposes of sub-paragraph(2),'the award of council tax reduction' means–

(a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
(b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
(i) is the person who received the relevant sum; or
(ii) is the partner of the person who received the relevant sum or was that person's partner at the date of his death.

10. Any sum

(a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
(b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

11. Any sum–

(a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;

(b) which was so deposited, and which is to be used for the purchase of another home,

for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

12. Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax reduction or to increase the amount of that reduction.

13. The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.

14. Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.

14A. (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.

(2) But sub-paragraph (1)

(a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;

(b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);

(c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;

(d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

15. The value of the right to receive any income under a life interest or from a life rent.

16. The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.

17. The surrender value of any policy of life insurance.

18. Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.

19. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

19A. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial

assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A;

(a) was formerly in the applicant's care, and

(b) is aged 18 or over, and

(c) continues to live with the applicant.

20. Any social fund payment made pursuant to Part 8 of the Act.

21. Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

22. Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.

23. Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

24. (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of–

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of–

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where–

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child ,a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund , the Caxton Foundation, and the London Bombings Relief Charitable Fund.

25. (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

26. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

27. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

28. Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

29. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

30. Not used

31. The value of the right to receive an occupational or personal pension.

32. The value of any funds held under a personal pension scheme

33. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

34. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

35. Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.

36. Not used.

37. Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.

38. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used–

(a) to purchase premises intended for occupation as his home; or

(b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,

for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

39. Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.

40. (1) Any payment or repayment made–

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),

but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.

41. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

41A. Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).

42. Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

43. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

44. Not used

45. Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.

46. (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax reduction), the whole of his capital.
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax reduction), sub-paragraph (1) shall not have effect.

47. (1) Any sum of capital to which sub-paragraph (2) applies and
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;
(b) which can only be disposed of by order or direction of any such court; or
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.
(2) This sub-paragraph applies to a sum of capital which is derived from;
(a) an award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

48. Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
(a) award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

49. Any payment to the applicant as holder of the Victoria Cross or George Cross.

50. **Provision for all applicants: Homes for Ukraine scheme**
(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
(c) an applicant's entitlement to a reduction under the scheme; or
(d) the amount of any reduction to which the applicant is entitled.
(2) In this regulation—
"the Homes for Ukraine scheme" means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022.

51. In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

52. (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

53. (1) Any payment;

(a) by way of an education maintenance allowance made pursuant to–

(i) regulations made under section 518 of the Education Act 1996;

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to;

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

54. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

55. Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

56. Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of–

(a) the applicant;

(b) the applicant's partner;

(c) the applicant's deceased spouse or deceased civil partner; or

(d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

57. (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is

(a) a diagnosed person;

(b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;

(c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or

(d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to;

(a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;

(c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending–

(i) two years after that date; or

(ii) on the day before the day on which that person–

(aa) ceases receiving full-time education; or

(bb) attains the age of 20,

whichever is the latest.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is–

(a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;

(b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or

(c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,

but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

(4) Where a payment as referred to in sub-paragraph (3) is made to–

(a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or

(c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending–

(i) two years after that date; or

(ii) on the day before the day on which that person

(aa) ceases receiving full-time education; or

(bb) attains the age of 20,

whichever is the latest.

(5) In this paragraph, a reference to a person–

(a) being the diagnosed person's partner;

(b) being a member of a diagnosed person's family;

(c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

(6) In this paragraph– 'diagnosed person' means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;

'relevant trust' means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;

'trust payment' means a payment under a relevant trust.

58. The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner

(a) was a slave labourer or a forced labourer;

(b) had suffered property loss or had suffered personal injury; or

(c) was a parent of a child who had died,

during the Second World War.

59 (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) 'local authority' includes in England a county council.

60. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care)**.**

61. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

62. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

63. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments).

64. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

(a)an applicant's entitlement to a reduction under the scheme; or

(b)the amount of any reduction to which the applicant is entitled.

"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Rachael Sanders
Directorate: Corporate Services
Name of lead person for this activity: Rachael Sanders
Individual(s) completing this assessment:
Date assessment completed: 10 December 2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

The Council Tax Reduction Scheme (CTRS) for Herefordshire Council is available to working age claimants (set locally by the council) and pensioner claimants (set nationally by Central Government). The local CTRS reduces Council Tax charges by 100% for claimants if they meet certain set criteria. The scheme proposed for 2026/27 is unchanged from the 2025/26 scheme.

What is the aim, purpose, or intended outcome of this activity?

The scheme aims to mitigate the financial impact of increases in Council Tax as proposed in the 2026/27 draft budget by reducing the debt burden on those residents who struggle to pay their Council Tax charge.

Who will be affected by the development and implementation of this activity?

- ☐ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Office for National Statistics, Census 2021 data – population, age, disability.
Office for National Statistics, unemployment data (November 2025).
Office for National Statistics, Disability pay gaps in the UK (October 2024).
Office for National Statistics, Annual Survey of Hours and Earnings (November 2025).
Ministry of Housing, Communities and Local Government (MHCLG) – Council Tax support claimants (September 2025).
Department for Work and Pensions (DWP) – Children in Low income families (March 2025).

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

A public consultation will be undertaken as part of the budget setting process. For 2026/27, this will involve an online survey to gather feedback from residents and local businesses. The analysis of consultation results will be included in the budget setting reports for Cabinet and Council.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

The Council Tax Reduction Scheme (CTRS) eligibility is based on level of income and savings. This policy will disproportionately positively impact those protected characteristic groups where there is evidence that they have lower income levels than average. This is because they could have a successful application to the scheme resulting in a lower/no Council Tax charge. This potentially applies to the protected characteristics of Age, Disability, Pregnancy/Maternity, Sex and Social/economic deprivation.

Age

The 2021 Census population data shows that 26% of the population of Herefordshire are aged 65 years and over. The MHCLG data shows that 42% of Council Tax support claimants are pensioners. This indicates that older adults are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Disability

The 2021 Census population data shows that 6.7% of Herefordshire residents class themselves as disabled and limited a lot, and 10.3% class themselves as disabled and limited a little. The Office for National Statistics data for disability pay gap shows median hourly pay for those limited a little at 12.7% and for those limited a lot at 17.1%. This indicates that those with a disability are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Pregnancy/Maternity

There is potential for lower income for this group due to maternity leave and part time hours during this period. This indicates that those in the pregnancy/maternity group are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Sex

The Office for National Statistics data on the gender pay gap indicates that women in Herefordshire are paid 9.9% less than men. This indicates that women are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Social/economic deprivation

The Office for National Statistics data for unemployment shows the level of unemployment in Herefordshire is 2.7%.

The DWP data for children in low income families shows that 5,272 children in Herefordshire are living in families classed as in relative absolute poverty.

This indicates that this group are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Note we are unable to obtain protected characteristics data on those successful applicants to the CTRS, with the exception of Age, which is published by MHCLG.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☒	☐	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

By minimising the financial burden on those who struggle to afford their Council Tax charges, the council is promoting financial equality of opportunity.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☐	The CTRS claimants' data shows that 42% of successful claims are made by pensioners, which is a higher proportion than the population demographics would suggest. This suggests that older adults are disproportionately positively impacted by this scheme.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☐	ONS data shows there is a disability pay gap which would indicate that those people with disabilities are more likely to be lower paid. This suggest that people with disabilities are disproportionately positively impacted by this scheme.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Marriage & Civil Partnerships	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☒	☐	☐	It is more likely that this group would have lower income due to maternity leave pay and potential for part time hours during this period. This suggests that the pregnancy/maternity group are disproportionately positively impacted by this scheme. NB. Data source outstanding.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Religion & Belief	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Sex (consider issues of safety and sexual violence, part-time work)	☒	☐	☐	ONS data shows there is a gender pay gap which would indicate that women are more likely to be lower paid. This suggest that women are disproportionately positively impacted by this scheme.
Sexual Orientation	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☒	☐	☐	It is more likely that this group would have lower income due to their social/economic factors. This suggests that this group are disproportionately positively impacted by this scheme. NB. Data source outstanding.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Groups within this EIA with potentially lower income and therefore higher positive impact of this policy are pregnancy/maternity, those in the other category (carers, care leavers, homeless, social/ economic deprivation) and veterans.	The council is reviewing data sources to provide information to evidence the potential for lower income in these groups.	Intelligence Unit Team	February 2026

7. Monitoring and review

How will you monitor these actions?

The Council Tax Reduction scheme is considered for renewal each year by Cabinet in line with the budget setting reporting.

When will you review this EIA?

Annually through the budget setting process.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Rachael Sanders

Date signed

16 January 2026

AGENDA ITEM 9

Herefordshire Council

Title of report: 2026/27 Capital Investment Budget and Capital Strategy Update

Meeting: **Council**

Meeting date: **Friday 13 February 2026**

Report by: **Cabinet Member Finance and Corporate Services**

Classification
Open

Decision type

Budget and policy framework

Wards affected
(All Wards);

Purpose
To approve the revised capital investment budget and capital strategy for 2026/27 onwards.

Recommendation(s)
That: Council:

a) **Approve the revised capital programme for 2026/27 attached at appendix C;**

b) **Approve the capital strategy at appendix D; and**

c) **Approve the Flexible Use of Capital Receipts of up to £1.0 million in 2026/27, to support transformation to generate ongoing revenue savings and reduce service delivery costs in future years.**

Alternative options

1. It is open to Council to recommend alternative capital investment options to Council. Any amendment to proposals put forward by Cabinet, must have been discussed with the relevant service director to determine the context and possible consequences of the proposal and have secured confirmation from the chief finance officer that the action proposed is achievable.

Further information on the subject of this report is available from
Rachael Sanders, Tel: 01432 383775, email: Rachael.sanders@herefordshire.gov.uk

2. A capital strategy is required in accordance with the statutory guidance issued by Chartered Institute of Public Finance and Accountancy (CIPFA), there is discretion on content of the strategy, but we have applied the guidelines within the draft.

Key considerations

3. The capital programme reflects capital investment generating benefit to the county for a period in excess of one year.

4. There was a Full Council meeting on 7 February 2025 and the current capital programme included in this report is the base capital programme approved at that meeting.

5. The approved capital programme is provided at appendix B as at the start of January 2026. The reprofiling of the capital spend was carried out in quarter 2 in line with external audit recommendations and reported separately to cabinet. Forecasting against budget is reported to Cabinet in the quarterly report, which includes an up to date forecast of the timing of capital spend, the Q3 forecast will be reported at the February meeting. The additional grants received are listed at the bottom of appendix B and have all been approved by the chief finance officer in year.

6. The proposed Capital Programme for 2026/27 presents an ambitious programme of capital investment aligned to the priorities of the Council Plan across People, Place, Growth and Transformation.

7. The proposed additions for 2026/27 represent projects which will:

    a. deliver increased temporary and emergency accommodation to respond to homelessness and housing demand across the county;
    b. mitigate key revenue budget pressures through alternative school provision and Pupil Referral Units;
    c. improve the use of technology to deliver efficiencies and innovation in services to residents;
    d. deliver new infrastructure to support growth opportunities for housing;
    e. strengthen resilience of our school and property assets;
    f. improve public rights of way access; and
    g. provide continued investment in the county's road network.

8. All proposals are included in appendix A along with outline strategic business cases at appendix E. Appendix A provides details of the proposed additions to the existing capital programme that have been identified and the impact of approving these additions. Fourteen capital investment budget proposals totalling £44.0 million have been identified, to be funded by prudential borrowing, capital receipts reserve and revenue reserves.

9. Responding to social and affordable housing needs across the county remains a high priority for the council. A further provision of £10.0m has been added to the capital programme to bring forward schemes to deliver social housing to meet the county's urgent need for provision, provide better homes for those in need, and reduce the high-cost dependence on temporary accommodation. The funding is based on borrowing which is repaid through the income from housing benefit and the reduced cost of temporary accommodation, along with applications for Homes England grants and some provision of corporate funded borrowing where required.

10. The council is committed to identifying solutions to develop affordable housing and work is underway to review best practice options through engagement with developers and registered providers.

11. An Historic Building Fund of £5.0m has been added to fund future works to preserve and restore historic buildings in Hereford including the Museum & Art Gallery, Shirehall and Town Hall. The approved Capital Programme includes an existing allocation of £0.75m to fund Town Hall improvements. This Historic Building Fund will be held centrally, and it is delegated to the S151 officer to allocate funds to specific project budgets once final contract prices have been received to carry out the work required.

12. An informal review of all prospective capital funding requests has been completed to ensure the financial impact of the funding requests is taken account of in the medium term financial strategy.

13. A review of the current capital programme took place at the same time and it was agreed to remove a number of projects that were no longer needed or alternative funding identified to release borrowing and capital receipts for utilisation with the new bids. The projects that have been removed from the proposed capital programme at appendix c are:

    a. Employment land in Market Towns £4.0m capital receipts use has been removed as there has been no projects come forward at present to spend this budget and any need will be reviewed in the future if business cases come forward
    b. City and Market Town Public Realm Investment of £1.2m has been removed but this work will still be carried out but funded from the Local Transport Grant allocation
    c. Road Safety Schemes £3.0m has been removed but this work will still be carried out but funded from the Local Transport Grant allocation
    d. Council school transport fleet £0.35m has been removed as a result of the review and any future likely delivery model being based on leased vehicle and not purchases.
    e. Estates Programme of works, there has been a review of all the various budgets in the capital programme and where work is not deemed as required presently the budget has been removed or the asset has been transferred then there is no longer a requirement. A total of £2.65m has been removed across a number of projects.

14. As part of the 2016/17 Local Government Finance Settlement, the government announced new flexibilities allowing local authorities to use capital receipts to fund transformation expenditure. This guidance was extended and updated in 2024/25 to extend the freedom for local authorities to use eligible capital receipts up to 2029/30 to help fund the revenue costs of transformation and release savings.

15. The direction permits authorities to use the proceeds from asset sales to fund the revenue costs of projects that will deliver ongoing savings, reduce costs, increase revenue or support a more efficient provision of services. The council intends to take advantage of this flexibility to support the financing of qualifying expenditure to deliver transformation change programmes across the organisation. Therefore £1.0 million in 2026/27 revenue transformation works will be funded from the use of the capital receipts reserve subject to receipt of the expected capital receipts in year.

16. Inclusion in the capital programme is not approval to proceed. Each project will be subject to its own governance, a full business case will be presented for approval to Cabinet where required and compliance with the council's contract procedure rules as applicable.

17. The capital strategy has been developed in accordance with CIPFA guidelines. The purpose of the capital strategy is to tell a story that gives a clear and concise view of how the council determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk appetite. It should not duplicate other more detailed policies, procedures and plans but instead sit above these and reference these to allow those seeking more detail to know where to find it. That said it should provide sufficient detail so that it provides an accessible single source for the reader. The strategy is included at appendix D and in line with the guidelines requires Council approval.

Community impact

18. In accordance with the adopted code of corporate governance, Herefordshire Council achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these is an important strategic choice to make to ensure intended outcomes are achieved. The council needs robust decision making mechanisms to ensure our outcomes can be achieved in a way that provides the best use of resources while still enabling efficient and effective operations.

19. The capital investment proposals support the overall delivery plan and service delivery strategies in place. The overall aim of capital expenditure is to benefit the community through improved facilities and by promoting economic growth. A specific community impact assessment, including any health and safety implications or corporate parenting responsibilities, will be included in the decision report required for any new capital scheme commencing and incurring spend.

Environmental Impact

20. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

21. Whilst this overarching budget setting document will not detail specific environmental impacts, consideration is always made to minimising waste and resources use in line with the council's Environmental Policy. A specific environmental impact assessment for the service specific budget proposals will be considered as appropriate to seek to minimise any adverse environmental impact and actively seek opportunities to improve and enhance environmental performance. An environmental assessment will be developed and scoped for each project when they seek approval to spend through a separate governance decision.

Equality duty

22. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services. An equality impact screening checklist will be completed for each capital project before any capital expenditure is incurred and where necessary a full Equality Impact Assessment will be performed. Equalities will be considered during the delivery of the service to ensure that the Council has regard to any potential effects on those with protected characteristics.

Resource implications

23. The proposed additions at appendix A total £44.0 million over the next four years. This is to be financed from £36.3 million prudential borrowing, of which £12.9 million is in addition to the amount available through current levels of corporate funded borrowing and £8.2 million is funded as a return on investment where income or savings benefits repay the cost of borrowing. £5 million is to be funded from the use of the capital receipts reserve and £2.7 million from capital grants to be applied for. Where projects are in the capital programme, but they depend on grant, if the grant request is not successful, the full project including any match funding will be removed unless a revised project is approved within the revised allocations.

Scheme	Capital Grant funding £000	Redirected funding £000	Capital receipt funding £000	Funded by ROI £000	Corporate Funded PB £000	Total Request £000
Property Improvements in Care Homes – Phase 3	0.0	0.0	198.8	0.0	0.0	198.8
Residential overnight short breaks refurbishment	0.0	0.0	60.0	0.0	0.0	60.0
Hereford Western Bypass Phase 1	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Strategic Housing Capital Projects	2,655.0	0.0	0.0	3,245.0	4,100.0	10,000.0
Relocate Herefordshire Pupil Referral Units	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Establish a new alternative provision (AP) centre	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Aylestone School Improvement Works	0.0	0.0	1,790.0	0.0	1,000.0	2,790.0
Schools Capital Maintenance	0.0	0.0	1,570.0	0.0	0.0	1,570.0
Resurfacing Herefordshire Highways 3	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Managing Ash Dieback in Herefordshire	0.0	0.0	0.0	0.0	242.0	242.0
Estates Building Improvement Programme 2026-29	0.0	0.0	1,000.0	0.0	1,964.6	2,964.6
Essential system updates and upgrades	0.0	0.0	0.0	0.0	174.0	174.0
Public Rights of Way	0.0	0.0	381.2	0.0	618.8	1,000.0
Historic Building Fund	0.0	0.0	0.0	5,000.0	0.0	5,000.0
Total	**2,655.0**	**0.0**	**5,000.0**	**8,245.0**	**28,099.4**	**43,999.4**

24. The corporate revenue implications of securing this new borrowing are included in the current Medium Term Financial Strategy and Treasury Management Strategy which had always allowed for £6.7 million new prudential borrowing per annum over the strategy period.

Funding Position	26/27	27/28	28/29	29/30	Total
Total Corporate Borrowing Required	**11,593.6**	**10,521.3**	**5,984.5**	**-**	**28,099.4**
Annual Funding Limit	6,700.0	6,700.0	6,700.0	6,700.0	26,800.0
Unspent 24/25 borrowing to reallocate	533.0				533.0
Unspent 25/26 borrowing estimated	804.0				804.0
Estates Projects Removed	2,652.1				2,652.1
Projects Removed	4,550.0				4,550.0
Allocated Previously	- 6,700.0	-6,700.0	- 6,700.0	-	- 20,100.0
Total Funding Available	**8,539.1**	**0.0**	**0.0**	**6,700.0**	**15,239.1**
Funding Variance	**-3,054.6**	**-10,521.3**	**-5,984.5**	**6,700.0**	**-12,860.3**

25. The additional borrowing requirement is reflected in an update to the Treasury Management Strategy as shown in the report appearing elsewhere on the Council's agenda today [13 February 2026] with actual borrowing being secured, as cash funding is required at the optimal interest rate available at that time. The above table reflects borrowing above the annual funding each year, this will have an impact on future revenue budgets when the repayments have to be made. These additional costs are reflected in the table below, this is calculated over a 40 year period and therefore £0.82 million repayments will continue until fully repaid.

Revenue Repayment Costs	27/28	28/29	29/30	30/31
	£000	£000	£000	£000
Annual amount	195.49	868.85	1,251.86	823.06

26. Individual capital scheme resourcing implications will be detailed in the approval to precede decision. Appendix E contains the outline strategic business cases for each of the new projects.

Legal implications

27. The council is under a legal duty to sensibly manage capital finance. The council is able to borrow subject to limits set by the council, any nationally imposed limits, and it must do so in accordance with the prudential code on borrowing.

28. The Local Government Act 2003 allows the council to borrow for any purpose relevant to its functions under any enactment and for the purposes of the prudent management of its financial affairs.

29. Full Council is responsible for adopting the capital investment budget (referred to above as the capital programme) for the next financial year. Local Authorities deliver a range of services some of which are required to be undertaken under statutory duties and others which are a discretionary use of statutory powers. Local Authorities' powers and duties are defined by legislation. The Localism Act 2011 provides a General Power of Competence under Section 1, which provides local authorities with the power to do anything that an individual may do, subject to limitations. Capital expenditure is defined under the Local Government Act 2003. It is therefore not only schemes that are necessary for the council to meet its statutory duties, which can be approved. Any scheme must be procured in accordance with the council's own contract procedure rules and appropriate contractual documentation put in place to protect the council's interests.

30. Section 106 of the Local Government Finance Act 1992 precludes a councillor from voting on the Council's budget if he or she has an outstanding council tax debt of over two months. If a councillor who is precluded from voting is present at any meeting at which relevant matters are discussed, he or she must disclose that section 106 applies and may not vote. Failure to comply is a criminal offence.

31. In accordance with the budget and policy framework, rules in the constitution the general scrutiny committee shall inform and support the process for making cabinet proposals to Council. Scrutiny Management Board have considered the capital investment budget at appendix A at its meetings on 23 January 2026, to ensure the proposals included in appendix C and D have been developed in accordance with the constitution.

32. Cabinet shall have regard to scrutiny recommendations and the responses to the consultation as have been made to it in drawing up or amending draft proposals for submission to Council, and its report to Council shall reflect those recommendations, comments, and the cabinet's response to them.

33. Part 4 Section 3 of the Constitution provides the mechanism used by the Council in adopting a budget and any policy framework. Cabinet must recommend a balance budget for adoption by the Council. Any amendments to the Cabinet recommendation requires the proposer to have discussed with the relevant service director and the chief finance officer that it is achievable before submitting an amendment (para 4.3.12).

Risk management

34. For all capital projects monthly budget control meetings give assurance on the robustness of budget control and monitoring, to highlight key risks and to identify any mitigation to reduce the impact of pressures on the council's overall position for example through phasing of spend, identifying and securing scheme changes or alternative funding sources.

35. Capital projects inherently give rise to risks in their delivery, both in time and budget. Individual scheme reporting and associated project boards exist to mitigate these risks. Furthermore, slower delivery than forecast can mean the strategic priorities are not being met as planned. All projects are expected to be managed through the programme management office once resources are in place, so further mitigating the risk of overspend or delays.

36. The proposed additions have been reviewed in relation to risks, both in deliverability, costs, impact and associated scheme interdependencies. The individual scheme detail of the risks will be provided as individual schemes progress to approval to deliver.

Consultees

37. The council's constitution states that budget consultees should include parish councils, health partners, the schools forum, business ratepayers, council taxpayers, the trade unions, political groups on the council, the scrutiny committees and such other organisations and persons as the leader shall determine.

38. In 2026/27, the council invited residents and stakeholders to consider funding choices and the impact of changes in income and expenditure on the delivery of services through an online budget consultation. Engagement also asked for feedback on priorities for the 2026/27 budget and council tax increase options. The consultation ran from 9 December 2025 to 4 January 2026.

39. A total of 359 responses were received from residents and businesses. The results highlight support for developing council buildings to generate efficiencies in the revenue budget. Respondents were not comfortable with reductions in highways maintenance and street lighting and this support was also reflected in respondents' views on which single service they would prioritise if they only had £1 left to spend with highways maintenance and street lighting as the most common choice. The Budget Consultation Report is included as an appendix to the Revenue Budget Report.

40. Scrutiny Management Board were consulted with on 23 January 2026. The Board did not make any specific recommendations in respect of the 2026/27 Capital Investment Budget and Capital Strategy Update.

Appendices

Appendix A: Proposed capital investment additions from 2026/27
Appendix B: Current status of approved capital programme
Appendix C: Total proposed capital programme
Appendix D: Proposed Capital Strategy
Appendix E: Outline Strategic Business cases for capital investment proposals

Background papers

None

Glossary of Terms

Capital Grant Funding: grant income from an external organisation

Redirected Funding: application of revenue reserves to fund capital

Capital Receipt Funding: application of capital receipts (generated from sale of land, buildings and other assets of the council) managed through the Capital Receipts Reserve

Funded by Return on Investment: a return on investment to repay the borrowing costs, such as increased income or savings on the current budget by reducing on going costs

Corporate funding by Prudential Borrowing: prudential borrowing (typically from Public Works Loan Board) that is repaid from the revenue budget

Appendix A

Scheme	Current Capital Programme £000	Total 26/27 £000	Total 27/28 £000	Total 28/29 £000	Total 29/30 £000	Capital Grant funding £000	Redirected funding £000	Capital receipt funding £000	Funded by ROI £000	Corporate Funded PB £000	Total Request £000
Property Improvements in Care Homes – Phase 3	1,154.0	198.8	0.0	0.0	0.0	0.0	0.0	198.8	0.0	0.0	198.8
Residential overnight short breaks refurbishment		60.0	0.0	0.0	0.0	0.0	0.0	60.0	0.0	0.0	60.0
Hereford Western Bypass Phase 1	40,300.0	0.0	0.0	5,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Strategic/Emergency Housing Capital Projects		2,650.0	3,900.0	3,450.0	0.0	2,655.0	0.0	0.0	3,245.0	4,100.0	10,000.0
Relocate Herefordshire Pupil Referral Units	1,000.0	1,500.0	3,500.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Establish a new alternative provision (AP) centre	1,000.0	1,500.0	3,500.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Aylestone School Improvement Works		1,790.0	1,000.0	0.0	0.0	0.0	0.0	1,790.0	0.0	1,000.0	2,790.0
Schools Capital Maintenance	1,200.0	1,570.0	0.0	0.0	0.0	0.0	0.0	1,570.0	0.0	0.0	1,570.0
Resurfacing Herefordshire Highways 3		5,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	5,000.0
Managing Ash Dieback in Herefordshire		242.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	242.0	242.0
Estates Building Improvement Programme 2026-29		1,808.8	1,121.3	34.5	0.0	0.0	0.0	1,000.0	0.0	1,964.6	2,964.6
Essential system updates and upgrades		174.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	174.0	174.0
Public Rights of Way		1,000.0	0.0	0.0	0.0	0.0	0.0	381.2	0.0	618.8	1,000.0
Historic Building Fund		0.0	5,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	0.0	5,000.0
Total	**44,654.0**	**17,493.6**	**18,021.3**	**8,484.5**	**0.0**	**2,655.0**	**0.0**	**5,000.0**	**8,245.0**	**28,099.4**	**43,999.4**

Capital Programme position January 2025/26

Appendix B

Scheme Name	Spend in Prior Years £000	2025/26 Total Budget £000	2026/27 Total Budget £000	2027/28 Total Budget £000	2028/29 Total Budget £000	2029/30 Total Budget £000	Total Scheme Budget £000	Capital receipts £000	Grant & funding cont £000	Prudential borrowing £000	Total £000	Prior Years £000	Total Funding £000
Highway Maintenance Block DfT (previously LTP)	0	21,348	23,967	27,449	29,695	33,948	136,407		136,407		136,407	0	136,407
Resurfacing Herefordshire Highways	0	10,081	0	0	0	0	10,081	0		10,081	10,081	0	10,081
City and Market Town Public Realm Investment	0	1,200	0	0	0	0	1,200			1,200	1,200	0	1,200
Highways Infrastructure Investment	7,354	7,301	6,385	0	0	0	21,040		1,580	12,106	13,686	7,354	21,040
Public Realm Improvements for Ash Die Back	581	477	240	118	0	0	1,416			835	835	581	1,416
E & E's S106	0	1,501	4,207	2,429	0	0	8,137		8,137		8,137	0	8,137
Play Area Investment	0	250	750	0	0	0	1,000			1,000	1,000	0	1,000
Public Realm Services Fleet	0	0	1,322	0	218	0	1,540			1,540	1,540	0	1,540
Public Realm Mobilisation	0	0	450	0	0	0	450			450	450	0	450
Road Safety Schemes	0	320	2,680	0	0	0	3,000			3,000	3,000	0	3,000
Traffic Signal Obsolescence Grant and Green Light Fund	3	538	0	0	0	0	541		538		538	3	541
Total Economy & Environment (Highways & Public Space)	**7,939**	**43,016**	**40,001**	**29,996**	**29,913**	**33,948**	**184,812**	**0**	**146,662**	**30,212**	**176,874**	**7,939**	**184,812**
Hereford City Centre Transport Package	38,908	5,042	3,029	0	0	0	46,979		7,296	774	8,071	38,908	46,979
Hereford ATMs and Super Cycle Highway	0	0	1,000	0	0	0	1,000			1,000	1,000	0	1,000
Active Travel Fund 4	134	172	0	0	0	0	306		172		172	134	306
Active Travel Fund 5	0	0	99	0	0	0	99		99		99	0	99
Consolidated Active Travel Fund	0	0	499	234	234	234	1,202		1,202		1,202	0	1,202
Hereford Western Bypass Phase 1	356	2,100	13,584	11,700	12,560	0	40,300	4,644		35,300	39,944	356	40,300
Stronger Towns Fund - Greening the City	116	288	0	0	0	0	404		288		288	116	404
LUF - Active Travel Measures (north of river)	1,097	1,727	716	926	0	0	4,466		869	2,500	3,369	1,097	4,466
LUF - Active Travel Measures (south of river)	533	2,663	6,000	0	0	0	9,197		8,663		8,663	533	9,197
Local Transport Grant	0	5,837	5,975	6,966	7,775	8,584	35,137		35,137		35,137	0	35,137
Council school transport fleet	0	0	350	0	0	0	350			350	350	0	350
Bus Service Improvement Plan	0	1,108	900	918	936	954	4,815		4,815		4,815	0	4,815
Total Economy & Environment (Transport)	**41,144**	**18,937**	**32,152**	**20,744**	**21,505**	**9,772**	**144,255**	**4,644**	**58,542**	**39,924**	**103,111**	**41,144**	**144,255**
Integrated Wetlands	2,676	1,686	398	0	0	0	4,760		2,084		2,084	2,676	4,760
Natural Flood Management	555	329	390	0	0	0	1,274		719		719	555	1,274
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	0	0	120	240	120	644	1,124		1,124		1,124	0	1,124
LEVI Pilot Fund Grant	24	36	60	0	0	0	120		96		96	24	120
Wye Valley National Landscape (previously AONB)	0	934	0	0	0	0	934		934		934	0	934
Solar Photovoltaic Panels	1,064	150	535	385	0	0	2,134			1,070	1,070	1,064	2,134
Yazor Brook	0	260	0	0	0	0	260			260	260	0	260
Waste	0	5,193	0	6,200	0	0	11,393		5,382	6,012	11,393	0	11,393
Home Upgrade Grant	0	70	0	0	0	0	70		70		70	0	70
Warm Homes Grant	0	501	1,003	982	0	0	2,485		2,485		2,485	0	2,485
Herefordshire Flood Risk Mitigation	0	250	1,805	0	0	0	2,055	1,000		1,055	2,055	0	2,055
Total Economy & Environment (Environmental)	**4,318**	**9,409**	**4,311**	**7,807**	**120**	**644**	**26,609**	**1,000**	**12,894**	**8,397**	**22,291**	**4,318**	**26,609**

UK Shared Prosperity Fund	0	401	0	0	0	0	401			401		401	0	401
HWGTA - Development of Vocational Work Based Skills Investment	0	2,000	0	0	0	0	2,000				2,000	2,000	0	2,000
Employment Land & Incubation Space in Market Towns	866	3,961	5,460	8,360	0	0	18,648		11,475	0	6,307	17,782	866	18,648
Rural Prosperity Fund	0	512	0	0	0	0	512			512		512	0	512
Total Economy & Environment (Economic Growth)	**866**	**6,874**	**5,460**	**8,360**	**0**	**0**	**21,561**		**11,475**	**913**	**8,307**	**20,695**	**866**	**21,561**
Windows Server Upgrades	293	37	0	0	0	0	330				37	37	293	330
Device and Ancillary kit replacement programme	0	230	578	185	0	0	993				993	993	0	993
M365 E5 Implementation	491	79	0	0	0	0	570			43	36	79	491	570
Planning & Regulatory Services software	3	350	923	120	0	0	1,396				1,393	1,393	3	1,396
Contact Centre Telephony Replacement	15	67	0	0	0	0	82				67	67	15	82
Wide Area Network (WAN) Replacement	165	121	0	0	0	0	286				121	121	165	286
School Route Planning Software	0	50	0	0	0	0	50				50	50	0	50
IT System Upgrades & Server Replacements 2025-26	0	318	182	0	0	0	500				500	500	0	500
CCTV Equipment Upgrades	0	89	0	0	0	0	89				89	89	0	89
Total Corporate Services (IT & Transformation)	**967**	**1,340**	**1,683**	**305**	**0**	**0**	**4,296**		**0**	**43**	**3,285**	**3,328**	**967**	**4,296**
Schools Capital Maintenance Grant	0	3,196	1,200	1,200	0	0	5,596			3,978	1,618	5,596	0	5,596
Peterchurch Area School Investment	953	6,523	3,377	0	0	0	10,853		4,712		5,188	9,900	953	10,853
Brookfield School Improvements	2,181	3,641	0	0	0	0	5,822		158	3,483		3,641	2,181	5,822
High Needs Grant	483	2,103	6,784	0	0	0	9,369			8,886		8,886	483	9,369
Basic Needs Funding	560	1,500	11,810	5,006	0	0	18,877			18,065	251	18,316	560	18,877
Childcare Expansion Capital Grant 2023-24	13	153	130	0	0	0	296			283		283	13	296
School Accessibility Works	759	551	1,193	0	0	0	2,503				1,744	1,744	759	2,503
Children's residential homes for 11 to 18 year olds	0	424	0	0	0	0	424				424	424	0	424
C & F's S106	0	819	1,297	1,550	0	0	3,665			3,665		3,665	0	3,665
Total Childrens & Young Peoples (Including Schools)	**4,949**	**18,908**	**25,790**	**7,756**	**0**	**0**	**57,404**		**4,869**	**38,360**	**9,225**	**52,455**	**4,949**	**57,404**
Work to Shirehall Annex (Care Leavers Base)	85	15	0	0	0	0	100		15			15	85	100
Estates Capital Programme 2019/22	5,119	763	0	0	0	0	5,882				763	763	5,119	5,882
Residual property works identified in the 2019 condition reports	957	365	0	0	0	0	1,322				365	365	957	1,322
Estates Building Improvement Programme 22-25	1,927	1,079	0	0	0	0	3,007				1,079	1,079	1,927	3,007
Estates Building Improvement Programme 2023-25	1,558	519	1,450	0	0	0	3,527			752	1,216	1,969	1,558	3,527
Estates Building Improvement Programme 2024-27	689	997	1,080	0	0	0	2,766				2,077	2,077	689	2,766
Building works from 2022 Condition Surveys	4	196	1,910	350	0	0	2,460				2,456	2,456	4	2,460
Shirehall Improvement Works	0	250	3,750	0	0	0	4,000		2,000		2,000	4,000	0	4,000
Property Improvements in Care Homes	225	644	285	0	0	0	1,154				929	929	225	1,154
Estates Building Improvement Programme 2025-28	0	497	3,281	526	0	0	4,305			1,000	3,305	4,305	0	4,305
Total Economy & Environment (Council Asset Investment)	**10,564**	**5,325**	**11,756**	**876**	**0**	**0**	**28,522**		**2,015**	**1,752**	**14,190**	**17,957**	**10,564**	**28,522**
Disabled facilities grant	0	3,373	2,200	2,200	0	0	7,773			7,773		7,773	0	7,773
Empty Property Investment & Development	0	580	286	0	0	0	866			0	866	866	0	866
Acquisition Fund for Housing Provision	111	2,589	2,300	0	0	0	5,000				4,889	4,889	111	5,000
Merton Meadow - Brownfield Land Release Fund	393	1,607	0	0	0	0	2,000			1,607		1,607	393	2,000
Swimming Pool Support Fund	0	60	0	0	0	0	60			60		60	0	60
Libraries Improvement Fund	31	31	0	0	0	0	62			31		31	31	62

Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	2,883	1,540	10,525	5,581	0	0	20,529	7,655	9,591	400	17,646	2,883	20,529
Stronger Towns Library & Learning Centre relocation to Shirehall	340	152	2,064	450	0	0	3,005	319	2,347		2,666	340	3,005
Community Capital Grants Scheme	4	1,376	600	20	0	0	2,000	1,996			1,996	4	2,000
Total Community Wellbeing Including Housing	**3,761**	**11,309**	**17,975**	**8,251**	**0**	**0**	**41,295**	**9,970**	**21,409**	**6,155**	**37,534**	**3,761**	**41,295**
Total Capital Programme	**74,508**	**115,118**	**139,129**	**84,096**	**51,538**	**44,364**	**508,753**	**33,973**	**280,576**	**119,696**	**434,245**	**74,508**	**508,753**

Key:

RCCO

Project Complete

Approved at February 2025 Council	102,394	155,247	87,507	38,599	218	0	383,965
Reprofile Budget		(60,332)	24,979	22,029	12,680	644	0
24/25 Carry Forward		11,708	5,978				17,686
Grant/Funding Movement		14,495	20,665	23,468	38,640	43,720	140,988
Removal of WVT Project		(6,000)					(6,000)
Budget not carried forward for projects completed	(48,131)						(48,131)
Prior Year Spend adj (closed projects and 24/25 one off grant excluded)	20,245						20,245
Change in Capital Programme	**(0)**	**8,495**	**20,665**	**23,468**	**38,640**	**43,720**	**134,988**
							Note 1

Overall Change Financed By

	£000	£000	£000	£000	£000	£000	£000
Prudential Borrowing		(6,000)					(6,000)
Grant and funding contributions (Inc Reserves)		14,495	20,665	23,468	38,640	43,720	140,988
Capital receipts							0
	0	**6,274**	**27,866**	**22,449**	**38,640**		**134,988**

Note 1

Grant Amendments since February Council

	£000
MHCLG - UKSPS 25/26 Grant	401
DfT - Active Travel Fund 5 Grant	99
DfT - Additional 25/26 Highway Maintenance Block Grant	5,882
DfT - CATF Grant	265
DfT - BSIP Grant	1,108
DESNZ - Warm Homes Grant	2,485
DEFRA - Rural Prosperity Fund 25/26	512
Sport England - Swimming Pool Fund	60
DfE - Additional Schools Maintenance Grant 25/26	379
DfE - High Needs Grant	2,466

DfE - Basic Needs Grant	2,593
DfT - Local Transport Grant 25/26	5,837
Employment Land - unsecured grant	- 2,053
WVNL - Welsh Gov and DEFRA Grants	889
HMAG - Clore Duffield	200
HMAG - Salix	1,075
HMAG - NHLF	104
DfT - Local Transport Grant 26/27 to 29/30	29,300
MHCLG - Additonal DFG 25/26	615
DfT - Highway Maintenance Block 26/27 to 29/30	84,127
DfT - Active Travel Grant	937
DfT - Local Authority Bus Grant	3,707
	140,988

Capital Programme position April 2026/27

Appendix C

Scheme Name	Spend in Prior Years £000	2025/26 Total Budget £000	2026/27 Total Budget £000	2027/28 Total Budget £000	2028/29 Total Budget £000	2029/30 Total Budget £000	Total Scheme Budget £000	Capital receipts £000	Grant & funding cont £000	Prudential borrowing £000	Total £000	Prior Years £000	Total Funding £000
Highway Maintenance Block DfT (previously LTP)	0	21,348	23,967	27,449	29,695	33,948	136,407		136,407		136,407	0	136,407
Resurfacing Herefordshire Highways	0	10,081	5,000	0	0	0	15,081	0		15,081	15,081	0	15,081
Highways Infrastructure Investment	7,354	7,301	6,385	0	0	0	21,040		1,580	12,106	13,686	7,354	21,040
Public Realm Improvements for Ash Die Back	581	477	482	118	0	0	1,658			1,077	1,077	581	1,658
E & E's S106	0	1,501	4,207	2,429	0	0	8,137		8,137		8,137	0	8,137
Play Area Investment	0	250	750	0	0	0	1,000			1,000	1,000	0	1,000
Public Realm Services Fleet	0	0	1,322	0	218	0	1,540			1,540	1,540	0	1,540
Public Realm Mobilisation	0	0	450	0	0	0	450			450	450	0	450
Public Rights of Way	0	0	1,000	0	0	0	1,000	381		619	1,000	0	1,000
Traffic Signal Obsolescence Grant and Green Light Fund	3	538	0	0	0	0	541		538		538	3	541
Total Economy & Environment (Highways & Public Space)	**7,939**	**41,496**	**43,563**	**29,996**	**29,913**	**33,948**	**186,854**	**381**	**146,662**	**31,872**	**178,916**	**7,939**	**186,854**
Hereford City Centre Transport Package	38,908	5,042	3,029	0	0	0	46,979		7,296	774	8,071	38,908	46,979
Hereford ATMs and Super Cycle Highway	0	0	1,000	0	0	0	1,000			1,000	1,000	0	1,000
Active Travel Fund 4	134	172	0	0	0	0	306		172		172	134	306
Active Travel Fund 5	0	0	99	0	0	0	99		99		99	0	99
Consolidated Active Travel Fund	0	0	499	234	234	234	1,202		1,202		1,202	0	1,202
Hereford Western Bypass Phase 1	356	2,100	13,584	11,700	17,560	0	45,300	4,644		40,300	44,944	356	45,300
Stronger Towns Fund - Greening the City	116	288	0	0	0	0	404		288		288	116	404
LUF - Active Travel Measures (north of river)	1,097	1,727	716	926	0	0	4,466		869	2,500	3,369	1,097	4,466
LUF - Active Travel Measures (south of river)	533	2,663	6,000	0	0	0	9,197		8,663		8,663	533	9,197
Local Transport Grant	0	5,837	5,975	6,966	7,775	8,584	35,137		35,137		35,137	0	35,137
Bus Service Improvement Plan	0	1,108	900	918	936	954	4,815		4,815		4,815	0	4,815
Total Economy & Environment (Transport)	**41,144**	**18,937**	**31,802**	**20,744**	**26,505**	**9,772**	**148,905**	**4,644**	**58,542**	**44,574**	**107,761**	**41,144**	**148,905**
Integrated Wetlands	2,676	1,686	398	0	0	0	4,760		2,084		2,084	2,676	4,760
Natural Flood Management	555	329	390	0	0	0	1,274		719		719	555	1,274
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	0	0	120	240	120	644	1,124		1,124		1,124	0	1,124
LEVI Pilot Fund Grant	24	36	60	0	0	0	120		96		96	24	120
Wye Valley National Landscape (previously AONB)	0	934	0	0	0	0	934		934		934	0	934
Solar Photovoltaic Panels	1,064	150	535	385	0	0	2,134			1,070	1,070	1,064	2,134
Yazor Brook	0	260	0	0	0	0	260			260	260	0	260
Waste	0	5,193	0	6,200	0	0	11,393		5,382	6,012	11,393	0	11,393
Home Upgrade Grant	0	70	0	0	0	0	70		70		70	0	70
Warm Homes Grant	0	501	1,003	982	0	0	2,485		2,485		2,485	0	2,485
Herefordshire Flood Risk Mitigation	0	250	1,805	0	0	0	2,055	1,000		1,055	2,055	0	2,055
Total Economy & Environment (Environmental)	**4,318**	**9,409**	**4,311**	**7,807**	**120**	**644**	**26,609**	**1,000**	**12,894**	**8,397**	**22,291**	**4,318**	**26,609**
UK Shared Prosperity Fund	0	401	0	0	0	0	401		401		401	0	401
HWGTA - Development of Vocational Work Based Skills Investment	0	2,000	0	0	0	0	2,000			2,000	2,000	0	2,000

Employment Land & Incubation Space in Market Towns	866	3,961	1,460	8,360	0	0	14,648	7,475	0	6,307	13,782	866	14,648
Rural Prosperity Fund	0	512	0	0	0	0	512		512		512	0	512
Total Economy & Environment (Economic Growth)	**866**	**6,874**	**1,460**	**8,360**	**0**	**0**	**17,561**	**7,475**	**913**	**8,307**	**16,695**	**866**	**17,561**
Windows Server Upgrades	293	37	0	0	0	0	330			37	37	293	330
Device and Ancillary kit replacement programme	0	230	578	185	0	0	993			993	993	0	993
M365 E5 Implementation	491	79	0	0	0	0	570		43	36	79	491	570
Planning & Regulatory Services software	3	350	923	120	0	0	1,396			1,393	1,393	3	1,396
Contact Centre Telephony Replacement	15	67	0	0	0	0	82			67	67	15	82
Wide Area Network (WAN) Replacement	165	121	0	0	0	0	286			121	121	165	286
School Route Planning Software	0	50	0	0	0	0	50			50	50	0	50
IT System Upgrades & Server Replacements 2025-26	0	318	182	0	0	0	500			500	500	0	500
Essential system updates and upgrades	0	0	174	0	0	0	174			174	174	0	174
CCTV Equipment Upgrades	0	89	0	0	0	0	89			89	89	0	89
Total Corporate Services (IT & Transformation)	**967**	**1,340**	**1,857**	**305**	**0**	**0**	**4,470**	**0**	**43**	**3,459**	**3,502**	**967**	**4,470**
Schools Capital Maintenance Grant	0	3,196	2,770	1,200	0	0	7,166	1,570	3,978	1,618	7,166	0	7,166
Aylestone School Improvement Works	0	0	1,790	1,000	0	0	2,790	1,790		1,000	2,790	0	2,790
Peterchurch Area School Investment	953	6,523	3,377	0	0	0	10,853	4,712		5,188	9,900	953	10,853
Brookfield School Improvements	2,181	3,641	0	0	0	0	5,822	158	3,483		3,641	2,181	5,822
High Needs Grant	483	2,103	6,784	0	0	0	9,369		8,886		8,886	483	9,369
Basic Needs Funding	560	1,500	11,810	5,006	0	0	18,877		18,065	251	18,316	560	18,877
Relocate Herefordshire Pupil Referral Units	0	0	1,500	3,500	0	0	5,000			5,000	5,000	0	5,000
Establish a new alternative provision (AP) centre	0	0	1,500	3,500	0	0	5,000			5,000	5,000	0	5,000
Childcare Expansion Capital Grant 2023-24	13	153	130	0	0	0	296		283		283	13	296
School Accessibility Works	759	551	1,193	0	0	0	2,503			1,744	1,744	759	2,503
Children's residential homes for 11 to 18 year olds	0	424	0	0	0	0	424			424	424	0	424
Residential overnight short breaks refurbishment	0	0	60	0	0	0	60	60			60	0	60
C & F's S106	0	819	1,297	1,550	0	0	3,665		3,665		3,665	0	3,665
Total Childrens & Young Peoples (Including Schools)	**4,949**	**18,908**	**32,210**	**15,756**	**0**	**0**	**71,824**	**8,289**	**38,360**	**20,225**	**66,875**	**4,949**	**71,824**
Strategic/Emergency Housing Capital Projects	0	0	2,650	3,900	3,450	0	10,000		2,655	7,345	10,000	0	10,000
Historic Building Fund	0	0	0	5,000	0	0	5,000			5,000	5,000	0	5,000
Work to Shirehall Annex (Care Leavers Base)	85	15	0	0	0	0	100	15			15	85	100
Estates Capital Programme 2019/22	5,119	763	0	0	0	0	5,882			763	763	5,119	5,882
Residual property works identified in the 2019 condition reports	957	365	0	0	0	0	1,322			365	365	957	1,322
Estates Building Improvement Programme 22-25	1,927	1,079	0	0	0	0	3,007			1,079	1,079	1,927	3,007
Estates Building Improvement Programme 2023-25	1,558	519	990	0	0	0	3,067		752	756	1,509	1,558	3,067
Estates Building Improvement Programme 2024-27	689	997	483	0	0	0	2,169			1,480	1,480	689	2,169
Building works from 2022 Condition Surveys	4	196	974	350	0	0	1,524			1,520	1,520	4	1,524
Shirehall Improvement Works	0	250	3,750	0	0	0	4,000	2,000		2,000	4,000	0	4,000
Property Improvements in Care Homes	225	644	484	0	0	0	1,353	199		929	1,128	225	1,353
Estates Building Improvement Programme 2026-29	0	0	1,809	1,121	35	0	2,965	1,000		1,965	2,965	0	2,965
Estates Building Improvement Programme 2025-28	0	497	2,622	526	0	0	3,645		1,000	2,645	3,645	0	3,645
Total Economy & Environment (Council Asset Investment)	**10,564**	**5,325**	**13,762**	**10,898**	**3,485**	**0**	**44,033**	**3,214**	**4,407**	**25,847**	**33,469**	**10,564**	**44,033**
Disabled facilities grant	0	3,373	2,200	2,200	0	0	7,773		7,773		7,773	0	7,773
Empty Property Investment & Development	0	580	286	0	0	0	866		0	866	866	0	866

Acquisition Fund for Housing Provision	111	2,589	2,300	0	0	0	5,000			4,889	4,889	111	5,000
Merton Meadow - Brownfield Land Release Fund	393	1,607	0	0	0	0	2,000		1,607		1,607	393	2,000
Swimming Pool Support Fund	0	60	0	0	0	0	60		60		60	0	60
Libraries Improvement Fund	31	31	0	0	0	0	62		31		31	31	62
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	2,883	1,540	10,525	5,581	0	0	20,529	7,655	9,591	400	17,646	2,883	20,529
Stronger Towns Library & Learning Centre relocation to Shirehall	340	152	2,064	450	0	0	3,005	319	2,347		2,666	340	3,005
Community Capital Grants Scheme	4	1,376	600	20	0	0	2,000	1,996			1,996	4	2,000
Total Community Wellbeing Including Housing	**3,761**	**11,309**	**17,975**	**8,251**	**0**	**0**	**41,295**	**9,970**	**21,409**	**6,155**	**37,534**	**3,761**	**41,295**
Total Capital Programme	**74,508**	**113,598**	**146,941**	**102,117**	**60,023**	**44,364**	**541,551**	**34,973**	**283,231**	**148,838**	**467,043**	**74,508**	**541,551**

Key:

Revenue Funded Borrowing

New or Amended Projects as listed in appendix A

Current 2024/25 Programme Budget January 2026	74,508	115,118	139,129	84,096	51,538	44,364	508,753	33,973	280,576	119,696
Projects Removed from the Capital Programme		(1,520)	(9,682)				(11,202)	(4,000)		(7,202)
Change in Capital Programme - New Bids	**0**	**0**	**17,494**	**18,021**	**8,485**	**0**	**43,999**	**5,000**	**2,655**	**36,344**

Overall Change Financed By

	£000	£000	£000	£000	£000	£000	£000
Prudential Borrowing			12,089	16,896	7,360		36,344
Grant and funding contributions (Inc Reserves)			405	1,125	1,125		2,655
Capital receipts			5,000				5,000
	0	**0**	**17,494**	**18,021**	**8,485**	**0**	**43,999**

Herefordshire Council

Capital Strategy

2026 – 2031

CONTENTS

		Page
1.	Executive Summary	2
2.	Introduction and Background	4
3.	Current Capital Programme & Long-Term Plan	6
4.	Capital Funding Streams	9
5.	Risk Management	11
6.	Knowledge and Skills	11
7.	Capital Scheme Selection	12
8.	Capital Monitoring	14
Appendix A – Proposed Capital Programme		15
Appendix B – Detailed list of Council strategies		19

1. EXECUTIVE SUMMARY

1.1 An effective Capital Strategy is vital to ensure that the capital and revenue expenditure on the asset portfolio is directed efficiently and effectively to support service delivery in line with Herefordshire's priorities. This strategy considers the capital investment needs across Herefordshire including acquisition, replacement and rental of land, buildings, and vehicles etc.

1.2 Herefordshire Council has seen a number of schemes like the City Link Road and development of Employment Land which enable long term plans for future development. This Capital Strategy is aligned to the County Plan 2024-28 , to capital planning and utilisation of resources.

1.3 The Capital Strategy will be reviewed annually, identifying and matching resources to deliver service priorities over a four-year period. Where possible a longer-term view will be incorporated to ensure we have the vision on all future development opportunities. Also to enable long term planning on capital financing through the Treasury Management Strategy to ensure the best utilisation of resources and returns on investment.

1.4 A key partner moving forward is NMiTE (New Model in Technology and Engineering), the new Herefordshire University and the council is keen to support their development in the coming years.

1.5 The challenges given to retaining property assets will be based on value for money and delivery of the council's strategic priorities and key service delivery. Surplus properties will either be recycled or disposed of in accordance with the strategic asset management plan and proceeds will be reinvested or retained within the capital receipts reserve until a decision on how to utilise the reserve is made.

1.6 The strategic asset management plan sets out a framework for determining the capital property assets needed to enable future service delivery priorities to be realised. Whereas a series of key projects have already been delivered, the capital investment budget will further inform priorities and options for investment/re-investment in assets over the medium term.

1.7 The Capital Strategy encourages all areas of the council to put forward requests for capital funding to ensure assets are adequately invested in and development opportunities are considered. However, there are limited resources, and these schemes may need to be profiled over a number of years where they are to be funded corporately. Invest to save schemes are encouraged to help the future pressures we are facing on revenue.

1.8 A Programme Management Office was created in 2020 to embed new processes for managing and developing projects. They manage the delivery of large capital projects through the delivery stage such as New Schools and Employment Land Investment Plan projects. This is so that when new projects are added to the capital programme, they are robust and will be able to commence delivery.

1.9 The priority will be to ensure that any new capital scheme will seek external funding sources such as grants in the first instance. Borrowing has always been allowed within the current agreed limits of £6.7m per annum plus any previously approved Public Works Loan Board (PWLB) provision that has not been used. The £6.7m per annum limit is corporately funded borrowing, borrowing funded from revenue savings will be made available over and above this limit. This is the current limit included within the MTFS, this year additional borrowing is being taken to fund the proposals, both the MTFS and Treasury Management Strategy have included the additional borrowing to allow these additional costs to be included in the revenue budget. The council will always seek external capital funding grants or donations where possible to lower the cost of borrowing, but it is essential that resources are used effectively.

1.10 The process of allocating finite resources runs alongside delivery of the Medium-Term Financial Strategy, through which capital funding, borrowing costs and innovative ways of utilising capital will be captured. The recommendation of capital projects lies with the Executive using a range of criteria to evaluate schemes, with referral to Council for approval. However, the Council may add

new schemes to the capital programme and new schemes can be added once approved at any full council meeting.

1.11 The Capital Strategy aims to encourage innovation and remind officers of their ability to draw down funding to fund creative projects that demonstrate delivery of “spend to save / mitigate”. The governance arrangements in place must ensure robust monitoring to ensure projects deliver in terms of quality, cost and benefits. Following central government austerity measures the council is keen to promote capital investment to secure future local funding streams, council tax and business rates.

2. INTRODUCTION AND BACKGROUND

2.1 This Capital Strategy sets out Herefordshire's approach to capital investment and disposal over both the short and long term, to deliver the core service priorities. The availability of resources to facilitate these priorities is also considered, reconciling the provision of statutory functions, service aspiration and policy context with limited resource availability.

2.2 The strategy incorporates the vision of the council, the overarching policy framework and explains the processes inherent in setting budgets and monitoring the programme. In the ever-changing public sector climate, this document will be reviewed annually, but in essence is written to capture the longer-term vision of service priorities.

2.3 Through this strategy, the Council makes a clear distinction between capital investments, where the strategic aims will be considered alongside affordability; and treasury management investments which are made for the purpose of cash flow management.

2.4 Capital investments, as opposed to pure cash flow management decisions, will be made in line with the Capital Strategy priorities set out in this document. These decisions are clearly within the economic powers of the Council and there are strong governance arrangements in place that underpin the decision making.

2.5 The Capital Strategy links into the Council Plan 2024-2028 and other main council strategic documents: Strategic Asset Management Plan, Local Transport Plan, Digital Strategy and Local Development Framework, details are provided in appendix B. It demonstrates how the council prioritises, sets targets and measures the performance of its limited capital resources to ensure that it maximises the value of investment to support the achievement of its key cross-cutting activities and initiatives.

- **What it intends to do**
    - Assist in ensuring spending decisions meet key priorities
    - Influence and encourage working with partners
    - Encourage improvement and innovation
    - Ensure revenue consequences and whole life costs are fully considered including return on investment
    - Explains the fluctuating nature of capital funding
    - Confirms surplus assets will be recycled or disposed of
    - Implementation of three-year planning and horizon scanning for longer term priorities.

- **What it sets out**
    - Capital priorities and plans
    - Links to key strategic documents
    - How schemes are identified that meet priorities
    - How schemes competing for limited resources are selected
    - A summary of the capital programme
    - Monitoring processes in place

2.6 The strategic objectives for our corporate assets are to:

- Since 2021/22, Herefordshire Council has largely been funded from local taxation – Council Tax and Business Rates. Through capital investment, the Council will seek to stimulate the Herefordshire economy to advance business, commerce, jobs and economic prosperity across the county – and provide for a sustainable financial future.

- Optimise the contribution property makes to the council's strategic and service objectives. To this end, assets should only be held that meet the objectives of the council, with clear evidence to demonstrate that they contribute to the key objectives.

- Prioritise investment in our operational assets to meet service delivery needs and to enhance the customer experience. Assets that no longer deliver service priorities will be reviewed and either recycled to facilitate wider community agendas or disposed of.

- Seek innovative, value for money solutions, through use of procurement and return on investment to deliver capital projects that satisfy service need.

- Ensure maximum return from our investment property and land holdings

- Use our assets to fund new developments, re-development and urban regeneration

- Ensure that existing and new property assets are managed in an efficient, sustainable and cost-effective way in terms of their use of environmental impact and other resources, their property management and other running costs

3. CURRENT CAPITAL PROGRAMME & LONG-TERM PLAN

3.1 The following table details the capital investment by programme board over the four years, full programme details can be seen in appendix A. The consequences of investment are reflected in both the Medium-Term Financial Strategy and Treasury Management Strategy.

Proposed Capital Programme

	2025/26 £000s	2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s	Total Capital Programme Budgets £000s
Economy & Environment (Highways & Public Space)	41,496	43,563	29,996	29,913	33,948	**178,916**
Economy & Environment (Transport)	18,937	31,802	20,744	26,505	9,772	**107,761**
Economy & Environment (Environmental)	9,409	4,311	7,807	120	644	**22,291**
Economy & Environment (Economic Growth)	6,874	1,460	8,360	0	0	**16,695**
Corporate Services (IT & Transformation)	1,340	1,857	305	0	0	**3,502**
Childrens & Young Peoples (Including Schools)	18,908	32,211	15,756	0	0	**66,875**
Economy & Environment (Council Asset Investment)	5,325	11,112	1,998	35	0	**18,469**
Community Wellbeing Including Housing	11,309	20,625	17,151	3,450	0	**52,534**
Total Capital Programme	**113,598**	**146,941**	**102,117**	**60,023**	**44,364**	**467,043**

Financed by

Capital Receipts	**34,973**
Grants & Funding Contributions	**283,231**
Prudential Borrowing	**148,838**
Total Funding	**467,043**

3.2 Long Term Capital Programme

One Herefordshire

One Herefordshire consists of a number of health organisations and the council represented at a group meeting; they regularly meet to discuss opportunities of where the organisations can work together for the benefit of the County when delivering services.

Herefordshire Council are committed to working with partner organisations such as Health and Higher Education establishments, including Hereford College of Arts and NMiTE. Where possible the council will support economic development opportunities to enable the services to grow and deliver the best service.

The council will be considering the use of external funding models including income strip models to enable delivery of student accommodation along with other developments where external organisations are used to deliver the projects.

Employment Land

The employment land at Ross will be developed in the current capital programme and other sites in other market towns will hopefully also come forward for development.

Hereford City Centre Transport Package

A Levelling Up grant of £6.33m was awarded for the delivery of the transport hub, this project will hopefully complete by 2027 and enable better transport links from the railway station.

Infrastructure- future plans.

Herefordshire Council are potentially investing in a number of road schemes over the next few years; these schemes are currently being developed and will be included into the capital programme once approved. The initial budget of £40.3m has been increased to £45.3m for the Hereford Western Bypass Phase 1. The delivery of the road infrastructure will support the growth of the economy, and the package of active travel improvements will help residents to live safe, healthy and independent lives. External grants to deliver these schemes will be applied for.

Highways Maintenance

Like many councils the highways network has deteriorated over time with central government grants not able to cover all the capital investment required to prevent further deterioration of the highway network. Revenue budgets are fully utilised each year to keep up with repair work to ensure that the network is in a safe condition before longer term capital investment is available. The road network has a backlog of maintenance, the values are estimated from national guidance, as a high-level analysis the figures reflect and are representative of the view of deterioration across the highway's asset. This would be to bring all assets back to a new condition.

Asset Type	Current Estimated Backlog
Carriageways	c£108.7m
Footways and Cycle ways	c£1.7m
Structures	c£82.5m
Street Lighting	c£1.5m
Traffic Signals	c£2.4m
Road Markings	c£1.1m
Traffic Signs	c2.9m
Vehicle Restraint Systems	c1.3m
Trees and Verges	c1.1m

The council has invested significant amount of council funding to help improve the road network. The council continues to lobby central government for additional support for highways maintenance, and it is not sustainable to pass all this onto local residents.

Other areas for Development

There are a number of projects that will be developed in the next financial year for waste management changes, delivery of the Hereford Town Investment Plans projects such as a new Museum and development of the Library & Learning Centre, which were part of a £25m Stronger Towns funding bid. The third council project was for greening the city and business cases for all were approved to the Towns Board. The council is the accountable body for the £22.4m funding but the other approved projects will be run by other organisations.

There will be a replacement school at Peterchurch for which construction has started and significant works for a new unit and work within the existing site at Brookfield to increase capacity will complete within 2025/26.

Other projects being delivered include the improvement works at the Shire Hall and other property works across the estate including schools.

The Council will be looking to work with current housing companies to increase the availability of affordable housing for local residents.

4. CAPITAL FUNDING STREAMS

4.1 This section explains the source of resources available to fund the capital programme. Currently the majority of funding is allocated from central government, in part to fund specific schemes that deliver their national priorities.

4.2 The following funding sources are available.

Borrowing

- Prudential borrowing (PB) has been allowed since 2004 when government relaxed the rules to allow councils to finance their own capital, providing they could demonstrate affordability to repay the debt and interest. In a time of reduced resources PB may also be used to fund initiatives to deliver future revenue savings that can then fund the annual debt and interest cost. The Council has a number of invest to save schemes currently and there is no limit to the amount of additions to the capital programme in any year where all borrowing costs can be funded from revenue savings, as long as they can show they provide value for money, score highly enough in the review and are approved by Council.

Grants

- Government currently provides many direct grants to fund initiatives that the Council should deliver as part as their statutory duty. The major capital grants are:
  - **Transport Grants** – used to support the Hereford Integrated Transport Strategy capital programme, covering rural transport schemes, and road safety initiatives and highways maintenance. The Department for Transport has a process to allow local authorities to bid for revenue and capital funds to fund sustainable transport schemes.
  - **Basic Needs Funding** - the Government each year provide a grant based on future needs for the Council to provide enough school places in mainstream schools.
  - **Schools Capital Maintenance Grant** – is an amount allocated each year to help maintain schools in a good state of repair.
  - **Devolved Formula Capital** – is an amount allocated each year to primary and secondary schools to be spent on priorities in respect of buildings, ICT and other capital needs. It may be combined with capital funding from other sources or saved to fund a larger project.
  - **Disabled Facilities Grant** - contributes towards the cost of providing adaptations and facilities to enable disabled people to continue living in their own homes. The central government grant funding towards this has been protected from cuts by the coalition government in the Corporate Spending Review (CSR), in fact this grant has increased annually.
- External funding bodies distribute funding for projects that satisfy their key criteria and objectives, and the Council secure these via a bidding process.

Developer Contributions S106

- Developer contributions continue to support the capital investment need associated with developments throughout the Country.
- In future once a S106 has been completed, planning permission has been granted and the development the subject of the agreement has commenced, with the right governance in place the Council will be able to internally borrow to fund the project to commence prior to the developer contributions being received. The project to be funded must be within the terms of the S106 agreement. The borrowing will be funded short term within the cash balances and repaid once the developer contributions have been received. Do note however there may be a risk to the Council namely, if the development does not reach the trigger

point for payment, the Council would then have to find alternative funding. The trigger points for the contributions to be paid are tailored to each development on a case-by-case basis and are not standard. The developer can advance at any stage of the development that a scheme is not viable. This would be independently reviewed by the District Valuer (at a cost to the developer) but it may conclude that the financial contributions are not viable. The scheme may proceed as a wholly 100% affordable scheme whereby financial contributions towards infrastructure are not required.

Capital Receipts

- The Council maintains a register of surplus property assets. A major review of property assets is now underway that will produce a Delivery and Rationalisation programme; implemented over the coming years.
- The public sector landscape of service delivery is now subject to major change. Annual reviews of the Council operational property portfolio will identify potential opportunities for remodelling and co-location, through alternative methods of service delivery.
- The Council must prioritise disposal for capital receipts against competing demands for affordable housing land to build social housing and Community Asset Transfers.
- The disposal of surplus assets is critical to deliver the Councils Capital Strategy. Specifically, the delivery of the property maintenance and office accommodation review requires receipts to fund PB costs. Capital receipts are deemed a central receipt and so held corporately to use to deliver wider strategic priorities. Until receipts retained in the capital receipt reserve are allocated, they reduce the overall borrowing costs of the Council.
- At the end of 2024/25 financial year there was a balance of £34.8m in the capital receipts reserve. There are a number of schemes within the capital programme to be funded by capital receipts, the balance will be retained to deliver enhanced investment on the use of these reserves, once business cases have been submitted for approval at Council.

Revenue

- Both revenue budget and reserves can be used to fund the capital programme, either via a one-off contribution to fund a project in its entirety or an annual sum to repay PB debt costs. Ongoing use of revenue should be assessed in relation to the impact on council tax via the use of assessing its prudential indicators. Funding is available throughout the year to fund both revenue and capital innovative projects that will deliver future year on year savings.

4.3 The table in 3.1 shows the expected resources available to fund the capital programme over the four years.

4.4 The programme is heavily reliant on grants and contributions to fund capital expenditure, and these are usually issued with tight timeframes and restrictions attached. The grants may also demand regular monitoring returns to demonstrate the funding has been used in accordance with the plan.

5. Risk Management

5.1 Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives and to execute its strategies successfully and/or limit its ability to exploit opportunities.

5.2 Risk management is the process of identifying risks, evaluating their potential consequence and determining the most effective methods of mitigating them. It is both a means of minimising the cost and disruption to the organisation and of ensuring staff understand and appreciate the element of risk in all their activities.

5.3 Through effective risk management the Council aims to minimise its exposure to unwanted risk – those risks that are not actively sought and which carry no commensurate reward to the Council. This may involve transferring risk to a third party.

5.4 It is important to note that risk will always exist in some measure and cannot be removed in its entirety. Additionally, in order to realise investment and commercial gains, a measure of risk must be taken – and therefore risk should be considered both in terms of threat to the Council as well as positive opportunities.

5.5 To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored – and especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle of control of risk and optimising returns consistent with the level of risk applies.

5.6 An assessment of risk should be built into every capital project and major risks recorded in the Risk Register. This may include political, economic, legal and regulatory, technological, environmental, reputation as well as financial risk. By managing risk effectively, the Council is better able to make careful, well thought through decisions in full knowledge of the adverse risks that apply and mitigating measures.

6. Knowledge and Skills

6.1 All capital investment approvals are subject to robust consideration and challenge by members and officers from across the Council with extensive experience from varying professional backgrounds.

6.2 All officers attend courses on an ongoing basis to keep abreast of new developments and skills to ensure their Continuous Professional Development. Members are also offered training annually to ensure they have up to date skills and are able to make capital and treasury decisions. It is important that we continue to strengthen training of officers and members on the understanding of environmental issues and the impact of these when undertaking capital works as we continue the approach to net zero carbon when producing business cases and taking decisions.

6.3 The Council's property portfolio is managed by its Property Services Team. The team has extensive knowledge of the Herefordshire property market and experience dealing with a mix of property types and professional work including professional services, landlord and tenant, statutory valuations, acquisitions and disposals, commercial and residential property management.

6.4 The Council's asset valuations for its financial statements are assessed on an agreed five-year programme covering the whole property portfolio. The Council also has internal resources to advise on construction, repair and maintenance, and statutory compliance matters across its property portfolio.

6.5 Where required, and with due diligence, the Council may also appoint external agents to advise on particular specialist matters or to access specialist expertise that may not be available 'in house.'

7. CAPITAL SCHEME SELECTION

7.1 The capital programme is delivering a number of projects to enable the council to deliver the objectives within the county plan 2024-28. Therefore, projects that are added to the capital programme are for this purpose and not added as an investment purely to generate income. There are currently no expectations in the MTFS for capital investment to generate a revenue surplus to balance the budget. Although in the long term there are advantages in easing the removal of Revenue Support Grant (RSG) in generating a net revenue position it is not the priority when reviewing projects to add to the capital programme.

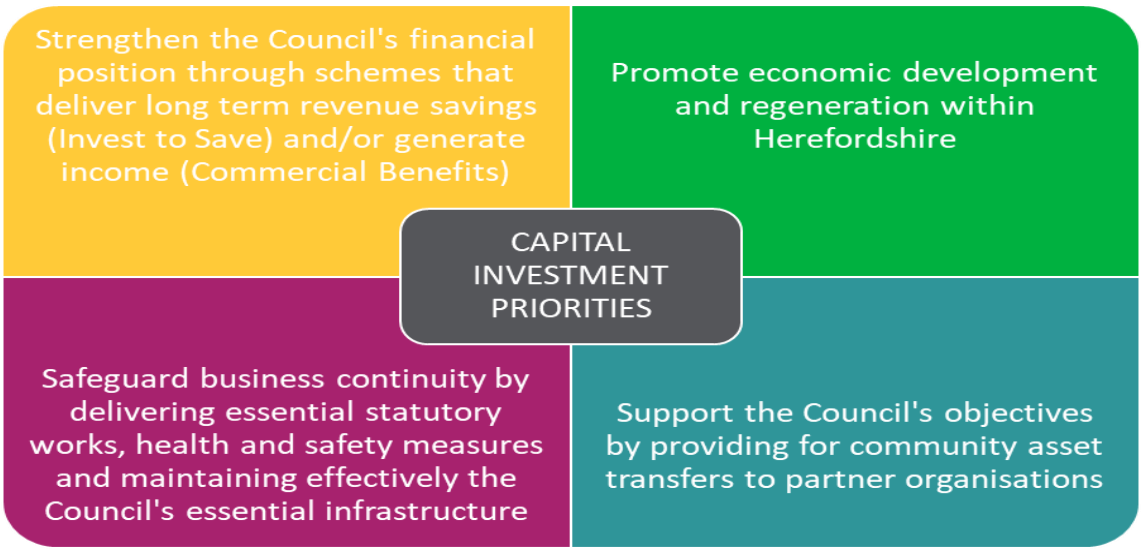
7.2 All capital schemes go through a stage process that is detailed in the project management process document.

7.3 Schemes are continually reviewed against evolving priorities and may be subject to change, redesign or cancellation, to ensure they continue to deliver the requirements of the council and provide value for money.

7.4 Capital funding will be initially allocated to council priorities and approved by council. The capital guidance policy details the process for the capital funding requests to ensure provision in the capital programme at any time as long as they are approved at a Council meeting or otherwise as delegated by full Council. This is necessary so that services are able to request capital funding at the appropriate time, when sufficient information is available to make an informed decision and opportunities are not lost due to waiting.

Rationale for Investment

7.5 Capital investment is integral to revenue budget forecasting. Capital investment must be directed to obtain maximum benefit from available resources looking at efficiencies, effectiveness, and economically. Revenue implications must be considered for all capital schemes, this could represent the cost of borrowing, future running costs and projected benefits. Schemes included for capital investment must demonstrate at least one of the following prioritisation criteria.



7.6 Funding above the corporate limit of £6.7m is available to support capital investment that gives a clear pay back through revenue budget savings.

7.7 Effectiveness and Best Value is demonstrated within the decision reports for each project and reviewed at the conclusion of a project. Value for Money on the build of a project is secured and

demonstrated through utilisation of the Procurement Policies and Framework for managing capital projects. Cabinet is keen to ensure where possible we should use Council funding to procure services from local suppliers to help improve the local economy, therefore social values should also be considered when making a best value decision.

7.8 The council has discretion to make loans for a number of reasons, including economic development. These loans will be treated as capital expenditure. In making loans the council is exposing itself to the risk that the borrower defaults in repayments. The council, in making these loans, must therefore ensure they are prudent and has fully considered the risk implications, with regard to both the individual loan and that the cumulative exposure of the council is proportionate and prudent. The council will ensure that a full due diligence exercise is undertaken, and adequate security is in place. The business case will balance the benefits and risks. All loans will be subject to close, regular monitoring.

7.9 Property services regularly review use of property assets as part of operational duties to ensure they are still required to deliver council priorities, alternatively assets may be recycled or deemed surplus to requirement. Sale of assets will deliver revenue savings and generate corporate capital receipts for investment in future capital schemes. Future building requirements will need to assess the concept of sale and leaseback and multi-use, shared approach for occupation.

8. CAPITAL MONITORING

8.1 Capital investment requirements are significant; however, capital finances are limited at £6.7m, due to the repayment of interest in the revenue budget for corporately funded projects and central government current funding levels are expected to reduce. Herefordshire Council must have a prudent approach to capital allocation and monitoring to ensure scarce resources are used to maximum effect.

8.2 Due to the significant changes that occur during capital programme implementation and forecasting it is considered prudent to maintain:

- a reserve list of deferred capital schemes that can be accelerated or delayed as required

- a contingency sum that should be included in all projects, due to the impact an increase in inflationary capital costs can have over the length of the project.

8.3 As part of a project's business case, an option appraisal is carried out and a whole-life costing review is undertaken before a capital scheme is included in the capital programme, this is then developed to detailed costings so an informed decision to spend can be made. Each project must also state how the proposal seeks to deliver the council's environmental policy commitments to net zero carbon and aligns to the success measure in the County Plan. If there could be a detrimental impact on the environment explain how you have sought to minimise and offset this.

8.4 Once a capital scheme is included in the capital programme it is monitored following appropriate project management methodology, managed by experience project managers within the project management office team and using experienced officers in each service area, through a number of project boards. Through the proposed project management office changes, the Corporate Leadership Team will review quarterly, progress of the projects being reported through the Directorate Leadership Teams.

8.5 In addition to significant individual projects, the capital programme also includes the council's annual Highways and Transportation capital programme of investment. This is guided by the Local Transport Plan to invest in the improvement and maintenance of the local transport infrastructure. Targets relating to highway maintenance standards, road safety and sustainable transport ensure that expenditure is in line with corporate plan objectives and outcomes expected by central government.

8.6 However the governance process embedded follows the following processes. The Designated Capital Programme Manager will allocate the project to a Programme Delivery Board. The project manager is expected to maintain all documentation and report regularly using highlight reports to the SRO, Project Board and Directorate Leadership Teams as required. Details regarding the Board governance structure, reporting and escalation process will be outlined on the Project Management intranet site. In summary, individual Project Boards report into Directorate Leadership Teams who are in turn monitored by Corporate Leadership Team. Corporate Leadership Team represents the highest level of officer involvement and accountability, allocating feasibility funding and having oversight of all projects.

Capital Programme position April 2026/27

Scheme Name	Spend in Prior Years £000	2025/26 Total Budget £000	2026/27 Total Budget £000	2027/28 Total Budget £000	2028/29 Total Budget £000	2029/30 Total Budget £000	Total Scheme Budget £000
Highway Maintenance Block DfT (previously LTP)	0	21,348	23,967	27,449	29,695	33,948	136,407
Resurfacing Herefordshire Highways	0	10,081	5,000	0	0	0	15,081
Highways Infrastructure Investment	7,354	7,301	6,385	0	0	0	21,040
Public Realm Improvements for Ash Die Back	581	477	482	118	0	0	1,658
E & E's S106	0	1,501	4,207	2,429	0	0	8,137
Play Area Investment	0	250	750	0	0	0	1,000
Public Realm Services Fleet	0	0	1,322	0	218	0	1,540
Public Realm Mobilisation	0	0	450	0	0	0	450
Public Rights of Way	0	0	1,000	0	0	0	1,000
Traffic Signal Obsolescence Grant and Green Light Fund	3	538	0	0	0	0	541
Total Economy & Environment (Highways & Public Space)	**7,939**	**41,496**	**43,563**	**29,996**	**29,913**	**33,948**	**186,854**
Hereford City Centre Transport Package	38,908	5,042	3,029	0	0	0	46,979
Hereford ATMs and Super Cycle Highway	0	0	1,000	0	0	0	1,000
Active Travel Fund 4	134	172	0	0	0	0	306
Active Travel Fund 5	0	0	99	0	0	0	99
Consolidated Active Travel Fund	0	0	499	234	234	234	1,202
Hereford Western Bypass Phase 1	356	2,100	13,584	11,700	17,560	0	45,300
Stronger Towns Fund - Greening the City	116	288	0	0	0	0	404
LUF - Active Travel Measures (north of river)	1,097	1,727	716	926	0	0	4,466
LUF - Active Travel Measures (south of river)	533	2,663	6,000	0	0	0	9,197
Local Transport Grant	0	5,837	5,975	6,966	7,775	8,584	35,137

Bus Service Improvement Plan	0	1,108	900	918	936	954	4,815
Total Economy & Environment (Transport)	**41,144**	**18,937**	**31,802**	**20,744**	**26,505**	**9,772**	**148,905**
Integrated Wetlands	2,676	1,686	398	0	0	0	4,760
Natural Flood Management	555	329	390	0	0	0	1,274
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	0	0	120	240	120	644	1,124
LEVI Pilot Fund Grant	24	36	60	0	0	0	120
Wye Valley National Landscape (previously AONB)	0	934	0	0	0	0	934
Solar Photovoltaic Panels	1,064	150	535	385	0	0	2,134
Yazor Brook	0	260	0	0	0	0	260
Waste	0	5,193	0	6,200	0	0	11,393
Home Upgrade Grant	0	70	0	0	0	0	70
Warm Homes Grant	0	501	1,003	982	0	0	2,485
Herefordshire Flood Risk Mitigation	0	250	1,805	0	0	0	2,055
Total Economy & Environment (Environmental)	**4,318**	**9,409**	**4,311**	**7,807**	**120**	**644**	**26,609**
UK Shared Prosperity Fund	0	401	0	0	0	0	401
HWGTA - Development of Vocational Work Based Skills Investment	0	2,000	0	0	0	0	2,000
Employment Land & Incubation Space in Market Towns	866	3,961	1,460	8,360	0	0	14,648
Rural Prosperity Fund	0	512	0	0	0	0	512
Total Economy & Environment (Economic Growth)	**866**	**6,874**	**1,460**	**8,360**	**0**	**0**	**17,561**
Windows Server Upgrades	293	37	0	0	0	0	330
Device and Ancillary kit replacement programme	0	230	578	185	0	0	993
M365 E5 Implementation	491	79	0	0	0	0	570
Planning & Regulatory Services software	3	350	923	120	0	0	1,396
Contact Centre Telephony Replacement	15	67	0	0	0	0	82
Wide Area Network (WAN) Replacement	165	121	0	0	0	0	286
School Route Planning Software	0	50	0	0	0	0	50
IT System Upgrades & Server Replacements 2025-26	0	318	182	0	0	0	500
Essential system updates and upgrades	0	0	174	0	0	0	174
CCTV Equipment Upgrades	0	89	0	0	0	0	89

Total Corporate Services (IT & Transformation)	**967**	**1,340**	**1,857**	**305**	**0**	**0**	**4,470**
Schools Capital Maintenance Grant	0	3,196	2,770	1,200	0	0	7,166
Aylestone School Improvement Works	0	0	1,790	1,000	0	0	2,790
Peterchurch Area School Investment	953	6,523	3,377	0	0	0	10,853
Brookfield School Improvements	2,181	3,641	0	0	0	0	5,822
High Needs Grant	483	2,103	6,784	0	0	0	9,369
Basic Needs Funding	560	1,500	11,810	5,006	0	0	18,877
Relocate Herefordshire Pupil Referral Units	0	0	1,500	3,500	0	0	5,000
Establish a new alternative provision (AP) centre	0	0	1,500	3,500	0	0	5,000
Childcare Expansion Capital Grant 2023-24	13	153	130	0	0	0	296
School Accessibility Works	759	551	1,193	0	0	0	2,503
Children's residential homes for 11 to 18 year olds	0	424	0	0	0	0	424
Residential overnight short breaks refurbishment	0	0	60	0	0	0	60
C & F's S106	0	819	1,297	1,550	0	0	3,665
Total Childrens & Young Peoples (Including Schools)	**4,949**	**18,908**	**32,210**	**15,756**	**0**	**0**	**71,824**
Work to Shirehall Annex (Care Leavers Base)	85	15	0	0	0	0	100
Estates Capital Programme 2019/22	5,119	763	0	0	0	0	5,882
Residual property works identified in the 2019 condition reports	957	365	0	0	0	0	1,322
Estates Building Improvement Programme 22-25	1,927	1,079	0	0	0	0	3,007
Estates Building Improvement Programme 2023-25	1,558	519	990	0	0	0	3,067
Estates Building Improvement Programme 2024-27	689	997	483	0	0	0	2,169
Building works from 2022 Condition Surveys	4	196	974	350	0	0	1,524
Shirehall Improvement Works	0	250	3,750	0	0	0	4,000
Property Improvements in Care Homes	225	644	484	0	0	0	1,353
Estates Building Improvement Programme 2026-29	0	0	1,809	1,121	35	0	2,965
Estates Building Improvement Programme 2025-28	0	497	2,622	526	0	0	3,645
Total Economy & Environment (Council Asset Investment)	**10,564**	**5,325**	**11,112**	**1,998**	**35**	**0**	**29,033**
Disabled facilities grant	0	3,373	2,200	2,200	0	0	7,773
Empty Property Investment & Development	0	580	286	0	0	0	866

Strategic/Emergency Housing Capital Projects	0	0	2,650	3,900	3,450	0	10,000
Acquisition Fund for Housing Provision	111	2,589	2,300	0	0	0	5,000
Merton Meadow - Brownfield Land Release Fund	393	1,607	0	0	0	0	2,000
Swimming Pool Support Fund	0	60	0	0	0	0	60
Libraries Improvement Fund	31	31	0	0	0	0	62
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	2,883	1,540	10,525	5,581	0	0	20,529
Stronger Towns Library & Learning Centre relocation to Shirehall	340	152	2,064	450	0	0	3,005
Historic Building Fund	0	0	0	5,000	0	0	5,000
Community Capital Grants Scheme	4	1,376	600	20	0	0	2,000
Total Community Wellbeing Including Housing	**3,761**	**11,309**	**20,625**	**17,151**	**3,450**	**0**	**56,295**
Total Capital Programme	**74,508**	**113,598**	**146,941**	**102,117**	**60,023**	**44,364**	**541,551**

Appendix B

Strategies that Support the Capital Strategy

- **The Strategic Asset Management Plan**

  Contains the Corporate Property Programme for the council.
  It mainly focuses on proposals to:

  - Rationalise the current corporate administrative estate
  - Introduce better ways of working to drive efficiency, for example home working
  - Support the organisation to meet its carbon reduction targets.

The overarching strategy contains a suite of supplementary procedures in the Corporate Asset Procedure that covers all aspects of purchase, disposal, owning and managing property assets as well as other supplementary procedures on items such as Community Asset Transfers, storage and listed sites.

- **Local Transport Plan**

  This plan covers the policies and delivery plans relating to transport and explains how these contribute to the wider local agenda. It considers the transport needs both of people and of freight and includes the strategic countywide programme of transport infrastructure improvements and maintenance. The aim is to ensure the maintenance, operation, management and best use of the county's transport assets.

  Annual funding available for local transport has over recent years been in the region of £12 million to support capital maintenance of the highway asset and support road safety and transport network improvements. In future the level of funding for transport capital investment will be constrained but remain a significant component of the overall capital programme, reflecting the importance of maintaining this important asset and its crucial contribution to the economic vitality of the county.

- **Schools Capital Investment Strategy**

  This strategy has been developed in consultation with Schools, Children and Families Service. Its principles support the vision, objectives and targets of the Herefordshire Council. In so doing, it supports and contributes to the council's Capital Strategy. It specifically seeks to ensure that assets that do not support the objectives of the Herefordshire Council are disposed of through sale to realise a capital receipt or through community asset transfer, that investment is clearly linked to specific objectives and targets; and that assets such as schools, children's centres, youth centres and children's multi-agency offices are corporate resources, available to accommodate delivery of wider services to the community from across Herefordshire. The strategy seeks to join up future capital funding streams wherever possible to ensure that best value is achieved from the funding available and to maximise the benefits realised from the investment.

- **Digital Strategy**

  The Digital Strategy aims to ensure that Herefordshire Council has a stable, fit-for-purpose and sustainable information, communications and technology platform and service organisation capable of supporting the drive to deliver efficient and effective services to the citizens, directorates, businesses, organisations, members and public sector partners within Herefordshire. It will assist Herefordshire Council to make more flexible use of technology to achieve efficiencies, access services and share workspace and resources with partner agencies.

- **Medium Term Financial Strategy**

  This document is approved annually, based on the budget setting requirements of the council and reflects on the strategic and operational intentions over a three-year time frame. It covers the capital programme and funding streams including the affordability of prudential borrowing and use of capital to facilitate revenue budget savings in future years.

- **Treasury Management Strategy**

  This strategy sets out the council's overall approach to treasury management operations including the capital programme and links to the borrowing limits, minimum revenue provision in relation to debt repayment and prudential indicators.

Capital vs Treasury Management Investments

- Treasury Management investment activity covers those investments arising from the Council's cash flows and debt management activity. The power to invest is set out in the Local Government Act, Section 12.

- For treasury management investments, the security and liquidity of funds are placed ahead of investment return/yield. Treasury related activity, including the management of associated risk, are managed separately in accordance with the Council's Annual Treasury Management Strategy and are not covered by this Capital Strategy.

- The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside normal treasury management activity. These may include service and commercial investments and are subject to the guiding principles outlined in this capital strategy:
  - service investments; investments held clearly and explicitly in the course of the provision, and for the purposes of operational services including regeneration
  - commercial investments; investments taken mainly for financial reasons e.g. purchase of investment property

- Latest guidance issued by the Secretary of State makes clear that borrowing to finance the acquisition of non-financial investments (e.g. commercial property investment) made *purely* for profit shall be considered 'borrowing in advance of need'.

- The Council's policy on borrowing in advance of need forms part of the Annual Treasury Management Strategy. However, and to be clear, the Council will not borrow for capital investment made solely for yield generating opportunities. Under the Prudential Code if, exceptionally, the Council chooses not to have regard that provision, then an explanation should be brought forward explaining the rationale for its decision.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Community Wellbeing**
Scheme Name	**Property Improvements in Care Homes – Phase 3**
Budget Holder	**Corporate Director Community Wellbeing**
Council Plan Priority	**People/Place**

A programme of building improvement works 2026/27 which have been identified through the assessment of criteria primarily focussed on (1) identified risk, (2) health, safety or welfare of the building users (3) delivery of the aims within the Council's County Plan, (4) service continuity and efficiencies through the delivery of property specific projects.

Key objectives include:

- Ensure that the Council's estate is maintained, safe and fit for purpose.
- Address identified risks, impacting users of the building.
- Reduce revenue expenditure by investing in buildings.
- Extend the lifecycle of Council assets and protect/enhance value.
- Secure better services, quality of life and value for money
- Support reduction of carbon footprint.
- To support the delivery of the Herefordshire Council Plan 2024-28

Allowing investment and undertaking a programme of improvement works will mitigate and prevent risk of failure and ensure the buildings remain open and fit for current use, thereby avoiding disruption to the delivery of services.

Project aims and objectives:

Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Essential Works 2026/27			139,750		139,750
Essential Equipment 2026/27			25,000		25,000
Improvement Works or Efficiency 2026/27			34,000		34,000
TOTAL			198,750		198,750
Funding sources					
Capital Receipts Reserve			198,750		198,750
TOTAL					

Benefits and risks:

The anticipated benefits of the proposed programme are listed below:

- Statutory Compliance/ Quality Assurance
- Risk Management / Mitigation
- Protected Service Delivery
- Energy Efficiency
- Sustainability

The programme seeks to reduce the risks identified on a project by project basis.

The key risks of not doing the project are:

- Non-Compliance with Statutory Regulations
- Health and Safety Risks
- Potential for serious Physical Injury
- Impact on Service Delivery
- Reputational Risk

The key project risks are:

- Statutory
- Financial
- Service
- Reputational

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Children & Young People**
Scheme Name	**Residential overnight short breaks home utilising capital funds for purchase and refurbishment and revenue for delivery of care via procurement.**
Budget Holder	**Tina Russell**
Council Plan Priority	**People/Place**

Project aims and objectives:

Capital funding totalling £424,00 was made available in 2024-25 to deliver a registered residential children home project. Following a robust operational review of demand for such service a request was made to repurpose this funding and to purchase a property from which to deliver a minimum of 700 nights of care and support to children and young people with a disability as a short break 2025-26.

This provision is proven to prevent family breakdown, offering children and their families respite from daily challenging needs. This therefore reduces the risk of children coming into care permanently with families feeling they can't cope when they have an offer of overnight short breaks.

Currently no provision for overnight short breaks is available in county and those with the most complex needs are either unable to access a service or must travel significant distances. Is it considered likely that children have been accommodated directly because insufficient overnight short breaks are available.

Following approval of a decision report and signature by Tina Russell a multi-agency project team has progressed to identify a suitable property.

As of August 2025, funding has been secured as follows:

1. £424,000 capital funding
2. £35,000 strategic housing budget

A suitable property has been sourced at a total of £440,000. It is anticipated that purchase costs will total £10000 leaving £9000 This will be insufficient to deliver the outstanding adaptation and furnishing required to enable short breaks to be delivered. It is anticipated that a balance of £60,000 additional capital funding will be needed to cover:

1. Conversion of wet room
2. Hoist system in one room and wet room.
3. Appropriate industrial level white goods to allow laundry needs.
4. Furnishing of 3 bedrooms, living room, kitchen etc.
5. Garden toys to include adapted play/sensory equipment.

There are currently 32 children assessed as requiring OSB support. It is expected that in excess of 15 children and young people will benefit from this provision.

Analysis of current demand is challenging as some children are accessing an alternative service in lieu of overnight short breaks which may be sufficient, may delay accommodation or may be insufficient and exacerbate timescales for accommodation. Co-dependencies to include recruitment of foster carers/personal assistants and availability of community-based offers will influence the demand for overnight short breaks. As

such the numbers will increase/decrease over time. Offering an in-reach offer to families alongside overnight short breaks will provide flexibility, better value and improve business resilience.

The cost for overnight short breaks ranges from £550 to £1250 per night, including care and accommodation. Staffing ratio and requirement for clinical oversight vastly impact costs. A model that offers a range of skills, training and competency is likely to deliver the most cost effective and operationally useful service. Currently Herefordshire fund considerable travel for children to provision and or to school from their short break. This would be significantly reduced if the provision was in county and core home/school transport could be amended in a planned way. This will inform any future specification and tender requirement.

Current thinking indicates that a property offering in the region 700 bed nights per year will allow:

- 11 children identified as needing 391 ONSB but receiving an alternative offer to receive planned care.
- 4 children identified as needing 84 nights of ONSB and currently receiving direct payments as an alternative to receive planned care.
- Potential return home from 52/ week or reduction to 39-week care
- Timely support for children to avoid breakdown at points of crisis.

Without additional capital funds being made available the short break offer this home will not be able to be adapted to meet the needs of children currently accessed as requiring an overnight short break and Herefordshire will fail to meet their statutory duties.

Whilst it is recognised that this funding bid pertains to 2026-27 it is the specific request of Tina Russell that a bespoke decision allows consideration across 2025-26 to allow for works to be completed and provision to be offered as 1.1.26

Our Sufficiency Strategy states that:
"For those young people requiring residential care we intend to develop more local quality provision within 2024-25 and improve percentage of children placed in area annually.

Herefordshire Improvement Plan for Children and Families highlights that **our role as Corporate Parent is a priority area of focus and promotes the following outcomes:**

"Children and young people are central to decision making and planning within the council. They trust that the council has their best interest at heart and will prioritise resources to meet their needs."
"Increased choice of placement to meet the needs of children in our care."
"Matching of placement will be available to ensure needs are met and reduction in short term placements."

Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
		60,000			60,000
TOTAL		60,000			60,000
Funding sources					
Capital Receipts Reserve		60,000			60,000

TOTAL		**60,000**			**60,000**

Benefits and risks:

Benefits: -

The provision within county is expected to deliver improved outcomes for children and young people, support families to care for their child at home, control costs, reduce transport costs, reduce officer travel time, maintain school placement and attendance and allow for effective collaborative working across partner agencies.

- The council would have full control of how the service was developed and delivered via specification.
- The council would manage referrals into the service and support conversations around matching, managing risk and occupancy. However, the provider would have the potential to veto subject to certain conditions i.e. safeguarding risk.
- Increased local options improving choice and matching.
- Retention of local connection with family/community and access to services within adult social care and housing
- Improved outcomes for children and recognition of the need to maintain trusted relationships.
- Increased access to local education and health services avoiding delay in assessment/ support.
- Improved engagement with providers mitigating breakdown, complaints and reputational risk.
- Reduced costs associated with transport, contact, travel, notice and uplifts.
- Reduced additionality of costs linked to spot/emergency arrangements.
- Reduced risk of unregistered placements.

Risks: -

Currently children are being placed into accommodation that does not fully meet their needs and is often out of area. The council is at risk of failing to meet our statutory duties and currently we anticipate legal challenge from a number of families. Costs are rising and quality cannot always be guaranteed. Placing children out of county creates challenges for maintaining family contact, local networks and disrupts education.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Economy and Environment**
Scheme Name	**Hereford Western Bypass – Phase 1**
Budget Holder	**Scott Tompkins – Delivery Director - Infrastructure**
Council Plan Priority	**Growth and Place**

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The Council is seeking to deliver the first phase of the Hereford Western Bypass (formerly Southern Link Road). The project was approved by Cabinet in March 2024 as part of the New Road Strategy and was estimated at that time to cost in the of £35m to construct. The recent procurement exercise has provided greater certainty to this estimation.

As part of the phase 1 review undertaken by Aecom however, it is anticipated that further works will be required to meet current construction and environmental regulations and standards. Furthermore, additional utility and network rail assets requiring diversion/ mitigation have been identified that were not previously captured in previous tenders have been identified. As a result, construction costs are likely to rise by approximately £1m. A further £300,000 is required to employ resources to support the council with contract management during the construction phase.

Council previously approved £10.3m to enable the scheme to progress to construction stage and to acquire land. It is anticipated that approximately £1.3m of this will be available to contribute to construction costs, subject to final land purchase costs.

A further £5m is therefore required in order to bring the budget up to £36.3m to ensure that the council is able to award a construction contract within the financial year 2026/27.

There are no additional revenue implications for ongoing maintenance as part of this proposal.

This capital bid is intended to deliver:

- The additional funding required to allow the construction of the scheme and the mitigation of impacted utility assets.
- Fund a consultant to oversee the construction of the scheme.
- Provide an element of contingency to ensure that unexpected issues that may arise are able to be addressed.

Links to County Plan priorities:

People: Traffic levels in the city are high, and with that comes pollution in the form of NO_x and particulate pollution (PM10 and PM2.5). This pollution is known to affect the development of the young and to impact on the health of adults with respiratory illnesses. Removal of a high proportion of traffic that currently accesses the Rotherwas Enterprise Zone via the A465 and A49 corridors and from Holme Lacey Road will ensure that active travel is a more attractive alternative means of travel and will support uptake of use of the new cycling facilities being constructed along Holme Lacy Road.

Place:	The scheme will be designed such that it is sympathetic to the environment, with planting on site and on nearby sites, as well as improved conditions to enhance biodiversity planned as an integral part of the scheme. As part of the wider Western Bypass the proposal will lay the foundation for additional housing required to support affordable living in the county to be located in a manner that mitigates the impact of additional car travel.
Growth:	The creation of a new network of roads around the city will ensure that business traffic is able to access the business parks and Enterprise Zone without impacting on the city. This will reduce costs and encourage investment to enable economic growth in and around Hereford. The creation of the first phase of the Western Bypass, and the other revenue funded work that is coming forward, will give local businesses confidence to invest in the city's enterprise park and business hubs. By removing unnecessary through traffic from the city centre local retail, leisure and hospitality businesses will be better placed to welcome visitors to the city.

Estimated costs and funding sources:

	2024/25	2025/26	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital cost of project							
Project development	356	2,100	6,544				9,000
Construction			9,940	19,840	6,220	0	36,000
Support resources			60	160	80	0	300
TOTAL	**356**	**2,100**	**16,544**	**20,000**	**6,300**	**0**	**45,300**
Funding sources							
Additional Corporate Funded Borrowing			0	0	5,000	0	5,000
Previously approved funding	2,800	8,500	17,500	11,500		0	40,300
TOTAL	**2800**	**8500**	**17,500**	**11,500**	**5,000**	**0**	**45,300**

Benefits and risks:

A full business case to outline the costs, benefits and risks will be developed prior to the drawdown of funding however it is anticipated that the following benefits will be realised and that there are risks that require mitigation as set out below.

Benefits

- By investing capital in the first phase of a western bypass, then the city will have started on its journey to create resilience, better control its traffic and will allow for space within the city centre to be re-purposed to provide a better sense of place.
- The residents of Herefordshire have long expected the delivery of a bypass for the city; customer satisfaction will be improved when work on the bypass is commenced and delivery of phase 1 will build confidence that the council is listening to its residents.

- Businesses, particularly those sited in Rotherwas, will welcome a reduction in lost time traversing busy city centre corridors, freeing up resource for investment in the various enterprises.
- A reduction in traffic in the city centre will allow for a more punctual bus service, giving residents the confidence to swap their travel modes.
- Less traffic will also improve the active travel choices of our residents. They will be able to travel on quieter streets with less pollution.

Risks

- If possible, the council will seek to recover corporate funding from third parties such as DfT or developers to minimise the revenue impact on corporate budgets, however it may be that external funding is not forthcoming and therefore the council will be required to fully fund the project.
- Construction inflation has proven to be volatile over recent years and therefore actual costs may be subject to change when the scheme goes out to tender. The proposed budget may therefore require amendment up or down prior to the start of construction. A re-visit of the full business case will help minimise the level of uncertainty prior to tender.
- The second phase of the Western Bypass has yet to progress to the full business case stage and therefore the full potential benefits of phase 1 may not be realised should phase 2 not progress. A full business case for phase 1 to demonstrate that it represents value for money in its own right will be developed prior to spending commitments on construction.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Community Wellbeing**
Scheme Name	**Strategic/Emergency Housing Capital Projects**
Budget Holder	**Hannah McSherry**
Council Plan Priority	**People -** We will enable residents to realise their potential, **to be healthy and benefit from communities that help people to feel safe and supported**. **Place** - We will protect and enhance our environment and ensure that Herefordshire remains a great place to live. **We will support the right housing in the right place** and do everything we can to improve the health of our rivers.

Project aims and objectives:

Financial Context

The Council has a statutory duty to prevent and relieve homelessness. In 2023/24 the Housing Solutions Team spent £3,415,832.27 on temporary accommodation (TA) solutions; £3,030,030.55 on Travelodge/ B&B style accommodation and £385,801.72 on private sector rental accommodation.

During this period the Council owed 314 households a prevention duty and 221 households a main housing duty. This gives an average TA cost of approx. £6384.73 per household owed a duty in 2023/24.

The limited supply of B&B/ Hotel accommodation in Herefordshire, along with increasing demand and seasonal variations mean the cost of securing short term accommodation continues to rise. A Travelodge room costs an average of £90.

The current average cost to the Council for an individual placed in the Travelodge is:

- 1 night £90
- 7 nights £630
- 30 nights £2,700
- 1 Year £32,850

Wherever possible housing benefit is used to offset this cost, but this is not always possible and doesn't cover the full cost.

The average cost of self-contained private sector rented accommodation used for TA are set out below alongside the Local Housing Allowance (LHA) rates that are used to offset these costs. Please note that LA's can only claim 90% of LHA rates for temporary accommodation.

Average Monthly Rent	Weekly LHA rates (90%)	Monthly LHA rates
1 bed - £520	1 bed - £86.19	1 bed - £373.49
2 bed - £631	2 bed - £109.04	2 bed - £472.51
3 bed - £755	3 bed - £129.81	3 bed - £562.51
4 bed - £1000	4 bed - £155.77	4 bed - £675.00

This table demonstrates that whilst the Council negotiates rents that are as close to LHA rates as possible, LHA rates do not come near to covering the whole cost. For self-contained private sector rented accommodation alone, this shortfall amounts to over £120,000 per annum, not taking into account voids, maintenance and repairs.

In 2023/24 the overspend on TA was 1.3m.

In 2024/25 the overspend on TA was £758K. This substantial decrease is down to proactive budget management and an increased focus on claiming Housing Benefit, however demand for temporary accommodation continues to significantly outstrip the budget. Escalating demand for TA is a national challenge and is a result of several factors including:

- Lack of social housing.
- Increasing cost of private rent.
- New legislation being introduced for private sector landlords, meaning many are leaving the market and evicting their tenants in the process.
- Ongoing impact of the cost-of-living crisis.

There are wider positive 'invest to save' implications linked to the accommodation solutions outlined in this request including:

- Ensuring that we have suitable accommodation for vulnerable families.
- Improving health and wellbeing outcome for families; Children living in temporary accommodation face a multitude of negative outcomes, including disruptions to their education, increased risk of mental health problems, and potential exposure to unsafe living conditions.
- Safe and secure accommodation mitigates the risk of escalating care and support needs and the cost of social care interventions for vulnerable adults and children.
- Reduction in avoidable hospital admissions.
- Reducing the risk and cost of the Council being fined by the Housing Ombudsman.
- Reduction in complaints, MP enquiries and wider reputational damage to the Council.
- Better use of existing housing stock.

Link to corporate Plan / Priorities

All the projects set out below link directly to the priorities set out in the corporate plan:

People - We will enable residents to realise their potential, **to be healthy and benefit from communities that help people to feel safe and supported**.

Place - We will protect and enhance our environment and ensure that Herefordshire remains a great place to live. **We will support the right housing in the right place** and do everything we can to improve the health of our rivers.

Link to savings priorities – Reduction in cost of temporary accommodation

Bringing Empty Properties Back into Use

Request £750,000 to bring 15 empty properties back into use over 3 years.

There are in excess of 350 long term empty homes in Herefordshire. In order to incentivise the owners of these properties to bring them back into use we propose to run an Empty Properties Grant Scheme.

Grants of up to £50,000 per property will be offered to bring up to 15 empty properties back into use across Herefordshire. Larger grants might be agreed by exception depending upon the property e.g. large family homes that need additional investment, but that would be a valuable resource to the TA team.

The focus will be on Hereford City and market towns as that is where accommodation is most needed. Grant's agreements will include conditions that the accommodation is offered for affordable rent for an agreed number of years depending upon the value of the investment. Nominations agreements will enable the Council to move families our of TA into these properties, reducing spend on expensive B&B/ chain hotels.

Bringing 15 properties back into use over 3 years as profiled in the table could, allowing for move on to permanent homes, take at least 20 households out of expensive and unsuitable B&B / Hotel accommodation. This scheme offers a potential saving of £159,619, less any costs offset by benefits.

Local Area Housing Fund (LAHF) Round 4 – Match funding

Request £100,000 as match funding for LAHF 4

The government has closed Afghan Resettlement Programme resettlement scheme to any further applications, but the number of refugees already committed to the scheme mean that we can expect several more years of active resettlement as new families continue to arrive in the UK. In an attempt to secure a fairer distribution across the country, the Government have introduced regional targets which have subdivided at a local authority level.

This year, the Council were able to meet the initial ask of 42 bedspaces / individuals through a combination of housing purchased through the LAHF (Round 2) and the delivery of 5 x new build properties negotiated with Connexus. However, this figure increases to 63 bedspaces / individuals for 2025/26. Strategic Housing have negotiated a further 5 units of resettlement accommodation with Stonewater for this period, but there will be a significant shortfall if we do not look at alternative models to deliver refugee resettlement in Herefordshire.

As a non-stock holding authority, we rely heavily on our Registered Provider (RP) partners to deliver a range of accommodation solutions for all our vulnerable groups of which refugees are just one.

The grant scheme has been delivered in partnership with local RP's who, to date, have provided approx. 50% of the match funding, with the Council contributing just a small amount of match as a gesture of our commitment to the funding and to our RP partners.

Working with Connexus and Stonewater Ltd, the Council have delivered 38 units of LAHF grant funded accommodation for resettlement and temporary accommodation over the last 2 years. These units of accommodation now form part of Herefordshire's social housing stock.

In preparation for LAHF Round 4 opening, we are requesting £5000 per property for up to 20 properties.

Delivering affordable Temporary Accommodation for large families

Purchase and refurbishment of 3 large family homes to accommodate families of 7 or more currently being accommodated in TA. £450,000 each. Total request £1,350,000.

We are currently accommodating 3 large families (6+) in TA with a 4th family still living in their existing unsuitable accommodation because we cannot find them suitable TA.

One of these families was accommodated in a local hotel during 2023, whilst a more suitable solution was sought. This cost £93,310 for 6 months. This family are now in leased accommodation at a cost of £30,000 per annum of which £22,000 cannot be recovered via housing benefit.

Two of the families are in Council owned accommodation, meaning that they cannot be used to generate an income.

The Council have been fined over £17,000 by the Housing Ombudsman because we cannot find suitable accommodation for these families. We have been notified of a further fine related to the family that we have not been able to find suitable TA for; we understand that this will be £3750 plus an additional £250 per month until we can find suitable TA. The demand for larger family accommodation is growing, and we have very few options at our disposal.

Following this latest complaint the Housing Ombudsman has asked that the Council produce a plan for procuring larger units of temporary accommodation. Investing in larger family homes will save money both in terms of B&B costs and by reducing fines from the Housing Ombudsman.

There is little prospect of these families being housed in social housing because Registered Providers do not develop homes that are large enough to accommodate them, so these families will continue to live in TA which is why we need flexible cost-effective solutions that we can manage directly.

It's difficult to quantify the exact savings that can be made from this approach as each of these families are a different size and makeup, but the only alternative we currently have is Hotel / B&B accommodation. The Homelessness Code of Guidance is clear that households with children should not be in B&B accommodation for any longer than 6 weeks. After this time the Council must secure alternative suitable accommodation. This is a huge challenge for large families.

Accessible Homes – Temporary Accommodation

Request £700,000 to purchase and refurbish two units of accessible temporary accommodation.

We are seeking investment for two units of accessible accommodation for people that are homeless or in need of temporary accommodation before they can return home safely. Accessible housing stock is limited with demand outstripping supply.

Due to a lack of alternatives, we currently place people in accessible rooms in the Travelodge. This means that we are often sending people out of county and paying higher rates for accessible rooms. This solution is expensive and removes people from their established support networks, services and make access to healthcare very difficult. Experience shows that this approach can lead to otherwise preventable hospital admissions.

Accessible Homes – Larger Families

Request £900,000 for purchase two accessible homes for large families.

A disproportionate number of disabled people live in social housing, with the Office for National Statistics (ONS, 2022) stating that 24.9% of disabled people lived in social renting in 2022 compared with 7.9% of non-disabled people.

The Council work closely with Registered Providers through the disabled facilities grant to make adaptations to existing housing stock to ensure that it is accessible for people with disabilities and accessibility issues. However, for some people / families this will never be a workable solution because their needs are so specific. The Council have an accessible homes register (AHR) for households that need bespoke housing solutions to meet their needs and works with developers through the planning system to develop homes to meet the specific needs of these households. There are over 70 households on the AHR.

This includes 7 families waiting for an accessible 4-bedroom unit, 3 families awaiting an accessible 5-bedroom unit and 1 family waiting for an accessible 6+ bedroom unit. Some of these families have more than one child with a disability or a life limiting illness, some as many as three.

Negotiating homes of this size on new development sites is very difficult as these are expensive units and take up more land. Where we have successfully negotiated a large accessible unit, the development process that can take 3 or more years to deliver the home. Some of the families on the accessible homes register have been waiting for over 6 years.

The families outlined above are living in accommodation that is not fit for purpose and will need increasing amounts of formal support from children's or adults social care to meet their escalating needs if we cannot provide them with a suitable home.

16/17 Homeless Young People

Request: Purchase of 4 x 2 bed units of accommodation for 16/17 young people that are experiencing homelessness. £1,000,000.

When a YP aged 16/17 presents as homeless, they have an assessment and can chose to become children, looked after (CLA) or follow what is commonly referred to as the homelessness route, whereby they would be provided with accommodation but not supported or formally under the care of Children's Social Care.

The Council has no dedicated accommodation for YP choosing the homelessness route which means that more YP are becoming looked after. For some YP this is absolutely the right decision, but for others this decision may be influenced by the
lack of wider, suitable, accommodation options. This proposal aims to provide YP with a suitable option. YP are not able to have a tenancy until they are 18, so this is transitional accommodation, and we it would be reasonable to expect a YP to occupy these units for at least 2 years.

The average annual cost of a supported housing placement for a looked after child during 2024/25 was £61,256 per annum, some of this cost is offset by housing benefit, but not all. Each of these units will accommodation 2 YP. Creating this accommodation for 16/17-year-olds who present as homeless but who don't need to become children that are looked after, could save the Council in excess of £1.1m in revenue spend in 3 years. This doesn't consider any reductions offset by housing benefit but excludes the wider costs of supporting children that are looked after until they are 25 years old.

Year 1 = 4 x £61256 = £254,024
Year 2 = 6 x £61256 = £367,536
Year 3 = 8 x £61256 = £490,048
Total potential saving is £1,111,608.

These are cumulative sums based on the annual cost for each person.

Should this scheme be approved, it is hoped that some of the potential savings may be used to deliver an increase in capacity for our existing floating support contract to support 16/17-year-olds in their independent accommodation, but this is only notional at this stage.

Emergency Accommodation

Request: £5.9m (capital borrowing) to develop council owned temporary accommodation to address the gap in provision and provide suitable accommodation for some of the county's most vulnerable people.

The Housing Solutions Team are responsible for delivering the homelessness and housing advice service for Herefordshire Council. Homelessness has increased dramatically in recent years with approaches by those threatened with homelessness or homeless increasing - reflecting the national trend. There are currently 742 open cases being dealt with by the Housing Solutions Team and 177 households currently in temporary accommodation.

Based on analysis over the last 3 years, the council has an average emergency accommodation requirement of 150 units and thus a deficit of 100 units against this proven long-term demand. At a cabinet emergency accommodation working group in September, cabinet members agreed that in addressing this long-term issue, the council should seek to directly acquire and develop additional emergency accommodation to meet this deficit**.**

The rationale behind this proposal is one of spend to save, already adopted by the council in the recent acquisition of the John Venn Building in Hereford, using £5 million of funding allocated for provision of Temporary accommodation, to acquire and refurbish this vacant building to provide 28 No 1 bed apartments at a cost of £3.5 million but delivering revenue cost avoidance measures of circa £700,000 pa.

This proposal is to develop council owned land and buildings to provide 'fit for purpose' residential units to delivery emergency accommodation to meet the councils needs and thus fulfil its statutory obligations, and reduce service overspend on Emergency accommodation.

A 'pipeline' of 47, 1,2,3 and 4 bed units has been identified to be to be delivered over a 2 - 3-year period, allowing for the initial preconstruction design, planning and procurement phases.

The council will utilise the £5.9m to bring forward developments to meet the current and future need, utilising council owned land and buildings in the first instance. A full business case will be established for each development, setting out the need/ demand, and the income which will repay the borrowing (based on the John Venn building model established in the previous programme). The council will also seek Homes England grant funding wherever possible to support the business case for each investment.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					

Empty Property Grants	**250**	**250**	**250**		**750**
LAHF 4 Match Funding	**100**				**100**
TA for Large Families	**450**	**450**	**450**		**1,350**
Accessible Homes for Large Families	**450**	**450**			**900**
Accommodation for Homeless 16/17-year-olds	**500**	**250**	**250**		**1000**
Emergency Accommodation	**900**	**2,500**	**2,500**		**5,900**
TOTAL	**2,650**	**3,900**	**3,450**		**10,000**
Funding Stream	**2026/27**	**2027/28**	**2028/29**	**Future Years**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Corporate funding borrowing	**1,750**	**1,400**	**950**		**4,100**
Homes England Grant	**405**	**1,125**	**1,125**		**2,655**
Borrowing funded from revenue Income (ROI)	**495**	**1,375**	**1,375**		**3,245**
TOTAL	**2,650**	**3,900**	**3,450**		**10,000**
Revenue budget implications	**2026/27**	**2027/28**	**2028/29**	**Future Years**	**Total**
Potential savings	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
LAHF 4 Match Funding					
Empty Property Grants – potential savings	**31**	**51**	**76**	**76**	**234**
TA for Large Families – potential savings	**41**	**41**	**41**	**41**	**164**
Accessible Homes for Large Families					
Accommodation for homeless 16/17-year-olds – potential savings	**254**	**367**	**490**	**254**	**1,365**
TOTAL	**326**	**459**	**607**	**371**	**1,763**

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Benefits

There are a range of positive 'invest to save' benefits linked to the accommodation projects outlined in this capital request including:

- Savings associated with reducing the use of expensive B&B/ Hotel accommodation.
- Ensuring that we have suitable accommodation for vulnerable families.
- Improving health and wellbeing outcome for families; Children living in temporary accommodation face a multitude of negative outcomes, including disruptions to their education, increased risk of mental health problems, and potential exposure to unsafe living conditions.
- Safe and secure accommodation mitigates the risk of escalating care and support needs and the cost of social care interventions for vulnerable adults and children.

- Reduction in avoidable hospital admissions.
- Reducing the risk and cost of the Council being fined by the Housing Ombudsman.
- Reduction in complaints, MP enquiries and wider reputational damage to the Council.
- Better use of existing housing stock.

Risks of not going ahead with the schemes set out above:

- Continued escalation of cost of temporary accommodation.
- Continued use of unsuitable temporary accommodation and ongoing risk of fines from the Housing Ombudsman and associated reputational damage.
- LAHF 4 - Unable to meet our local quota for refugee resettlement.
- Unable to provide suitable long term accessible accommodation for large families, leading to escalation in need for children and adult social care intervention.

Contribution to reducing risks identified on the corporate risk register:

R2 - Demand for client-based services continues to increase resulting in increased budget pressures and poor outcomes for those people in receipt of our services.

Providing people with a warm, safe home has a significant impact on their health and wellbeing, supporting the council demand management approach. Households can be supported through the use of TEC, their local communities and preventative services, but suitable and safe accommodated is the foundation of this.

The development of suitable accommodation for 16/17 who chose not to become children that are looked after, will make a significant contribution to demand management as numbers are increasing.

R5 - Failure to deliver a sustainable financial strategy that supports delivery of the Council Plan priorities. (Including delivery of savings, commercial income, capital receipts and ensuring resources are available to deliver statutory obligations and fund organisational development and transformation.)

The delivery of these measures will contribute to the reduction in the cost of temporary accommodation, specifically the use of unsustainable B&B/ Hotel accommodation and offer a cost-effective alternative for young people who do not wish to become children that are looked after. These measures will contribute directly to the delivery of savings.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Children and Young People**
Scheme Name	**Relocate Herefordshire Pupil Referral Units**
Budget Holder	**Service Director, Education, Skills and Learning**
Council Plan Priority	**People**

Project aims and objectives:

Section 19 of the Education Act 1996 places a duty on local authorities to provide suitable alternative education for children of statutory school age who cannot attend school because of illness, exclusion, or any other reason. Where a child is permanently excluded, the authority must arrange full-time alternative provision from the sixth day of exclusion.

In addition, under the **Children and Families Act 2014**, Herefordshire Council has a statutory responsibility to secure sufficient, high-quality, and appropriate educational provision for children and young people with Special Educational Needs and Disabilities (SEND).

The increasing complexity and number of SEND cases, coupled with rising rates of permanent exclusions, is placing significant financial and operational pressure on Herefordshire's local provision.

Project Aims and Objectives

This project will consolidate the Herefordshire Pupil Referral Service (HPRS) KS3 and KS4 provision from two under-compliant sites (St David's and Aconbury) into a single, fit-for-purpose location. The aim is to increase capacity from 47 to 100 places, ensuring statutory duties for excluded pupils are met while improving educational quality and outcomes.

The new provision will:

- Provide compliant, modern facilities with sufficient space for practical subjects, PE, and intervention work.
- Reduce reliance on costly, unregistered, and out-of-county placements.
- Create the potential for a small KS1/KS2 AP on the vacated St David's site to address emerging primary need.
- Co-locate multi-agency services to deliver integrated support and early intervention.
- Reduce home-to-school transport costs through better geographic placement.

Scheme Description

The proposal is to acquire and refurbish a ready-built commercial building, offering a significantly faster and more cost-effective route than new build. Acquisition and refurbishment costs are estimated at £5–6m, compared with circa £15–18m for a comparable new school, and the facility could be operational within 6-12 months of purchase.

This project will:

- Replace two sub-standard PRU sites with a single high-quality education facility.
- Enable flexible, phased delivery to manage pupil cohort compatibility and maintain provision during transition.
- Free up one existing site for potential redevelopment into much-needed primary AP capacity.

- Provide space for an Alternative Provision Specialist Taskforce, aligning with the DfE's SEND and AP Improvement Plan

Links to Corporate Priorities

This project directly supports a key deliverable in the Council's Delivery Plan:
"Develop new Alternative Provision for children with needs that require additional support to enable them to remain and/or return to mainstream education."
It also contributes to all four Council Plan priorities:

- **People** – Ensures excluded and at-risk pupils have timely access to education that meets their needs, improving life chances and wellbeing.
- **Growth** – Builds skills, qualifications, and pathways into post-16 education, training, and employment.
- **Place** – Strengthens local provision, reducing the need for pupils to travel long distances and supporting cohesive communities.
- **Transformation** – Maximises use of existing assets, delivers value for money, and reduces long-term high-needs expenditure.

Savings Plan and Financial Impact

- **Cost avoidance**: Reduces reliance on unregistered AP and independent special school placements, mitigating rapid growth in high-needs block expenditure.
- **Capital efficiency**: Commercial acquisition/refurbishment estimated at one-third of new build costs.
- **Operational savings**: Decreased home-to-school transport costs through better geographic siting of provision.
- **Revenue funding**: Ongoing running costs met through the High Needs Block, with places funded at £10,000 per pupil plus top-up.

This project complements a second Business Case, which focuses on a Tier 2 intervention-based alternative provision centre to prevent exclusions and support reintegration. Together, they establish a joined-up system of early intervention, recovery, and reintegration aligned with the DfE's tiered AP model.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Property acquisition	2,500	1,500			4,000
refurbishment		2,000			2,000
TOTAL	2,500	3,500			6,000

Funding sources					
High Needs Capital Grant	**1,000**				**1,000**
Corporate Funded Borrowing	**1,500**	**3,500**			**5,000**
TOTAL	**2,500**	**3,500**			**6,000**
Revenue budget implications					
TOTAL					

Benefits and risks:

Anticipated Benefits

- Increase capacity from 47 to 100 KS3/KS4 PRU places, ensuring statutory compliance and eliminating current breaches of capacity assessments.
- Improve quality and suitability of provision through modern, compliant facilities with appropriate space for practical learning, PE, and intervention work.
- Reduce reliance on costly unregistered and out-of-county placements, helping to control the growth of the High Needs Block deficit.
- Provide the potential to develop a primary AP facility at the vacated St David's site to meet emerging KS1/KS2 demand.
- Enable co-location of multi-agency teams to deliver integrated support for pupils and families, in line with the DfE's Alternative Provision Specialist Taskforce model.
- Reduce home-to-school transport costs by improving and bringing together geographic placement of provision to enable cost efficiencies.
- Deliver provision within 6-12 months of acquisition, compared to four years for a new build.

Risks of the Proposed Project

- **Availability of suitable property** – mitigated by maintaining an active search and engaging with agents early.
- **Planning/change of use refusal** – mitigated through early pre-application discussions with the planning authority.
- **Cohort compatibility issues** – mitigated by phased transition and careful placement planning.
- **Stakeholder resistance** – mitigated by proactive communication and engagement with pupils, parents, staff, and governors.
- **Recruitment challenges** – mitigated through workforce development planning and phased growth in pupil numbers.

Risks of Not Proceeding

- Continued breach of capacity limits at current PRU sites, risking quality and compliance issues.

- Escalating costs for unregistered AP and out-of-county placements, further increasing the DSG High Needs deficit.
- Inability to meet statutory duties for excluded pupils within the county.
- Higher home-to-school transport costs due to pupils travelling further afield.
- Missed opportunity to re-purpose existing sites for primary AP capacity.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Children and Young People**
Scheme Name	**establish a new alternative provision (AP) centre**
Budget Holder	**Service Director, Education, Skills and Learning**
Council Plan Priority	**People**

Project aims and objectives:

Section 19 of the Education Act 1996 places a duty on local authorities to provide suitable alternative education for children of statutory school age who cannot attend school because of illness, exclusion, or any other reason. Where a child is permanently excluded, the authority must arrange full-time alternative provision from the sixth day of exclusion.
In addition, under the **Children and Families Act 2014**, Herefordshire Council has a statutory responsibility to secure sufficient, high-quality, and appropriate educational provision for children and young people with Special Educational Needs and Disabilities (SEND).

The increasing complexity and number of SEND cases, coupled with rising rates of permanent exclusions, is placing significant financial and operational pressure on Herefordshire's local provision.

Although Herefordshire's attendance rates are above national averages, 3,968 pupils (16.8% of the cohort) are persistently absent and 441 attend less than 50%, with SEMH difficulties the most common cause. There is currently no registered, short-term intervention offer to address these needs across all phases, resulting in growing reliance on costly and often unregistered alternative provision.
The DfE's SEND and AP Improvement Plan promotes a three-tier AP model, with Tier 2 providing short-term, high-quality intervention placements to keep pupils in mainstream settings. This approach re-engages learners, reduces preventable exclusions, and lowers system costs — but is absent in Herefordshire.

This project will establish the county's first Tier 2 AP facility, offering 100 full-time equivalent places shared flexibly alongside outreach, advice, and multi-agency support. The site will also host a co-located Alternative Provision Specialist Taskforce and include vocational learning spaces for pupils disengaged from traditional academic pathways.

Delivery through the purchase and refurbishment of a commercial building will cost around one-third of a new build and can be operational within 6-12 months, providing urgent relief to local AP pressures and improving outcomes for children and young people.

Aim:
To establish a registered Tier 2 Alternative Provision (AP) facility in Herefordshire providing short-term, high-quality intervention placements to re-engage pupils in learning, reduce preventable exclusions, and improve outcomes for children and young people with Social, Emotional and Mental Health (SEMH) needs.

Objectives:

1. **Increase Sufficiency** – Provide up to 100 full-time equivalent Tier 2 AP places, shared flexibly across the week, to meet the needs of pupils who would otherwise be at risk of exclusion or long-term disengagement.
2. **Improve Inclusion** – Support pupils to remain in mainstream schools wherever possible through short-term interventions, outreach, and reintegration planning.
3. **Reduce System Costs** – Lower reliance on unregistered AP and costly external placements by delivering local, high-quality provision.

4. **Deliver Multi-Agency Support** – Create space for a co-located Alternative Provision Specialist Taskforce, enabling integrated and timely support across education, health, and social care.
5. **Enhance Skills Pathways** – Incorporate vocational and practical learning opportunities, including indoor/outdoor workshops, to prepare pupils for post-16 education, training, or employment.
6. **Accelerate Delivery** – Use a commercial acquisition and refurbishment model to achieve operational readiness within 6-12 months of purchase, at approximately one-third of the cost of a new build.

Links to Corporate Priorities

This project directly supports a key deliverable in the Council's Delivery Plan:
"Develop new Alternative Provision for children with needs that require additional support to enable them to remain and/or return to mainstream education."
It also contributes to all four Council Plan priorities:

- **People** – Ensures excluded and at-risk pupils have timely access to education that meets their needs, improving life chances and wellbeing.
- **Growth** – Builds skills, qualifications, and pathways into post-16 education, training, and employment.
- **Place** – Strengthens local provision, reducing the need for pupils to travel long distances and supporting cohesive communities.
- **Transformation** – Maximises use of existing assets, delivers value for money, and reduces long-term high-needs expenditure.

Savings Plan and Financial Impact

- **Cost avoidance**: Reduces reliance on unregistered AP and independent special school placements, mitigating rapid growth in high-needs block expenditure.
- **Capital efficiency**: Commercial acquisition/refurbishment estimated at one-third of new build costs.
- **Operational savings**: Decreased home-to-school transport costs through better geographic siting of provision.

This proposal complements a parallel business case being submitted to consolidate and expand statutory PRU provision (Tier 3). Together, the two projects deliver a tiered system of support for pupils at risk of or experiencing exclusion, in line with the DfE's SEND and AP Improvement Plan.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Property acquisition	**2,500**	**1,500**			**4,000**
refurbishment		**2,000**			**2,000**
TOTAL	**2,500**	**3,500**			**6,000**
Funding sources					
High Needs Capital Grant	**1,000**				**1,000**
Corporate Funded Borrowing	**1,500**	**3,500**			**5,000**
TOTAL	**2,500**	**3,500**			**6,000**
Revenue budget implications					
none					

TOTAL					

Benefits and risks:

Anticipated Benefits

- Establish the county's first registered Tier 2 AP facility, providing up to 100 full-time equivalent intervention places (shared flexibly) to re-engage pupils and prevent exclusions.
- Improve quality and suitability of provision through a purpose-designed site with space for practical learning, vocational training, PE, and early interventions.
- Reduce reliance on unregistered and out-of-county provision, helping to control growth of the High Needs Block deficit.
- Enable earlier intervention for SEMH-related needs, improving pupil wellbeing, attendance, and progression back into mainstream education.
- Co-locate a multi-agency Alternative Provision Specialist Taskforce to deliver integrated, pupil-centred support.
- Reducing home-to-school transport costs.
- Deliver provision within 6-12 months of acquisition and refurbishment, compared to four years for a new build.

Risks of the Proposed Project

- Limited availability of suitable commercial property – mitigated by active property market engagement and early search activity.
- Planning/change of use challenges – mitigated through pre-application discussions with the planning authority.
- Integration with mainstream schools and alignment of referral processes – mitigated by clear operating protocols and partnership agreements.
- Recruitment of specialist AP staff – mitigated through targeted workforce planning and phased intake.
- Ensuring sustained quality – mitigated by robust commissioning, inspection readiness, and performance monitoring.

Risks of Not Proceeding

- Continued absence of registered short-term intervention provision, leading to increased exclusions and disengagement.
- Escalating costs for unregistered AP and out-of-county placements, worsening the DSG High Needs deficit.
- Inability to deliver the DfE's tiered AP model locally, missing an opportunity for systemic improvement.
- Higher home-to-school transport costs and reduced accessibility for pupils in rural areas.
- Missed opportunity to provide early intervention and prevent escalation to Tier 3 PRU placements.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Children and Young People
Scheme Name	Aylestone Capital Works
Budget Holder	TBC – PMO Project Manager
Council Plan Priority	**People**

Project aims and objectives:

Aylestone School is a Council maintained Community School in the heart of North Hereford. The school was established in the 1970s following the merger of two high schools in Hereford. At its peak the school used to cater for 1,250 pupils but now only has capacity for 450 places. The decrease in pupil capacity has led to a reduction in school funding over the years and has left the current site dated and in need of significant repairs.

The project will focus on three key areas where remedial works and upgrades are urgently required to ensure the school can continue to operate business as usual:

- Broadlands House
- Boiler Replacement (Campus wide)
- CDT Block

Broadlands House:

Broadlands House is a Grade II listed, late 18th-century building forming part of Aylestone School. It serves as the main administration block and houses essential staff offices and pupil support spaces.

The building is now in critical disrepair and presents multiple urgent health and safety risks as evidenced by two independent structural engineer reports (June 2025).

Key findings from structural reports:

- **Severe dry rot** with structural failure of floor joists (e.g., Room B2 joist ends completely rotted through), affecting multiple areas.
- **Main entrance canopy** joists rotted through, requiring a crash deck in reception to protect from falling debris.
- **Masonry hazards** including large loose stone blocks and parapet capping stones that could cause *fatal injury* if they fall.
- **Fenced-off external areas** due to unsafe stonework, particularly at the North end of the East elevation.
- Damp ingress from blocked parapet gutters and defective drainage, creating ideal conditions for continued decay.

As a **Grade II listed structure**, works must comply with listed building consent requirements, ensuring repairs preserve the building's historic character and fabric. This will necessitate specialist contractors, heritage-approved materials, and extended lead-in times, increasing both the complexity and cost of delivery.

Parts of the building are already closed to staff and pupils, and further closures are inevitable if works are not undertaken urgently. The structural engineer warns that without intervention; the building will become entirely unusable.

If Broadlands House closes, **temporary accommodation will be required to house displaced staff and pupil support functions**, at significant ongoing revenue cost, and with associated disruption to school operations.

Objectives:

1. Make Broadlands House structurally safe for occupation by pupils, staff, and visitors.
2. Eliminate immediate health and safety hazards from falling masonry and structural failure.
3. Address underlying damp ingress to prevent recurrence of dry rot and masonry decay.
4. Comply with statutory listed building obligations while preserving historic fabric.
5. Maintain operational continuity and avoid the cost and disruption of temporary accommodation.
6. Protect and extend the lifespan of a key Council-owned heritage and education asset.

Boiler Replacement:

The boiler system across the school campus is currently over lifespan and is in critical need of replacement in 2026.

Following the 2022 condition survey and advice from our design consultants, Six, the boiler system will struggle to operate beyond this winter (2025) and will place the significantly increase the risk of school closure next winter if the system is not updated with new plant equipment.

Objectives:

1. Replace the boiler system campus wide with like for like replacements.
2. Reduce overall carbon emissions produced by the school.

CDT Block:

The CDT Block is currently showing signs of wear and tear due to the structure's age. There are three main issues in the block that requires urgent attention within the next year following the 2022 condition report and recent school site visits:

Roof – The roof is currently leaking during heavy rainfall and urgently needs replacing. The roof is currently at its end of life with signs of debonding and blistering.

Windows and Doors – The current windows and doors are at their end of life. The wooden timber frames have now failed and have started to rot. Windows panes are also single glazed making the building thermally inefficient, causing increased heating costs to the school.

Electrics – Rewiring of the building has been recommended to ensure the buildings electrics remain safe for years to come. Works will include replacement of distribution boards, sockets and rewiring.

Objectives:

1. Like for like replacement of the roof and improvements to rainwater gulley.
2. Replacement of windows and doors across the building with double glazed panes.

3. Rewiring of electrics across the building.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Capital cost of project					
Boiler Replacement Programme	1,090	0	0	0	1,090
Broadlands House Remedial Works	240	1,000	0	0	1,240
CDT Block	460	0	0	0	460
TOTAL	**1,790**	**1,000**	**0**	**0**	**2,790**
Funding sources					
Capital Receipts Reserve	1,790	0	0	0	1,790
Corporate Funded Borrowing	0	1,000	0	0	1,000
TOTAL	**1,790**	**1,000**	**0**	**0**	**2,790**
Revenue budget implications					
TOTAL	**0**	**0**	**0**	**0**	**0**

Benefits and risks:

Benefits:

- Removes *immediate life safety risks* to pupils, staff, and visitors.
- Prevents full closure of Broadlands House and the associated cost/disruption of temporary accommodation.
- Restores access to currently closed-off areas, increasing operational efficiency.
- Reduces the Council's liability exposure from potential injury or fatality.
- Preserves a Grade II listed heritage asset in line with statutory obligations.
- Enables a planned preventative maintenance approach, reducing future emergency repair costs.

Risks if project proceeds:

- Unexpected structural deterioration may be revealed during works, increasing costs.
- Tender prices for works are at risk of coming in 20% above or below current estimated budget values and cost will be dependent on the market at that time.
- Heritage consent processes may extend lead-in times.

Risks if project does not proceed:

- Escalating structural failure leading to full building closure.
- Significant ongoing revenue cost for alternative accommodation.
- Heightened corporate risk register score for health and safety, heritage asset management, and school estate condition.
- Increased likelihood of falling masonry causing serious injury or death.
- Loss or irreversible damage to a listed building, attracting regulatory scrutiny and reputational harm.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Children and Young People
Scheme Name	Schools Capital Maintenance Projects
Budget Holder	Karen Amos - PMO
Council Plan Priority	**People**

Project aims and objectives:

The Schools Capital Maintenance Programme (SCMP) is a strategic initiative led by the Council to address critical maintenance needs across the maintained school estate. Its primary objective is to eliminate all outstanding priority issues identified in the 2023 condition surveys and consultant site assessments, while also responding to current emergency maintenance requirements.

On average over the past five years, the Council has received an annual School Condition Allowance (SCA) of £1.195 million. However, this funding has not kept pace with inflation, or the growing maintenance demands of an aging school estate. As a result, a significant backlog of high-priority maintenance issues has developed, many of which pose risks to health and safety, disrupt school operations, and threaten the continued use of key teaching spaces.

The SCMP is informed by comprehensive condition surveys conducted in 2023 and consultant site visits, which assessed each school building's physical state and assigned urgency ratings to identified issues. Priority items, those requiring attention in 2026 to prevent serious failure or risk, currently remain unresolved due to funding constraints. The programme prioritises works that ensure schools remain safe, secure, and operational, with a focus on keeping buildings wind and watertight.

In recent years, the Council has seen a sharp rise in reactive emergency maintenance costs, from £60,000.00 in 2016 to over £705,786.50 in 2024/25 financial year. In this current financial year, the programme has already committed £165,000.00 in emergency maintenance costs. This trend reflects the consequences of underinvestment in planned maintenance and highlights the inefficiencies and escalating costs of a reactive approach.

Without additional investment, the Council risks further deterioration of the school estate, increased emergency interventions, and potential partial or full school closures. The situation also poses a growing risk to the safety of pupils, staff, and visitors, and is recognised as a significant concern on the Council's corporate risk register.

To mitigate these risks and transition to a more sustainable, planned maintenance model, the Council is seeking an additional £2,770,000.00. This funding will enable the removal of all priority items for 2026 within the Council's remit, support the delivery of essential capital projects, and reduce reliance on emergency works. The scope of the programme includes only those items that fall under the Council's responsibility; school-funded priority items are excluded unless they are directly linked to Council-led projects.

By addressing the maintenance backlog and investing in preventative measures, the SCMP aims to safeguard the long-term functionality and safety of the school estate, ensuring that educational environments remain fit for purpose for years to come.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Ashfield Park – Heating	400	0	0	0	400
Bosbury – Drainage	50	0	0	0	50
Bosbury – Windows & door upgrades	120	0	0	0	120
Colwall – Flooding	140	0	0	0	140
Earl Mortimer – Roof	60	0	0	0	60
Gorsley Goffs – Rooflights, Windows & Doors	130	0	0	0	130
Hampton Dene – Heating	670	0	0	0	670
Much Birch – Drainage	50	0	0	0	50
St David's – Boiler	325	0	0	0	325
Trinity – Roof	480	0	0	0	480
Weobley Primary – Circulation pumps	55	0	0	0	55
Condition Surveys	90	0	0	0	90
Emergency Works 2026/27	200	0	0	0	200
TOTAL	**2,770**	**0**	**0**	**0**	**2,770**
Funding sources					
School Condition Allowance	1,200	0	0	0	1,200
Capital Receipts Reserve	1,570	0	0	0	1,570
TOTAL	**2,770**	**0**	**0**	**0**	**2,770**
Revenue budget implications					
TOTAL	**0**	**0**	**0**	**0**	**0**

Benefits and risks:

Benefits:

- By removing the backlog of priority maintenance items and emergency works, the risk of H&S issues and of school closures is reduced.
- The amount of reactive works will also reduce allowing for a proactive maintenance programme to be delivered in the future.

Risks:

- Risk of safety issues and or closure of schools. This has been mitigated by prioritisation of the programme to identify which risk is more likely to be realised by the contractor.

- Additional emergency works could occur during the programme. These will be raised at project board and prioritised where necessary.
- Tender prices for works are at risk of coming in 20% above or below current estimated budget values and cost will be dependent on the market at that time.
- Current defects will worsen over time if not rectified and will likely lead to an increase in cost to address the remedial works further down the line.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Economy and Environment**
Scheme Name	**Resurfacing Herefordshire Highways 3**
Budget Holder	**Ed Bradford, Major Contracts Programme Director**
Council Plan Priority	**Place**

The condition of the highway network is such that the available Local Transport Plan Annual Plan and Forward Plan budgets are prioritised to minimise the impact of the deteriorating condition of the carriageway asset and to manage the remainder of the asset groups following a Risk Based Approach.

The Local Transport Plan Annual Plan budget cannot support the level of resurfacing and reconstruction type works required across the county. Without further investment, the network is effectively in a state of managed decline and requires support to prevent assets deteriorating further.

This bid seeks to invest in resurfacing and reconstruction activity on the county's road network and builds on the success of the 2024/25 and 2025/26 Resurfacing Herefordshire Highways programme which has allowed schemes to be accelerated and brought forward for treatment now. This approach will have the dual benefit of reducing the need for reactive repairs in the interim period and will deliver better value schemes as the required intervention will be proportionally less than if carried out at a later date.

At this stage, it is proposed that this investment would be delivered through the Council's own in-house framework arrangement, which has been used to deliver the Resurfacing Herefordshire Highways Programme in 2024/25 and 2025/26.

The condition of road surfaces is a constant concern for residents, parishes and members alike. The investment will result in an improvement in public and member satisfaction and will help to ensure a positive start to the new Public Realm Contract.

The Council has a statutory duty under Section 41 of the Highways Act 1980 to ensure that roads are maintained, this funding will contribute to any defence where lack of investment is identified as a potential factor.

Links to County Plan priorities:

County Priority – please select from	Delivery Plan Reference(s)
Community	C04, C00
Economy	EC2, EC5
Environment	EN3

Community: The project ensures localities remain connected; there is a risk of severance where road condition contributes to resident's decisions not to use that part of the network.

A better-quality network will remove some of the blockers associated with decisions to not adopt sustainable modes of transport for short journeys.

Economy: The condition of the road network has a direct effect on businesses choosing to invest in Herefordshire. A better-connected business community will thrive.

Environment:	Reactive maintenance is wasteful, especially in terms of travel impact and waste material generated as a consequence. Large surfacing schemes, using state of the art machinery will reduce the impact of completing the work. At the same time the materials traditionally seen as waste can be stored for reuse as a part of a wider recycling programme for surfacing/ treating our low use unclassified network. Minimising the risk of failure and closures will reduce the diversions needed for transport.

Project aims and objectives:

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Resurfacing Schemes	4,750				4,750
Internal Staff, PM and Sundry cost	250				250
TOTAL	**5,000**				**5,000**
Funding sources					
Corporate Funded Borrowing	5,000				5,000
TOTAL	**5,000**				**5,000**
Revenue budget implications					
TOTAL					

Benefits and risks:

- Builds on the success of the existing Resurfacing Herefordshire Highways investment in 2024/25 and 2025/26.
- By investing capital in this way, the county's most valuable asset will be improved and associated revenue costs will be mitigated.
- Will help to ensure a positive start to the new Public Realm Contract.
- Customer satisfaction will be improved when a programme of improvements in condition is announced.
- The other asset groups can be better maintained using the limited LTP funding provided to the council.
- Reduction in claims and other correspondence relating to condition.
- There are no dis-benefits associated with investing in the carriageway asset.

Risks

- Deliverability during the optimal period for surfacing works. A detailed programme will be developed to ensure that the programme is delivered before the onset of winter.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Economy and Environment**
Scheme Name	**Ash Dieback removal programme**
Budget Holder	**Ed Bradford, Major Contracts Programme Director**
Council Plan Priority	**Place**

Ash dieback disease is caused by the fungus Hymenoscyphus fraxineus, formerly known as Chalara fraxinea. Ash is a prominent tree species in the Herefordshire landscape, and it is estimated that we are going to lose around 80% of ash trees in Herefordshire and the UK.

Ash Trees can decline rapidly once infected and become brittle and weak at the roots, especially if a secondary pathogen attacks the tree.

In 2024/2025 Herefordshire Council commenced an Ash Dieback inspection programme to include the inspection of 30,000+ Ash Trees on Herefordshire Council assets including Highway Verges/Public Open Space and Property assets and subsequent removal and replanting of alternative species as per the Ash Dieback Action Plan.

The Grounds Maintenance Annual Plan Budget cannot support that level of tree works required across the county. Without further investment, the tree stock will deteriorate as the disease effects the trees causing potential risks to the highway's network, Council assets and adjacent properties.

The funding is required to ensure the tree stock on the highway networks remain healthy. Enhancing public safety and mitigating risk where and when necessary, will ensure safety for all users of the road network. The loss will be alleviated by series of replanting of established trees in public open spaces and young whips when trees are removed to aid nature recovery.

Costs incurred to date from phases 1 and 2 or felling has demonstrated that insufficient budget exists for tree removal.

Community:	The project ensures localities remain connected; there is a risk of severance where road safety contributes to resident's decisions not to use that part of the network. A better quality, safer network will give homeowners and users confidence around tree safety issues.
Economy:	The condition of the road network has a direct effect on businesses choosing to invest in Herefordshire. A better-connected business community will thrive.
Environment:	Reactive maintenance is wasteful, a programmed approach to tree safety and removal will ensure correct numbers of trees will be replanted back within the network as per the Ash Dieback Plan. Minimising the risk of failure and closures will reduce the diversions needed for transport.

Project aims and objectives:

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**

Capital cost of project					
Ash Tree Removal Programme and Replanting	242				242
TOTAL	**242**				**242**
Funding sources					
Corporate Funded Borrowing	242				242
TOTAL	**242**				**242**
Revenue budget implications					
TOTAL					

Benefits and risks:

- Builds on the success of the existing Ash Dieback inspection and removal programme with over 1000 diseased trees removed and over 2500 trees replanted on the highway network.
- By investing capital reduces the risk of accidents on the highway network
- Will help to ensure a positive start to the new Public Realm Contract.
- Customer satisfaction will be improved when a programme of improvements in condition is announced.
- Reduction in claims and other correspondence relating to tree failure.
- There are no dis-benefits associated with investing in the carriageway asset.

Risks

- Deliverability during the optimal period. A detailed programme will be developed to ensure that the programme is delivered before bird nesting season each year.
- Not addressing the existing risk of failure to the Ash stock on the network.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Economy & Environment**
Scheme Name	**Estates Building Improvement Programme 2026-29**
Budget Holder	**John Hobbs – Corporate Director Economy & Environment**
Council Plan Priority	

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

A three year programme of building improvement works 2026/29 which have been prioritised through the assessment of criteria primarily focussed on (1) identified risk, (2) health, safety or welfare of the building users (3) delivery of the aims within the council's county plan, (4) service continuity, through the delivery of property specific projects.

Key objectives include:

- Ensure that the Council's estate is maintained, safe and fit for purpose.
- Address identified risks.
- Reduce revenue expenditure by investing in buildings and reducing reactive maintenance.
- Extend the lifecycle of Council assets and protect/enhance value.
- Secure better services, quality of life and value for money
- Support the growth of our local economy.
- Protect and promote our heritage.
- Support reduction of carbon footprint.
- To support the delivery of the County Plan

Allowing investment and undertaking a programme of improvement works will mitigate and prevent risk of failure and ensure the buildings remain open and fit for current use, thereby avoiding disruption to the delivery of services.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Estate Improvement Works	**1,809**	**1,121**	**35**		**2,965**
TOTAL	**1,809**	**1,121**	**35**		**2,965**
Funding sources					
Corporate Borrowing	**809**	**1,121**	**35**		**1,965**
Capital Receipts Reserve	**1,000**				**1,000**

TOTAL	**1,809**	**1,121**	**35**		**2,965**

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

- Reduced depreciation of buildings and assets.
- Heritage protection
- Energy efficiency
- Sustainability
- Reduced revenue costs.
- Protected service delivery.
- Protected income.
- Statutory Compliance
- Risk management / Mitigation.
- Growth of our local economy

The programme seeks to reduce the risks identified on a project-by-project basis.

The key risks of not doing the project are:

- Impact on service delivery
- Rising costs – reducing the extent or quality of completed works.
- Insufficient funding
- Loss of income
- Potential for serious physical injury
- Loss in value/deterioration of property assets
- Reputational risk
- Non-Compliance with statutory regulations
- Health and safety risks

The key project risks are:

- Statutory
- Financial
- Service
- Reputational

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Corporate Services**
Scheme Name	**Essential system updates and upgrades**
Budget Holder	
Council Plan Priority	**Transformation**

Project aims and objectives:

Herefordshire Council relies on information systems to securely and efficiently provide services to residents, businesses and visitors. Core infrastructure elements need to be updated and upgraded during the 2026/27 financial year, and this requires capital funding (with associated revenue implications) as set out below.

The infrastructure elements being updated and upgraded includes **anti-virus for server infrastructure** and **data centre firewall hardware**. For these items we will procure hardware and a bundle of support and subscription costs together at the time of purchase. These have been listed separately as capital (hardware) and revenue (services) in the tables below. Should the council prefer to treat these as a single capital item the two sections can merely be combined.

The updates and upgrades also includes **telephony SIP gateways for council telephone systems.**

Due to high levels of fluctuation currently being experienced on IT hardware pricing, a 20% contingency has been included for the hardware items below. For service contingency 15% has been used.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Capital cost of project					
Anti-virus for server infrastructure	15.0				15.0
Telephony SIP gateways for council telephone systems	55.0				55.0
Data centre firewall hardware	75.0				75.0
Contingency (20%)	29.0				29.0
TOTAL	**174.0**				**174.0**
Funding sources					
Anti-virus for server infrastructure					
Telephony SIP gateways for council telephone systems					
Data centre firewall hardware					
Contingency (20%)					
TOTAL					
Revenue budget implications					
Anti-virus for server infrastructure	18.0	15.0	15.0	15.0	

Telephony SIP gateways for council telephone systems	2.5	7.0	7.0	7.0	
Data centre firewall hardware	14.0	14.0	14.0	14.0	
Contingency (15%)	5.2	5.4	5.4	5.4	
TOTAL	**39.7**	**41.4**	**41.4**	**41.4**	

Benefits and risks:

The infrastructure elements being updated and upgraded include anti-virus software for server infrastructure and data centre firewall hardware. Failure to implement these updates and upgrades will put the **information and systems that we rely on at increased risk of cyber-attack**, reducing our organisational cyber posture and risking the availability of core services.

The updates and upgrades also include Session Initiation Protocol [SIP] gateways for telephony. Failure to implement this update and upgrade will mean that **telephony provided through Microsoft Teams would need to be reconfigured to another service** at cost, **and we would not be compliant with card payment industry standards** when taking credit card payments by telephone.

Funding and progressing with this work will maintain our systems availability, cyber posture and compliance with payment card industry standards.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Public Rights of Way Bridges and Crossings
Budget Holder	Ed Bradford, Major Contracts Programme Director
Council Plan Priority	Place

Herefordshire Council's Public Rights of Way team has conducted a review of bridges and crossings along the 2,100 miles of Public Rights of Way network in the county. The Council is required to replace or repair defective bridges and crossings to ensure the network remains open and safe for members of the public to use.

There are 70 bridges requiring replacement county-wide, as detailed below:

- 31 under 6 metres
- 35 over 6 metres
- 4 Ditch Crossings

Connectivity and Accessibility
Bridges allow uninterrupted passage across natural obstacles such as rivers, streams, and ditches. Without them, walkers, cyclists, and horse riders would face severance, making parts of the network inaccessible. This connectivity is essential for rural communities and tourism, ensuring people can safely and easily navigate the countryside.

Safety
Crossing watercourses or steep banks without a bridge can be hazardous, especially during bad weather or flooding. Bridges provide a safe, stable route, reducing the risk of accidents and injuries.

Legal Obligation
Herefordshire Council has a statutory duty to maintain its' Public Rights of Way network, so they remain open and usable. If bridges fail or are missing, the route becomes impassable, which can lead to legal challenges and reputational damage for the council.

Economic and Social Benefits
A well-maintained Public Rights of Way network supports local businesses, tourism, and recreation. People are more likely to visit and spend in areas with safe, accessible routes. This also encourages healthier lifestyles and community engagement.

Environmental Considerations
Bridges help protect sensitive habitats by directing foot traffic away from riverbanks and wetlands, reducing erosion and ecological damage.

Maintaining these assets ensures the network remains connected and supports economic growth and environmental sustainability.

The Public Rights of Way Budget cannot support this level of bridge related works required across the county. Without further investment, bridges and crossings will deteriorate causing potential risks to the network and the safety of its users.

The funding is required to ensure bridges and crossings are safe and the network open. Enhancing public safety and mitigating risk where and when necessary, will ensure safety for all users of the Public Rights of Way network.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Public Rights of Way Bridges and crossings replacement and repairs.	950	0	**0**	**0**	950
Project management support.	50	0	**0**	**0**	50
TOTAL	**1,000**	**0**	**0**	**0**	**1,000**
Funding sources					
Corporate Funded Borrowing	**618.8**	**0**			**618.8**
Capital Receipts Reserve	**381.2**				**381.2**
TOTAL	**1,000.0**	**0**			**1,000.0**
Revenue budget implications					
TOTAL					

Benefits and risks:

Benefits:

- By investing capital reduces the risk of accidents on the Public Rights of Way network.
- Customer satisfaction will be improved when a programme of improvements in condition is announced.
- Reduction in claims and other correspondence relating to bridge and crossing failure.
- There are no dis-benefits associated with investing in Public Rights of Way assets.

Risks:

- Deliverability during the optimal period. A detailed programme will be developed to ensure that the programme is delivered during the financial year 2026/27.
- Contractor availability and capability for more complex works.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	**Economy & Environment**
Scheme Name	**Historic Building Fund**
Budget Holder	**Roger Allonby**

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

Aim: To create a £5m historic building fund required to enable works to significant historic buildings in Hereford (Shirehall, Town Hall and Herefordshire Musuem and Art Gallery), supporting their transformation.

Three of the council's key historic buildings - Town Hall, Shirehall and Hereford Museum and Art Gallery (HMAG) - all require significant capital works to ensure they can remain operational, and/ or to support their transformation .

Shirehall and HMAG are both are subject to transformational projects to enable their redevelopment and to play a critical role in the regeneration and redevelopment of Hereford City Centre. Both of these projects have secured significant third party grant funds. Additional funds will be required to enable completion of these priority projects. Funds are also required in the short term to support the repair of Town Hall, to provide a basis for future development.

To address this need a £5m capital fund is requested for the 2027/28 financial year to enable the critical programme of repairs and to complete the proposed transformational project works.

The £5m is based on borrowing, to be repaid through additional income generated through wider council property asset income.

The Herefordshire Council Plan 2024 to 2028 Place Objectives state we will;

- Develop Herefordshire as a place for growth, prosperity and communities to thrive
- Support our local culture and heritage and make Herefordshire a thriving, safe and attractive place to live and visit.

It also states that '*Herefordshire has a remarkable and rich range of cultural, arts and heritage activities, buildings, organisations, and natural assets. Our plans for an innovative museum, art gallery and library will put learning and culture at the heart of the county'*.

The Herefordshire Council Delivery Plan 2025/26 includes the following actions;

- Continue the redevelopment of the Hereford Museum and Art Gallery
- Finalise the design proposals and start construction of the Shirehall Library and Learning Centre

A full business case will be developed as the plans and costs for each building are finalised for each building, and the level of support from the Historic Building Fund is identified. The full business case will further define the income to repay the loan via increased revenue generated through the council's property assets.

The Director for Finance (Section 151 officer) will take all related decisions in terms of the allocation of the loan funds to the historic building projects, including assurance as to the viability of income to repay any borrowing.

Estimated costs and funding sources:

	2026/27	2027/28	2028/29	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Historic Building Fund		**5,000**			**5,000**
TOTAL					
Funding sources					
PWLB Borrowing (40 years) to be repaid through income from property assets		**5,000**			**5,000**
TOTAL					
Revenue budget implications					
Loan repayment through property asset income			**238**	**9,296**	**9,535**
TOTAL			**238**	**9,296**	**9,535**

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Benefits

- Transformation of historic buildings, supporting the regeneration of Hereford enabling growth.
- Addressing the long term decline of these local heritage assets and related liabilities.
- Establishing a long term civic use of the county's heritage assets.
- Increasing visitors to the county, through significantly enhancing the county's tourism assets.
- Leveraging multi-million pound grant investment into the county (currently totalling £15m for the HMAG and Shirehall projects).

Risks

- The £5m Historic Building Fund will not provide enough funding to address the required level of investment.
  - ➢ This is one part of a heritage building funding strategy, the council will also continue to seek additional grant funding.
- Public Works Loan Board interest rates increase during the loan repayment period

- Interest rates are set at the point of borrowing.

- The wider property estate cannot generate the income required to repay the borrowing
  - An Estate Strategy will be developed in support of the Full Business Case identifying the long term (40 years) source of income to repay the loan.

Herefordshire Council

Title of report: 2026/27 REVENUE BUDGET, MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY

Meeting: **Council**

Meeting date: **Friday 13 February 2026**

Report by: **Leader of the Council (Section 9E)**

Classification
Open

Decision type

Budget and policy framework

Wards affected
All Wards

Purpose
To approve the 2026/27 revenue budget, Medium Term Financial Strategy and the Treasury Management Strategy.

Recommendation(s)
That Council approves:

a) **the council tax base of 74,315.25 Band D equivalents in 2026/27;**

b) **an increase in core council tax for 2026/27 of 2.99%;**

c) **an additional precept in respect of adult social care costs of 2% applied to council tax in 2026/27 resulting in a total council tax increase of 4.99%, increasing the Band D charge from £1,969.36 to £2,067.63 for Herefordshire Council in 2026/27;**

d) **the balanced 2026/27 revenue budget proposal totalling £234.1 million, subject to any amendments approved at the meeting, specifically the net spending limits for each directorate as at appendix C;**

Further information on the subject of this report is available from
Rachael Sanders, Tel: 01432 383775, email: Rachael.Hart@herefordshire.gov.uk

e) delegates to the section 151 officer the power to make necessary changes to the budget arising from any variations in central government funding allocations via general reserves;

f) the Medium Term Financial Strategy (MTFS) 2026/27 to 2029/30 at appendix A be approved;

g) the Treasury Management Strategy at appendix D be approved;

h) that any further additional funding above that assumed in this revenue budget and received in the Final Local Government Finance Settlement for 2026/27, is applied to fund the revenue budget with a corresponding reduction in the reserve funding assumed from the Business Rates Risk Reserve.

Alternative options

1. It is open to Council to recommend alternative spending proposals or strategies; however, given the legal requirement to set a balanced budget, should additional expenditure be proposed compensatory savings proposals must also be identified. If it is proposed to spend less, the impact on service delivery of the proposed reduction should be considered.

2. Council can agree a council tax increase above the referendum principle levels. This is not recommended as doing so would require the increase to be subject to a local referendum, incurring additional costs to the council.

Key considerations

3. A balanced draft revenue budget which totals £234.1 million is proposed for 2026/27. The proposal includes a 4.99% increase in council tax and estimates of central funding to be confirmed following the publication of the final Local Government Financial Settlement in February 2026.

4. The draft 2026/27 revenue budget assumes a total council tax increase of 4.99%: 2.99% increase in core council tax and a 2% adult social care precept. This increases the band D equivalent charge to £2,067.63, representing an increase of £8.19 per month (£1.89 per week). This is the maximum increase permitted; a higher increase would require the support of a referendum.

5. The 2% adult social care precept will generate approximately £3.0 million of additional income to contribute to continuing adult social care pressures: reflecting increases in demand, complexity of need and cost for services to support the county's residents.

6. To manage rising costs and demand for services alongside reductions in the council's allocation of funding from Central Government via the Fair Funding Review, the draft revenue budget includes savings proposals of £20.0 million, measures to manage Directorate inflationary pressures via a centrally held Contract Inflation Fund, and £3.2 million proposed use of the Business Rates Risk Reserve to mitigate the reduction in the council's funding allocation in 2026/27.

7. Nationally, local authorities continue to face significant financial pressures whilst demand and cost of statutory services continue to rise; increasing the challenge of delivering transformation and improvements in the delivery of services for residents and businesses in Herefordshire. The proposed budget and strategy for 2026/27 builds on the prudent approach and robust financial management now embedded across the council: to preserve and protect the council's future financial resilience and sustainability through robust and reliable management of the

revenue budget and capital programme and delivery of realistic, achievable and recurrent savings on time and in full.

8. A sustainable financial strategy has been developed for 2026/27 and onwards, to ensure the council can achieve an ambitious programme of investment, service improvements and transformation to deliver the best for Herefordshire.

Fair Funding Assessment and Estimated Core Spending Power

9. On 20 November 2025, the Minister of State for Local Government and Homelessness at the Ministry for Housing, Communities and Local Government (MHCLG) Alison McGovern MP, announced the publication of the Government's 2026-27 to 2028-29 Local Government Finance Policy Statement in a Written Ministerial Statement, marking the start of the Settlement process.

10. Alongside the November Policy Statement, the Government published its response to the Fair Funding Review 2.0 consultation and the Business Rates Reset Delivery document.

11. On 17 December 2025, the Minister delivered a Written Ministerial Statement to Parliament on the provisional local government finance settlement 2026/27. The provisional settlement, for the first time in a decade, is a multi-year settlement outlining multiple years' allocations of funding covering the three-year period from 2026/27 to 2028/29.

12. On this date, the MHCLG also published a Business Rate Information Letter outlining the arrangements and impact of business rates reset, revaluation and multiplier reform, including 2026 Transitional Relief (TR) regulations, 2026 Supporting Small Business (SSB) scheme guidance and further information on Retail Hospitality and Leisure multipliers.

13. Government calculations of the increase in Core Spending Power (CSP) for Herefordshire highlight an increase of £13.4 million in CSP over the settlement period. This increase assumes the council will increase council tax in line with the maximum permitted increase of 5% in each of the three years of the multi-year settlement.

14. **With a total £17.3 million reduction in Herefordshire's allocation of Central Government funding following redistribution through the Fair Funding Review** compared with 2025/26 baseline levels, this means that the estimated increase in CSP, as calculated by Government, is expected be funded entirely by local taxpayers via maximum annual increases in council tax.

Funding source	**2025/26 £m**	**2026/27 £m**	**2027/28 £m**	**2028/29 £m**
Government Estimated Core Spending Power	**231.8**	**237.1**	**240.9**	**245.2**
Council Tax Requirement	143.4	153.0	163.2	174.1
Non-Council Tax (Settlement Funding Assessment)	88.4	84.1	77.7	71.1
Movement in Non-Council Tax CSP		-4.3	-6.4	-6.6
Total reduction in Non-Council Tax CSP to 2028/29				**-17.3**
Movement in Council Tax CSP		+9.6	+10.2	+10.9
Total increase in Council Tax CSP to 2028/29				**+30.7**
Net increase in Core Spending Power to 2028/29				**13.4**

15. This latest reduction in funding compounds the financial pressures already faced by the council, following the abolition of the Rural Services Delivery Grant and Services Delivery Grant representing a total loss of funding of £7.1m in 2025/26.

16. The further reduction to the council's allocation in 2026/27, following redistribution of funding through the Fair Funding Review, exacerbates the challenge of maintaining delivery of services to residents in a rural county.

17. The Medium Term Financial Strategy (MTFS) for 2025/26 to 2028/29 published as part of the 2025/26 revenue budget assumed a rate of increase in council tax at a reduced level of 3.99%. As a result of the outcome of the impact of the Fair Funding Review and reduction in the council's allocation of funding from Central Government, the council is forced to make the maximum permitted increase in each of the MTFS period to ensure delivery of services can be sustained.

Redistribution of Funding through the Fair Funding Review

18. The MHCLG Consultation on local authority funding reform through the Local Government Finance Settlement from 2026/27 ran from 20 June to 15 August 2025. The Fair Funding Review 2.0 attempts to refresh the methodology for distributing a fixed pot of funding between local authorities covered by the Local Government Finance Settlement.

19. The last time the underlying distribution methodology was refreshed through changes to formulae and data was in 2013, at the time the business rates retention system was set up. This means that the last full assessment of relative needs and resources is 12 years old and the relationship between the assessment and actual allocations through the Settlement Funding Assessment (SFA) has weakened over this period.

20. The allocation of the new Settlement Funding Assessment is made up of an assessment of relative need and an assessment of the relative resources; these are the two key determinants of the outcome of FFR 2.0 for each authority.

21. The Relative Needs Assessment determines the share of 'total need' attributable to each authority as a proportion of the fixed pot available. This is driven by the results of a series of relative needs formulae which calculate the extent to which a local authority's characteristics are likely to drive demand for a particular service, relative to other authorities providing the same service. The most consequential factors include population cohort size, deprivation-linked metrics and specific metrics for highways maintenance.

22. The Relative Resources Adjustment is an assessment by Central Government of each authority's ability to raise income locally from council tax, informed by the attributable taxbase multiplied by an amount per unit of taxbase.

23. An authority's share of the fixed pot, allocated based on its relative need, is adjusted by the Relative Resources Adjustment to determine the Settlement Funding Assessment allocation.

24. The November Policy Statement and Written Ministerial Statement published alongside the Provisional Settlement are clear that the purpose of the funding review is to reconnect local authority funding with deprivation to target resources in a more effective way, such that "local authorities in the most deprived placed will now see significant funding increases".

25. Despite robust evidence, and multiple case studies, submitted in response to the Consultation by the council and professional bodies advocating for fairer funding, including the Council Councils Network (CCN), Rural Services Network (RSN) and Society of County Treasurers (SCT), highlighting the impact of remoteness, the revised funding formulae places greater

weighting on factors reflecting urban pressures, ignoring the additional costs of delivering services across sparsely populated rural communities.

26. The November Policy Statement confirmed that a remoteness factor will only be applied to the Adult Social Care Relative Needs Formula, but not to formulae more broadly, despite previously being considered for all Area Cost Adjustment (ACA) measures.

27. In its Consultation response, Government stated that the "best evidence indicates remoteness may have a particular impact on adult social care services" and that it has made "a judgement that remoteness should be accounted for when assessing the cost of delivering adult social care services". This judgement ignores the additional costs incurred in rural areas that are more distant from larger markets, typically in urban areas.

28. Herefordshire has the fourth lowest population density in England (approximately 189,000 residents across 842 square miles) and, as such, the council faces specific challenges and additional costs in the delivery of services to sparsely populated communities: provider market insufficiency, a higher proportion of older residents with increased demand for services, limited access to health and support services, difficulties in the recruitment of health care and social workers and greater distances to access residents increasing costs in the provision of waste services, transport and social care.

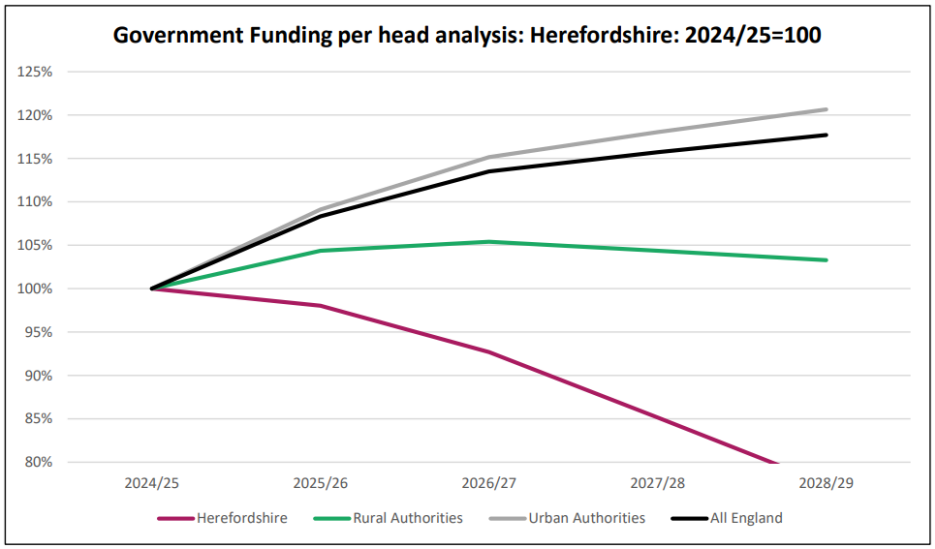
29. Further emphasis on deprivation targeted was announced in the Policy Statement through the continuation of 2025/26 Recovery Grant allocations, directing £600 million of funding to areas of high deprivation to provide "un-ringfenced funding to areas with greater need and demand for services" using the ratio of council taxbase as a proxy. This had previously been identified as a one-off grant prior to the Fair Funding Review and proposed continuation of this, with an unchanged distribution, was not included in the Consultation for consideration and response prior to the Provisional Settlement.

30. In its response to the Policy Statement the Institute of Fiscal Studies (IFS), who peer-reviewed the work which informed the Fair Funding Review, highlighted the lack of transparency in the decision to retain the Recovery Grant stating: "it is difficult to see a principled basis for these decisions other than to achieve an overall allocation in line with the government's subjective judgement. Government should avoid such formula bypasses becoming a habit". The impact of this decision redirects £600 million of funding which would otherwise be available for distribution via the revised funding formulae and reduces the overall pot of funding and allocation for Herefordshire.

31. The reduction in Central Government grant funding over the multi-year settlement period places increased pressure on the council to manage the impact of continuing growth in demand and cost for services. It limits the council's ability to build upon its strong financial position and maximise opportunities to deliver ambitious improvements for residents.

32. The analysis below, prepared by the Rural Services Network, highlights how the council's funding per head will be impacted by the Provisional Settlement. This analysis highlights that Government funding per head of population (indexed to 2024/25 levels) will change over the multi-year Settlement period for all English local authorities, urban authorities, rural authorities and the individual change for Herefordshire Council.

Figure 1: RSN Analysis of Government Funding per head



33. Whilst urban authorities can expect a significant increase in Government funding per head compared with indexed 2024/25 funding (121% by 2028/29) and English local authorities (118% by 2028/29), the analysis shows the position for rural authorities with a minimal increase funding per head (103% by 2028/29) and Herefordshire's position as drastically disadvantaged by the outcome of the Fair Funding Review (77% by 2028/29).

34. Initial assessments by the RSN, comparing the most rural with the most urban councils indicates that:

a) the most urban councils are expected to receive around 41% more per head in Government-funded spending power than the most rural councils in 2026/27;

b) in 2026/27, residents in the most rural areas are projected to pay around 20% more in council tax on average than most urban residents;

c) by 2028/29, the most urban authorities' spending power is expected to allow them to spend around £100 more per resident on services than the most rural councils;

d) between 2024/25 and 2028/29, Government-funded spending power for the most urban authorities is estimated to rise by around 21%, compared with around 1% for the most rural councils; and

e) by 2028/29, these changes would result in the most urban councils having around 8% more overall spending power than the most rural councils.

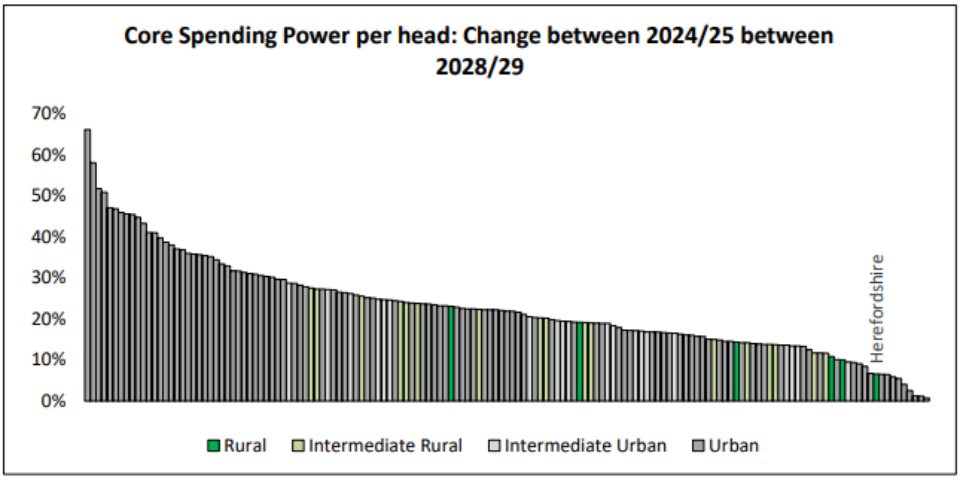
35. The outcome of the Fair Funding Review has serious implications for the council's funding position and delivery of services and improvements to residents over the medium-term period.

Figure 2: RSN Analysis of Core Spending Power (CSP) per head

Core Spending Power per head analysis: Herefordshire

	2024/25	2025/26	2026/27	2027/28	2028/29
Core Spending Power	224.697	231.819	237.077	240.901	245.205
Projected Population	200,768	202,013	203,232	204,416	205,583
Per head	1119.19	1147.54	1166.54	1178.48	1192.73
Indexed: 2024/25					
Herefordshire	100%	103%	104%	105%	107%
Rural Authorities	100%	106%	111%	115%	120%
Urban Authorities	100%	108%	114%	120%	125%
All England	100%	108%	114%	119%	124%

Figure 3: RSN Analysis of Change in Core Spending Power per head



Funding Sources

36. The Provisional Settlement confirmed that the council tax referendum limits would remain unchanged. The table below outlines the sources of funding included in the council's draft revenue budget for 2026/27 with explanation of changes detailed in subsequent paragraphs.

Funding Source	**2025/26 £'000**	**2026/27 £'000**
Council tax	146,451	153,657
Fair Funding Allocation (FFA) of which: Baseline Funding Level of which: Revenue Support Grant of which: LA Better Care Fund Grant*		 30,149 41,867 -
Legacy Funding Allocation (LFA) of which: Legacy Business Rates of which: Legacy Grant Funding of which: LA Better Care Fund Grant	 47,567 29,085 1,585	
Business rates surplus income 2025/26	-	1,400
Enterprise zone business rates income	1,282	1,750
Extended producer responsibility grant*	3,538	-

Collection fund surplus	2,000	2,000
Business rates risk reserve	-	3,297
TOTAL	**231,508**	**234,120**

*accounted for within Directorate net budgets in 2026/27

Council Tax Income

37. The Provisional Settlement confirmed that the council tax referendum limits would remain unchanged for 2026/27: councils with social care responsibilities are permitted to increase council tax by up to 3% with an additional 2% to meet adult social care pressures, without a local referendum.

38. Each 1% increase in council tax generates approximately £1.5 million of recurrent funding to meet demand pressures and deliver the council's services. The proposed draft revenue budget for 2026/27 assumes the maximum increase of 4.99% in 2026/27.

39. In February 2024, Council unanimously approved the implementation of council tax premiums for empty properties and second homes in line with regulation and guidance issued by the Secretary of State. Total council tax income of £153.7 million in the 2026/27 draft revenue budget includes estimated income of £3.1 million in premiums applied to second homes and empty properties.

40. This estimate is informed by the number of dwellings confirmed as second homes or empty dwellings and the duration of the property's status, as per billing data as at November 2025. A series of verification checks to confirm occupancy and ownership status has been undertaken during 2025/26 to provide assurance in respect of the value of this budgeted income. A range of compliance measures are in place and will be strengthened during 2026/27 to ensure that council tax premiums are charged on all relevant dwellings.

Fair Funding Assessment (FFA) & Business Rates Retention

41. The Fair Funding Assessment (FFA), previously known as the Settlement Funding Assessment (SFA), is the sum of the Revenue Support Grant (RSG) and Baseline Funding Level, including previously separate grants now proposed to be consolidated or 'rolled in' to the FFA.

42. In addition to business rates income, the council also receives a number of other grants which Central Government include within the determination of local authority Core Spending Power. As a result of the fundamental review of funding allocations and method of distribution through FFR, the council's breakdown of CSP has changed substantially in 2026/27 and many grants have been rolled into the council's Settlement Funding Assessment. This restricts comparison of funding sources with previous years' allocations.

43. Grants previously distributed and accounted for as funding separate from CSP are now part of the Revenue Support Grant and these include: Section 31 Business Rates grants, New Homes Bonus, Social Care Grant, Market Sustainability and Improvement Fund, Domestic Abuse Safe Accommodation Grant, Employer National Insurance Contributions Grant, War Pensions Disregard Grant, Deprivation of Liberty Safeguards Grant and Virtual Schools Head Grant.

44. The Public Health Ringfenced Grant remains a separate funding source and the value of grant in 2026/27 of £12.2 million (£10.8 million received in 2025/26) consolidates four separate grants into the total allocation, with additional ringfenced expenditure requirements in respect of smoking cessation (£0.4 million) and drugs and alcohol treatment and recovery services (£2.8 million).

45. The Children, Families and Youth grant consolidates five funding streams into a single consolidated grant including: Children's Social Care Prevention Grant, Families First Partnership programme funding, Holidays, Activities and Food (HAF) Grant, the Pupil Premium

Plus Post-16 Grant and new funding for children's social care reform per the Spending Review announcement and Policy Statement. Of these grants, the Holidays, Activities and Food (HAF) Grant, the Pupil Premium Plus Post-16 Grant are outside of Core Spending Power.

Business Rates Income

46. The total value of business rates due is collected by the council, paid to Government and redistributed back to the council via a formula grant mechanism under the Business Rate Retention Scheme (BRRS). Business rates income collected by the council is accounted for separately from the council's revenue budget in the Collection Fund.

47. The Business Rates Retention Scheme has been reset as part of the Fair Funding Review. The resetting of Business Rates Baselines from 1 April 2026 aims to ensure funding is targeted where it is needed most; the balance between aligning funding with need and rewarding business rates growth.

48. The 2026 reset will be delivered alongside significant changes to the business rates tax system. New business rate multipliers will be introduced into the business rates system, with the introduction of additional business rates multipliers, and a revaluation of business rates will also be delivered.

49. The business rates reset has resulted in a reduced budget for business rates income of £31.5 million for 2026/27, comprising £30.1 million baseline funding level (assessed need) and £1.4 million surplus from 2025/26. This budget is significantly lower than the £47.6 million budgeted income in 2025/26 as a result of the system reforms as part of which £11.5 million has been rolled into the Revenue Support Grant for 2026/27, representing the above baseline growth in 2025/26 plus the compensation for under-indexing the multiplier in previous years.

Business Rates Pooling

50. In 2023/24 the council joined the Herefordshire and Worcestershire Business Rates Pool; a voluntary arrangement between a group of local authorities whereby their combined business rates income and any growth is collected as one common fund or 'pool'. This pool generates a saving in the levy returned to Central Government which can be distributed amongst members as determined by a Pooling Agreement; spreading the risk across a wider geographic and economic area to enable more business rate growth to be retained locally and shared by authorities within the pool.

51. In the financial years 2023/24 to 2025/26, the council received additional benefit totalling £2.1 million from the Business Rates Pool (£0.7 million in each of the three years 2023/24 to 2025/26).

52. Due to the full reset of the BRRS and changes to levy and safety net calculations, the Herefordshire & Worcestershire Business Rates Pool will not continue in 2026/27 and the council will no longer benefit from pooling gains. The council will continue to review pooling arrangements for 2027/28 to consider future options.

Enterprise Zone Business Rates Income

53. The council retains additional business rates income from the Hereford Enterprise Zone (HEZ). The HEZ was designated by Government as one of the 48 Enterprise Zones in 2012, designed to boost local growth and create jobs in specialist sectors including advance manufacturing and engineering, agri-food, business services, construction including built environment and security.

54. Within these zones, businesses are able to benefit from incentives including: a business rate discount of up to 100% over 5 years, enhanced Capital Allowances (corporation tax relief) for machinery and equipment purchases and simplified planning regulations through Local Development Orders.

55. Any growth in business rates above an agreed baseline (after reliefs and discounts) within the enterprise zone over a 25-year period, from April 2013, is retained by the council to be reinvested locally. The 2026/27 revenue budget includes additional business rate income retained from the HEZ of £1.8 million.

56. In 2025/26, a programme of initiatives and activity to support growth in skills, business and tourism was agreed by Cabinet, funded by additional rates collected and retained from HEZ businesses in the council's Earmarked Reserves. This separate allocation of £1.4 million will support economic growth and development locally with expenditure planned in 2025/26 and 2026/27.

Other Funding Sources: Extended Producer Responsibility Grant

57. The council will receive an allocation of £4.2 million in 2026/27 from the extended producer responsibility for packaging (pEPR) scheme, first allocated to local authorities in 2025/26. The extended producer responsibility for packaging (pEPR) regulation is part of the Environment Act 2021 and requires businesses to take responsibility for the packaging they sell in the UK, from the time it is placed on the market until it is disposed of.

58. This funding is un-ringfenced compensation to cover local authority existing costs of recycling and disposal of packaging. The council's allocation has been included in the Economy & Environment net directorate budget in 2026/27 to support relevant costs for waste and recycling services.

59. The November Policy Statement confirmed Government's commitment to supporting local authorities to deliver weekly food waste collections with ongoing funding to be allocated through the Spending Review and provided in the Settlement rather than as a separate new burdens grant.

60. This funding was not separately identifiable within the Settlement and, instead, is included in the overall Settlement Funding Assessment allocated to the council through the Fair Funding Review and the new funding formulae.

61. A review of the requirements and contract arrangements is currently underway and activity and associated expenditure will be monitored during 2026/27 with costs above budget to be funded from the waste reserve in the first year of delivery.

Exceptional Financial Support (EFS)

62. In the financial year 2025/26, Government agreed to provide Exceptional Financial Support (EFS) to 30 councils to manage their financial pressures and budget gaps (19 in 2024/25, 8 in 2023/24 and 5 in 2022/23). Of these 30, 6 had previously issued a Section 114 Notice (often referred to as a bankruptcy notice).

63. Continuing pressures in costs and demand for services alongside changes in funding allocations mean that the sector is expecting a further increase in requests for support to manage financial pressures, with between 50 and 100 councils expected to apply for EFS to balance revenue budgets in 2026/27.

64. EFS is a form of temporary financial assistance to support a council to meet its financial obligations and continue to deliver essential services. The EFS framework allows councils to cover day-to-day running costs by borrowing or through the use of capital receipts generated

from the sale of assets. Councils granted EFS may also be given dispensation to increase council tax rates above the referendum threshold without a local referendum. The typical process for Government to assess requests for EFS is set out below:

a) **Formal request:** A local authority approaches MHCLG (the Department) seeking EFS, typically via a capitalisation direction. The local authority provides the amount of capitalisation sought and the rationale behind why this is required.

b) **Assessment:** The request is considered by the Department and includes an assessment of whether the authority has taken **every possible step** at local level to minimise the need for support to be funded by national taxpayers.

c) **Agreement of 'in principle' support:** Subject to Ministerial decision, Ministers will write to the authority setting out that they are 'minded to' issue a capitalisation direction subject to certain conditions. These conditions typically include the authority being required to undergo an external assurance review.

d) **Confirmation and legal direction:** Confirmation of legal directions is required to enable an authority and the external auditor to close its financial accounts for that year. There is not a set time of year when directions must be formalised. Previously, subject to demonstration that the authority has progressed against the conditions set out in the 'in-principle' offer of support, directions have been formalised at the end, or just after the end of the financial year to which the capitalisation applies. When formal directions are issued, conditions are attached.

Revenue Budget Proposals 2026/27

65. The base budget proposed for 2026/27 is summarised below. Directorate Savings Proposals are detailed at Appendix B and key revenue budget pressures, challenges and risks outlined in the individual Directorate Budget Position Statements at Appendix C.

Detail	2025/26 Base Budget £'000	Unfunded Pressures £'000	Mitigations £'000	Savings £'000	2026/27 Proposed Budget £'000
Community and Wellbeing	90,366	9,396	(2,720)	(7,375)	89,667
Children and Young People	58,873	3,545	(657)	(3,348)	58,413
Economy and Environment	40,992	7,303	(2,800)	(7,204)	38,291
Corporate Services	22,222	1,856	(53)	(1,529)	22,496
Sub Total	**212,453**	**22,100**	**(6,230)**	**(19,456)**	**208,867**
Central	19,055	7,196	(500)	(498)	25,253
TOTALS	**231,508**	**29,296**	**(6,730)**	**(19,954)**	**234,120**
Funded by:					
Council tax	146,451				153,657
Legacy Funding Assessment (LFA)	78,237				-
Settlement Funding Assessment (SFA)					
of which: Baseline Funding Level					30,149
of which: Revenue Support Grant					41,867
Business rates surplus income	-				1,400
Enterprise zone business rates income	1,282				1,750
Extended producer responsibility grant	3,538				-

Collection fund surplus	2,000				2,000
Business rates risk reserve funding	-				3,297
TOTALS	**231,508**				**234,120**

Directorate Key Budget Pressures 2026/27

66. A summary of pressures of £29.3 million included in the draft revenue budget for 2026/27, by Directorate, is noted in the table below.

Pay Award: This pressure represents an impact of the estimated pay award for 2026/27 on staffing expenditure across each Directorate.

Inflation: This pressure represents the impact of inflation across contractual and non-contractual commitments in 2026/27. Inflation is estimated based on a variety of relevant inflation and price indices as well as contract specific rates.

Demand: Demand pressures reflect additional demand for services based on most recent activity data and costs and adjustments to reflect trend analysis in each service area.

Directorate	**Pay Inflation £'000**	**Net growth in demand/activity £'000**	**TOTAL £'000**
Community Wellbeing	447	8,949	9,396
Children & Young People	520	3,025	3,545
Economy & Environment	319	6,984	7,303
Corporate Services	216	1,640	1,856
Central Budgets	-	7,196	7,196
TOTAL	**1,502**	**27,794**	**29,296**

Contract Inflation Fund

67. Inflation estimated at £7.1 million in contracts for expenditure on supplies, services and third-party payments for will not be allocated directly to services as an increase in Directorate base budgets in 2026/27.

68. Each Directorate has been set a target to manage inflationary pressures within Directorate budgets. A centrally managed Contract Inflation Fund will be established in 2026/27 to manage inflationary increases which cannot be managed within Directorate budgets, with amounts transferred to Directorates through existing expenditure control processes when evidence of need has been demonstrated.

69. The centrally managed fund will be established from Directorate Earmarked Reserve balances and balance sheet provision amounts which have been assessed as not committed for use or required to manage future expenditure.

Reserve/provision	**TOTAL £'000**
Budget resilience reserve	4,200
Additional pension costs reserve	547
Uncommitted Economy & Environment directorate reserves	506
Uncommitted Children & Young People directorate reserves	255
Uncommitted Balance Sheet provisions/sums	1,564
TOTAL	**7,072**

70. This measure recognises the inflationary pressures in 2026/27 and makes adequate provision to meet the expenditure requirements of each Directorate whilst strengthening financial controls to ensure increased challenge and transparency over contract expenditure. Inflation will only be awarded up to a maximum level, as previously estimated, and any efficiencies or

reductions in inflation estimates realised will be retained in the Contract Inflation Fund to be carried forward for use in future years.

Business Rates Risk Reserve Funding

71. The draft revenue budget assumes funding of £3.2 million from the Business Rates Risk Reserve. As reported in the council's Earmarked Reserves and General Balances Policy Statement 2025/26, this reserve is held to manage risks in the business rate regime including the impact of changes in the level of business rates income and uncertainty over appeals.

72. The audited reserve balance at 1 April 2025 was £13.3 million. It is proposed that this reserve is used in 2026/27 to mitigate the loss of funding to the council through the Fair Funding Review; this being the risk that the reserve was established to mitigate. Allocation of funding in 2026/27 will reduce the reserve balance by £3.2 million.

73. It is expected that further use of this reserve may be required over the multi-year Settlement period to manage continuing, further reductions in the council's allocation of funding from Central Government. The balance remaining in the reserve is considered appropriate to manage and mitigate future funding risks.

Community Wellbeing

74. The Directorate faces continued challenge in 2026/27 as a result of increasing complexity of need and intensity of care support for the county's ageing population, increased demand for temporary accommodation, the impact of hospital high occupancy rates and an increase in the number of individuals unable to fund their own care linked to the impact of increases in the cost of living and inflation.

75. The budget requirement for 2026/27 reflects future cost pressures including increasing demand, acuity and complexity of care and price inflation including general inflation and the impact of wage increases on health and social care provider contracts.

76. The Directorate will continue to respond to these challenges in 2026/27 through control of costs to secure reductions across care contracts, managing demand through increased community engagement and review of care packages and increasing income, ensuring fair and timely charges and contributions for services. Savings proposals are detailed in the Community Wellbeing 2026/27 Directorate Budget Position Statement at Appendix C.

77. As part of the council's Future Financial Strategy, the council will work with external specialist partners in 2026/27 to identify, design and implement transformation activity that delivers sustainable, recurrent savings over the MTFS period.

78. This will be undertaken through diagnostic work in early 2026/27 moving to an implementation phase to support the delivery of identified opportunities. Diagnostic work will be informed by collection of detailed evidence and data to form the basis of an opportunities and transformation plan, including the complexities in addressing the key levers to effective change, and the gaps in data, technology, people and leadership to deliver required digital transformation.

Children & Young People

79. The 2024/25 revenue budget included additional investment of £10.8 million for Children & Young People services to provide sufficient funding to meet the costs of service delivery. The increase in revenue budget was supported by a 3 Year Financial Plan which placed workforce

stability and a reduction in high-cost placements as key priorities for the Directorate. This plan identified proposed savings of £10.2 million over the three years from 2024/25 to 2026/27.

Children & Young People 3 Year Financial Plan (as at 2024/25 Budget Setting)

Planned activity/transformation	Year 1 2024/25 £'000	Year 2 2025/26 £'000	Year 3 2026/27 £'000	Total £'000
Workforce savings	(1,344)	(1,477)	(933)	**(3,754)**
Reduction in high-cost placements	(959)	(3,894)	(1,359)	**(6,212)**
SEN Transport efficiencies	(200)	-	-	**(200)**
TOTAL	**(2,503)**	**(5,371)**	**(2,292)**	**(10,166)**

80. In 2025/26 the original savings plans were refreshed to ensure that planned activity was aligned to future improvements and service priorities, recognising progress to date and extending the plan to a 4-year plan covering 2024/25 to 2027/28. The review identified realistic and achievable savings proposals of £3.9 million for 2025/26 resulting in total savings in Years 1 and 2 of £6.4 million (63% of the required savings per the original Financial Plan).

81. Savings proposed for 2026/27 of £3.3 million represent continued reductions in the number of agency social workers and agency hourly pay rates, management of high-cost placements and delivery of efficiencies through reshaping of services. These proposals are detailed in the Children & Young People 2026/27 Directorate Budget Position Statement at Appendix C.

82. The total of savings delivered and proposed for the Directorate over the original three-year plan period is £9.8 million. In addition to the delivery of savings, the Revenue Outturn Report presented to Cabinet in June 2025 confirms the Children & Young People Directorate delivered an underspend of £2.7 million against approved budget in 2024/25. This identifies that the Directorate has delivered on its commitment to reduce the base budget requirement and return the investment originally approved by full Council in the 2024/25 Revenue Budget.

83. Savings requirements in future years in the Children & Young People Directorate will form part of the wider council savings proposals for 2027/28 and onwards, as the savings targets per the original 3 Year Financial Plan have been met.

Summary of savings delivered and proposed 2024/25 to 2026/27

	Total £'000	Total £'000
Total 3 Year Financial Plan savings (approved 2024/25)		**10,166**
2024/25 Year 1 savings (delivered)	2,503	
2025/26 Year 2 savings (forecast)	3,929	
2026/27 Year 3 savings (proposed)	3,348	
Total revised savings	**9,780**	
2024/25 Revenue Outturn underspend	2,721	
TOTAL return by Directorate	**12,501**	

Dedicated Schools Grant (DSG)

84. The cumulative DSG deficit is accounted for as an unusable reserve on the council's Balance Sheet, as permitted via statutory instrument, which will remain in place until 31 March 2028. This enables all local authorities to ring-fence the DSG deficit from the overall financial position in the statutory accounts.

85. The Provisional Settlement published in December 2025 advised that, beyond the period of the statutory override, funding for Special Educational Needs and Disabilities (SEND) will be managed within the overall Central Government departmental expenditure limits (DEL) envelope such that local authorities would not be expected to fund future special educational needs costs from general funds.

86. In respect of DSG deficits which will continue to increase during the override period, the Settlement highlighted government's expectation that councils will continue to work to keep deficits as low as possible. Whilst it is not expected that the council will be required to meet the cumulative deficit at 31 March 2028, in full, from its own resources, confirmation of specific arrangements and conditions attached to future support have not yet been provided.

87. Government has confirmed that it will bring forward a full Schools White Paper early in the new year to set out financially sustainable plans for reform of SEND provision. The council awaits confirmation of adequate funding for SEND services in Herefordshire and a real solution to address the cumulative DSG deficit at the end of the statutory override period in March 2028 to minimise the impact on the council's financial position.

88. It should be noted that this issue is a major concern amongst local authorities nationally. A survey by the Association of Local Authority Treasurers (ALATS) reveals the nationwide deficit currently exceeds £6.0 billion across English councils, projected to rise to £10.0 billion by 2026/27 and £14.0 billion by the end of the statutory override period.

89. Whilst future deficits would not accrue beyond the end of the statutory override period, the requirement to recognise historic, cumulative deficits of £14.0 billion across the sector is likely to result in many local authorities issuing Section 114 notices being unable to set a balanced revenue budget.

90. At 1 April 2025, the cumulative deficit brought forward was £20.0 million. The Q2 (September) 2025/26 forecast reports an overspend of £17.5 million within the High Needs block of the DSG; increasing the cumulative deficit to £37.5 million by 31 March 2026. A focused review to quantify the impact of emerging demand in 2026/27 and future years is currently underway to inform the council's DSG Deficit Management Plan. It is expected that this will increase the forecast deficit by 31 March 2027.

91. This cumulative deficit has a further impact on the council's treasury position as general cash balances are used to meet the in-year costs of SEND provision not funded by Central Government. The depletion of cash balances forces the council to undertake increased external borrowing, incurring increased interest costs which create pressure in the annual revenue budget.

92. Measures to contain the deficit and mitigate future cost and demand pressures continue to be managed by the Service through the DSG Deficit Management Plan and the financial impact of agreed mitigations will be monitored and reported throughout the year as part of the council's routine budget monitoring processes.

93. Any deficit not funded through planned SEND reform and support from Central Government will have a significant impact on the council's overall financial position once the override period ends on 31 March 2028. This risk is being managed alongside the assessment of the adequacy of the council's reserves, as part of the council's medium term financial strategy.

Economy & Environment

94. The Directorate will be sufficiently resourced to support growth in the economy in 2026/27 and delivery of major and capital projects. The Directorate will embed the new operating model for public realm services and continue to manage pressures in the operation of waste collection and disposal contracts arising due to growth in the volume of domestic waste and inflationary increases in the Unitary Payments. In addition, the budget will support improvements in river health and work towards nature recovery and to tackle fuel poverty.

95. Savings proposed for 2026/27 of £7.2 million will be achieved by maximising commercial activity and returns from traded services to increase income, managing demand by increased engagement with communities and partners and delivering efficiencies by maximising the application of grant funding. These proposals are detailed in the Economy & Environment 2026/27 Directorate Budget Position Statement at Appendix C.

Home to School and SEND Transport

96. There are significant pressures in the provision of mainstream home to school transport and SEND transport services nationally, being experienced in Herefordshire. Growth in Education, Health and Care Plans (EHCPs) for SEND students and increases in more costly travel such as individual taxis and passenger assistants, intensify the challenge of delivering services within approved budgets.

97. The Provisional Settlement notes that Government intends to set out plans to reform the SEND system in further detail early this year. Ahead of any substantive reform, the council must continue to manage increasing demand and cost pressures in transport services by identifying innovative strategies to:

- influence demand using data to understand user requirements;
- maximise independence and reduce reliance on council transport services; and
- employ digital technologies to maximise opportunities to consolidate routes and deliver efficient journeys.

98. An external review was commissioned by the Chief Executive in 2025/26 to identify efficiencies across the council's transport routes, reduce costs and introduce a new operating model for transport services. The outcome of this review is expected to deliver savings of £0.5 million in 2025/26 and, as work continues, an additional savings target of £2.0 million is proposed in the 2026/27 draft revenue budget.

Corporate Services

99. The budget requirement for 2026/27 reflects investment in the Corporate Services Directorate to support continued delivery of service improvements and transformation across the council; enabling the delivery of major and capital projects and providing high quality corporate services to support delivery of Council Plan priorities across Finance, Legal & Governance, HR & Organisational Development and Transformation teams.

100. The Corporate Services budget includes an allocation of £1,000 per Ward Member to allocate to community groups and projects within their Ward area in 2026/27 to align to the priorities of the Council Plan.

101. Transformation expenditure in the Corporate Services Directorate will be mitigated in 2026/27 through the application of £0.6 million of capital receipts. This application is permitted by statutory Direction and the council is required to evidence compliance with qualifying conditions to its external auditors. The qualifying expenditure will generate efficiencies, ongoing savings and reductions in the cost of service delivery. The proposed application in 2026/27 represents modest use of this flexibility by the council.

Central

102. The Central budget comprises financing transactions, Minimum Revenue Provision (MRP) and other corporate budget items including: pension costs, costs in respect of the administration of housing benefit and council tax and business rate collections and income from the council's business rate pooling arrangement. This budget is informed by planned delivery of the council's Capital Programme, the council's Treasury Management Strategy, routine cashflow monitoring and the external borrowing requirement.

Delivery of approved and brought forward savings in 2025/26

103. Council approved a total of £19.5 million of savings in the 2024/25 revenue budget, comprising Directorate savings of £11.6 million and £7.9 million of Council-wide savings. In the year ended 31 March 2025, £10.9 million (56%) of the approved savings were delivered.

104. Savings not delivered recurrently in previous years have been carried forward into 2025/26 for continued monitoring of delivery. As set out in the 2024/25 Quarter 4 Outturn Report to Cabinet in June 2025, a focused review of the original proposals and planned activity has been undertaken during Quarter 1 and revised savings plans have been developed, where appropriate, to confirm activity to deliver savings in 2025/26.

105. The council has made significant progress in the delivery of approved savings for 2025/26 and savings brought forward from previous financial years as reported in the Quarter 2 Budget Report presented to Cabinet at the meeting held 20 November 2025. At Quarter 2 (September) 2025/26, 51% of total savings have been delivered, with a further 40% assessed as on target for delivery and the balance of 9% assessed to be at risk.

Proposed Directorate Savings 2026/27

106. Total savings of £20.0 million are proposed in the 2026/27 budget. These savings include a range of proposals to:

a) Control costs of service delivery

b) Increase income from fees and charges

c) Manage demand for council services in high-cost, demand-led budgets

d) Deliver efficiencies through review and transformation of services

Directorate	Control of costs £'000	Managing Demand £'000	Increasing Income £'000	Delivering Efficiencies £'000	TOTAL £'000
Community Wellbeing	4,100	455	1,620	1,200	**7,375**
Children & Young People	1,310	1,966	-	72	**3,348**
Economy & Environment	3,875	500	,200	2,629	**7,204**
Corporate Services*	1,449	-	-	578	**2,027**
TOTAL	**10,734**	**2,921**	**1,820**	**4,479**	**19,954**

***includes Central Budgets

107. Details of individual proposals and a description of planned activity for Directorate savings are included at Appendix B and in individual Directorate Budget Position Statements at Appendix C.

108. The process to identify savings for 2026/27 included a review of discretionary, preventative, enabling and mandatory services and the levels of service provision by reference to legislative

and regulatory requirements. This review considered options to stop, reduce or identify alternative funding sources for non-mandatory services, opportunities for savings and efficiencies in services with cost pressures, and options to increase income generated from services where permitted.

109. Delivery of savings at a time of increasing demand and budget pressures remains a significant challenge for the council. The challenging savings target set, and the difficult decisions taken to deliver efficiencies in both services and the size and shape of the council, form the basis of council's Future Financial Strategy, to ensure a financial stable and resilient council. This strategy is underpinned by robust financial management and continued expenditure controls, accuracy in forecasting and effective collaboration between service and finance teams.

Community impact

110. The draft budget demonstrates how the council plans to use its financial resources to deliver its statutory responsibilities and strategic priorities. The budget and savings proposals support the overall delivery plan and service delivery strategies in place.

111. In accordance with the adopted code of corporate governance, the council achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these is an important strategic choice to make to ensure intended outcomes are achieved. The council needs robust decision-making mechanisms to ensure our outcomes can be achieved in a way that provides the best use of resources while still enabling efficient and effective operations.

Environmental impact

112. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

113. Whilst this overarching budget setting document will not detail specific environmental impacts, consideration is always made to minimising waste and resource use in line with the council's Environmental Policy. A specific environmental impact assessment for the service specific budget proposals will be considered as appropriate to seek to minimise any adverse environmental impact and actively seek opportunities to improve and enhance environmental performance.

Equality duty

114. The Public Sector Equality Duty (PSED) requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in decision making in the design of policies and in the delivery of services. The full wording of the PSED can be found within section 149 of the Equality Act 2010.

115. As a public body, the Council must, in the exercise of their functions, have due regard to the need to:

a) Eliminate discrimination, harassment, victimisation and any other conduct that the Equality Act 2010 prohibits.

b) Advance equality of opportunity and foster good relations between those individuals who share a relevant protected characteristic and those who do not.

116. In recommending this budget and its proposals, officers have paid due regard to the PSED and have considered its impact on people with different protected characteristics. Appendix H contains the Equality Impacts Assessments undertaken by relevant officers. The impacts on equalities have been considered in respect to individual impacts (such as cost increases or services changes) but also impacts on those with protected characteristics paying towards the overall Council budget.

117. A mandatory Equality Impact screening checklist has been undertaken in relation to the savings proposals and where the impacts are more significant on those with protected characteristics, a full Equality Impact Assessment has been performed.

118. The budget proposal includes elements that will require the officers to revisit and update any Equality Impact Assessment or screening checklist as a particular proposal or service element is developed or refined.

119. Each Equality Impact Assessment in Appendix H includes the Council's assessment of the equality impacts and members must consider each as part of the approval process for the budget. The council must consider each EIA to understand the impact of the proposal and the positive or negative differential effects on individuals with protected characteristics when considering the requirements of PSED. However, the following are the high-level key equality considerations in relation to the budget:

a) The increase in council tax will have a negative impact on those residents who pay council tax who have protected characteristics. However, there are positive impacts in sufficient resource being available to the Council to continue to provide services to residents with protected characteristics.

b) The officers do not consider there is a cumulative impact of the proposals on service users with protected characteristics. This includes the fee proposals within Community Wellbeing as fees are not charged when a payer's available funds fall below a particular value.

c) The CTRS remains unchanged and this provides relief for council taxpayers based upon their ability to pay council tax. This includes those who have protected characteristics.

Resource implications

120. The financial implications are as set out in the report. The ongoing operational costs including, human resources, information technology and property resource requirements are included in the draft budget and will be detailed in separate governance decision reports as appropriate.

121. The council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from its resources. This includes taking properly informed decisions and managing key operational and financial risks in order to deliver objectives and safeguard public money.

122. Under the Local Audit and Accountability Act 2014, the council's external auditors are required to assess whether the council has made proper arrangements under three areas, as defined by the National Audit Office: Financial Sustainability, Governance and Improving economy, efficiency and effectiveness.

123. For the 2024/25 financial year, the council was the first council in the country to receive an audit opinion on the financial statements and its value for money arrangements by 30 September 2025.

124. The Auditor's Annual Report for 2024/25 notes that there are no significant weaknesses in respect of arrangements for financial planning, alignment of financial plans to other operational planning and in identifying and managing risks to financial resilience. These arrangements, assessed by external audit, underpin the 2026/27 budget setting process to support the preparation of a realistic balanced budget.

125. The audit report highlights an improvement recommendation in respect of the achievement of savings in 2024/25. The council has made significant progress in the delivery of approved savings for 2025/26, and savings brought forward from previous financial years, and this is noted in the Quarter 2 Budget Report presented to Cabinet 20 November 2025 and highlighted above in this report.

126. The audit report, and the timely unqualified opinion on the 2024/25 financial statements, provide valuable, independent assurance that the council has robust financial planning arrangements in place to identify all significant financial pressures and risks to financial resilience and to support the sustainable delivery of services in accordance with strategic and statutory priorities.

Legal implications

127. When setting the budget, it is important that councillors are aware of the legal requirements and obligations. Councillors are required to act prudently when setting the budget and council tax so that they act in a way that considers local taxpayers. This also covers the impact on future taxpayers.

128. In acting prudently, the council has an obligation to determine whether any planned council increase is excessive (based on a set of principles defined by the Secretary of State and approved by the House of Commons).

129. The level of council tax rise does not meet the definition of an excessive increase so can be approved without the need for a referendum.

130. The Local Government Finance Act 1992 requires a council to set a balanced budget. To do this the council must prepare a budget that covers not only the expenditure but also the funding to meet the proposed budget. The budget has to be fully funded and the income from all sources must meet the expenditure.

131. Best estimates must be employed so that all anticipated expenditure and resources are identified. If the budget includes unallocated savings or unidentified income, then these have to be carefully handled to demonstrate that these do not create a deficit budget. An intention to set a deficit budget is not permitted under local government legislation.

132. The council must decide every year how much they are going to raise from council tax. The decision is based on a budget that sets out estimates of what is planned to be spent on services. Because the level of council tax is set before the year begins and cannot be increased during the year, risks and uncertainties have to be considered, that might force higher spending more on the services than planned. Allowance is made for these risks by: making prudent allowance in the estimates for services and ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

133. Local government legislation requires the council's S151 officer to make a report to the full Council meeting when it is considering its budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals (the statement is contained within the risk management section of this report). This is done so that members will have authoritative advice available to them when they make their

decisions. As part of the Local Government Act 2003 members have a duty to determine whether they agree with the S151 statutory report.

134. The council's budget and policy framework rules require that the chairpersons of a scrutiny committee shall take steps to ensure that the relevant committee work programmes include any budget and policy framework plan or strategy, to enable scrutiny members to inform and support the process for making Cabinet proposals to Council.

135. Section 106 of the Local Government Finance Act 1992 precludes a councillor from voting on the Council's budget if he or she has an outstanding council tax debt of over two months. If a councillor who is precluded from voting is present at any meeting at which relevant matters are discussed, he or she must disclose that section 106 applies and may not vote. Failure to comply is a criminal offence.

136. Part 4 Section 3 of the Constitution provides the mechanism used by the Council in adopting a budget and any policy framework. Cabinet must recommend a balance budget for adoption by the Council. Any amendments to the Cabinet recommendation requires the proposer to have discussed with the relevant service director and the chief finance officer that it is achievable before submitting an amendment (para 4.3.12).

Risk management

137. Section 25 of the Local Government Act 2003 requires the S151 officer to report to Council when it is setting the budget and precept (council tax). Council is required to take this report into account when making its budget and precept decision. The report must deal with the robustness of the estimates included in the budget and the adequacy of reserves.

138. The budget has been informed by the best available information; current spending, anticipated pressures and estimates in respect of the provisional 2026/27 funding settlement.

139. The known most substantial risks have been assessed as part of the budget process and reasonable mitigation has been made where possible. Risks will be monitored through the year and reported to cabinet as part of the budget monitoring process.

140. The council maintains a general fund reserve balance above the minimum requirement, earmarked reserves and an annual contingency budget to manage these risks.

141. Key financial risks and mitigating actions are noted in the table below. The impact measure refers to the potential financial severity of each identified risk.

Key Financial Risk	Likelihood	Impact (Potential Severity)	Mitigating Action
Unexpected events and emergencies By its nature, the financial risk is uncertain	Low	High	The Council maintains a strategic reserve at a level of between 3 and 5% of its revenue budget for emergency purposes. The level of this reserve at 1 April 2025 was £10.1 million (4.4% of 2025/26 revenue budget). Additionally, national resources have historically been provided to support national issues.
Not delivering required improvements The council must address the statutory direction	Low	Medium	Improvements in Children's Services have been recognised with an overall 'Good' rating by Ofsted following the Inspection of Local Authority Children's Services (ILACS) that took place from 10 to 21 November 2021.

and improvements across Children's Services			Phase 3 of the Herefordshire Children's Services and Partnership Improvement Plan was endorsed by Cabinet in July 2025. Performance against the Improvement Plan is monitored and reported on a quarterly basis.
Increasing demand for Adult and Children's Social Care Demand for Children's services continue and demand for adult services increases as the population ages.	High	Medium	Demand led pressures are reflected within our spending plans; additional funding to support increased demand has been applied to Community Wellbeing and Children & Young People Directorate base budgets for 2026/27. In year monitoring of performance enables Directorates to forecast trends and identify changes in demand. Increasing demand for social care represents a key financial pressure for all councils. Robust and regular budget monitoring identifies emerging pressures and the financial impact on in-year budgets across the council. Financial monitoring is informed by activity data and trend analysis from the relevant service to ensure that forecasting is reliable and timely.
Potential overspend and non-delivery of savings required to balance the budget	Medium	Medium	High risk budget areas have been identified and financial support is targeted in these areas. Robust and regular financial monitoring which is reported to Directorate and Corporate Leadership Teams and Cabinet enables the timely identification of actions to mitigate the risk of overspends.
Volatility in Government funding streams The government settlement for 2026/27 is a multi-year settlement; the assumed funding for the MTFS period is at levels per the Provisional Settlement.	High	Medium	The MTFS reflects prudent estimates and assumptions in the financial planning over the medium-term period where it is acknowledged that uncertainty over future funding exists. The MTFS will be updated to reflect the impact for the council of the multi-year Settlement and in-year funding allocations as further information is released.
Interest and Inflation There is uncertainty over interest and inflation rates.	Medium	Medium	The Treasury Management Strategy is informed by latest forecast, as provided by our Treasury Management Advisors. Increases in borrowing rates will be managed by reference to in-year approved budgets in line with the Treasury Management Strategy.
Dedicated Schools Grant The future cumulative deficit requires direct financial support from council core	High	Medium	The high needs budgets are funded by the dedicated schools grant, but any overspend becomes a council liability. This risk cannot currently be mitigated; expenditure will be monitored as part of routine budget monitoring arrangements and the council will continue to work with the

budgets if the period of statutory override is not extended beyond 31 March 2028.			Department for Education and monitor progress against the DSG Deficit Management Plan. This represents a significant local and national pressure and urgent reform is required. Plans to reform funding arrangements and a future decision on the statutory override to manage the national deficit and minimise the impact on local authority financial positions are expected in early 2026.

Budget Timetable

142. The high-level timetable to approval of the 2026/27 revenue budget by Council is set out below:

Date	Activity
20 January 2026	Draft 2026/27 revenue budget to Cabinet
23 January 2026	Meeting of Scrutiny Management Board to consider revenue budget for 2026/27
5 February 2026	Meeting of Cabinet to recommend 2026/27 revenue budget to Council
Early Feb	Final Local Government Finance Settlement
13 February 2026	Meeting of Council to approve 2026/27 revenue budget

Consultees

143. The council's constitution states that budget consultees should include parish councils, health partners, the schools' forum, business ratepayers, council taxpayers, the trade unions, political groups on the council, the scrutiny committees and such other organisations and persons as the Leader shall determine.

144. Regular briefings to share information on the potential outcome of the fair funding review and its impact on the council's revenue budget and capital programme, have been delivered to Group Leaders, and their political groups, Scrutiny Committee Members and council employees throughout the 2026/27 budget development process.

145. In 2026/27, the council invited residents and stakeholders to consider funding choices and the impact of changes in income and expenditure on the delivery of services through an online budget consultation. Engagement also asked for feedback on priorities for the 2026/27 budget and council tax increase options. The consultation ran from 9 December 2025 to 4 January 2026.

146. A total of 359 responses were received from residents and businesses, and the summary report is included at Appendix F. This represents an increase in engagement (201 online responses in 2025/26) and we will consider how to build on this activity to maximise engagement in future years.

147. Respondents were asked how comfortable they would be with a reduction in spending across 13 key services. The results highlight that respondents were not comfortable with reductions in highways maintenance and street lighting and this support was also reflected in respondents'

views on which single service they would prioritise if they only had £1 left to spend with highways maintenance and street lighting as the most common choice.

148. There was strong support for selling/developing the council's assets and developing online services over reducing services in order to balance the budget. This supports the planned activity as part of the Future Financial Strategy to maximise commercial income and improve and transform services by using technology and digital tools.

149. A majority of respondents supported increases in charges to services for non-statutory services. Increasing income from fees and charges is one of the saving proposal themes for 2026/27 with £1.8 million proposed in this area.

150. Scrutiny Management Board was consulted with on 23 January 2026.

Appendices

Appendix A: Medium Term Financial Strategy
Appendix B: Total Directorate Savings Proposals 2026/27
Appendix C: Directorate Budget Position Statements
Appendix D: Treasury Management Strategy
Appendix E: Earmarked Reserves and General Fund Balances to 31 March 2026
Appendix F: Online Budget Consultation Report 2025/26
Appendix G: S151 Officer Section 25 Statement (to follow as supplementary)
Appendix H: Equality Impact Assessments

Background papers

None identified.

Herefordshire Council

MEDIUM TERM FINANCIAL STRATEGY 2026/27 TO 2029/30

Introduction

1.1 The Medium Term Financial Strategy (MTFS) is the council's key financial planning document and sets out the council's budget for 2026/27 and the financial plan for the years to 2029/30. The strategy sets out how the council's priorities will be funded over the MTFS period and the financial risks and pressures that must be mitigated in order to successfully deliver corporate objectives.

1.2 This MTFS provides the strategic framework for managing the council's finances and ensures that:

- resources are aligned to achieve corporate objectives detailed in the County Plan over the medium/longer term; and
- the Revenue Budget, Capital Investment Budget, Treasury Management Strategy and required Prudential Indicators are appropriately aligned.

1.3 The council has a gross expenditure budget of around £400 million which is used to deliver services to nearly 200,000 residents across rural villages and market towns. These services include maintenance of over 2,000 miles of roads, collection of over 89,000 residential bins, safeguarding around 1,000 children (including 400 in our care) and providing care and support to approximately 2,500 vulnerable adults.

1.4 The council employs over 1,200 staff and supports many more local jobs through contacts with local business. The local economy combines long-standing agriculture and food production industries alongside innovative businesses in cyber and technology, construction and engineering.

1.5 The council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from its resources. This includes taking properly informed decisions and managing key operational and financial risks in order to deliver objectives and safeguard public money. Using resources wisely is a core principal of financial management and the council continues to identify efficiencies in service delivery and maximise purchasing power to ensure value for money is achieved for the residents and businesses of Herefordshire.

1.6 The Herefordshire Council Plan 2024-28 sets out how the council will make its contribution to achieving success across the county; delivering the best for Herefordshire in all areas of service delivery and developing a council that engages with the communities it serves.

1.7 The Plan sets out the vision for the future, with a focus on key priorities of People, Place, Growth and Transformation, with partnership working at the core of all activity. The themes and ambitions which underpin the Council Plan inform the financial plans including the annual budget and MTFS.

1.8 The MTFS proposes a balanced revenue budget which totals £234.1 million for 2026/27; achieved by a 4.99% increase in council tax and planned savings of £20.0 million. The net revenue budget for 2026/27 is detailed at Annex A.

National and Local Financial Risk

Wider Economic Context

2.1 The UK economy remains challenging following a prolonged period of high interest rates and relatively volatile inflation, caused by the global pandemic and the subsequent impact of increases in the cost of living. UK growth is stagnant, with Gross Domestic Product (GDP) at 0.7% for quarter 1 and 0.2% for quarter 2 in 2025.

2.2 Domestic inflation rates are elevated in comparison to the target rate of 2.0%. Consumer Price Index (CPI) has been between 3.2% and 3.8% since April 2025. CPI inflation is expected to decrease to 2.5% in April 2026, falling to 1.8% by the end of the financial year.

2.3 These economic factors, alongside increases in demand for adult and children's social care and home to school travel services, place unprecedented pressures on the council's MTFS during a period of uncertainty around future funding arrangements for local government.

2.4 The MTFS is informed by the estimated impact of these pressures on council budgets at the time of preparation. They remain estimates which are subject to change and will continue to be reviewed over the medium term planning period.

Core Government Funding

2.5 The Local Government Settlement for 2025/26 received in December 2025 represents a multi-year settlement outlining multiple years' allocations of funding covering the three-year period from 2026/27 to 2028/29. Funding allocations for the settlement period have been determined through the Fair Funding Review 2.0.

2.6 **Council Tax:** The Provisional Settlement confirmed that the council tax referendum limits would remain unchanged for 2026/27: councils with social care responsibilities are permitted to increase council tax by up to 3% with an additional 2% to meet adult social care pressures, without a local referendum.

2.7 Each 1% increase in council tax generates approximately £1.5 million of recurrent funding to meet demand pressures and deliver the council's services. The proposed draft revenue budget for 2026/27 assumes the maximum increase of 4.99% in 2026/27: 2.99% increase in core council tax and a 2% adult social care precept.

2.8 This increases the band D equivalent charge to £2,067.63, representing an increase of £8.19 per month (£1.89 per week).At the proposed level of increase, the total Council Tax income for the council is expected to increase by £7.2 million to £153.7 million.

2.9 The maximum level of local Council Tax Reduction scheme discount, approved by Council in 2021/22, has been maintained in all subsequent years to ensure that eligible households receive support as the impact of the rising cost of living continues.

2.10 **Business Rates**: The Business Rates Retention Scheme has been reset as part of the Fair Funding Review. The resetting of Business Rates Baselines from 1 April 2026 aims to ensure funding is targeted where it is needed most; the balance between aligning funding with need and rewarding business rates growth.

2.11 The 2026 reset will be delivered alongside significant changes to the business rates tax system. New business rate multipliers will be introduced into the business rates system, with the introduction of additional business rates multipliers, and a revaluation of business rates will also be delivered.

2.12 The business rates reset has resulted in a reduced budget for business rates income of £31.5 million for 2026/27, comprising £30.1 million baseline funding level (assessed need) and £1.4 million surplus from 2025/26. This budget is significantly lower than the £47.6 million

budgeted income in 2025/26 as a result of the system reforms as part of which £11.5 million has been rolled into the Revenue Support Grant for 2026/27, representing the above baseline growth in 2025/26 plus the compensation for under-indexing the multiplier in previous years.

2.13 **Fees & Charges:** The council generates income to fund service delivery by charging for the services it provides to residents and businesses. Aside from income generation from locally raised taxes, this is an increasingly important source of funding. Fees and charges are within the direct control of the council to set and uplift, subject to any legislative, economic and political considerations.

2.14 Alongside an annual review and uplift of fees and charges, work to ensure maximum service cost recovery and to identify new commercial opportunities across Directorates continues as part of wider transformation activity across the council.

Local Context

2.15 In 2025/26, Directorate teams have continued to deliver key priorities and Delivery Plan milestones whilst providing increased support to recognise the impact of the increasing costs of living on residents and businesses in the county. In addition, the council has made significant progress in the delivery of capital projects.

2.16 Planned savings will be achieved through control of costs of service delivery, increasing income from fees and charges, managing demand for services in high-cost, demand-led budgets and delivering efficiencies through transformation of services.

2.17 Year-on-year timely completion and independent audit of the council's statutory accounts provide assurance over the arrangements in place to provide complete, accurate and timely financial statements and the appropriateness of the council's accounting policies and accounting estimates.

2.18 The council's financial position is stable with above average reserve levels compared with similar unitary authorities, low levels of borrowing, positive cashflow and high liquidity and robust financial planning arrangements to identify and manage risks to financial resilience.

Projected Funding Gap over MTFS Period

3.1 The MTFS develops a series of financial projections to quantify the estimated funding gap and determine the medium term financial implications must be addressed in order to continue to deliver council services and strategic priorities.

3.2 To develop these projections, the current year base budget is inflated to reflect estimated price increases across services and goods with additional amounts to include unavoidable spending pressures and the financial impacts of council priorities and decisions. The adjusted base budget is measured against the estimated funding available to determine the future funding gap.

3.3 The projections below, and detailed at Annex B, reflect a funding gap for the medium-term period 2026/27 to 2029/30 of £83.4 million. This is an estimate of the financial gap between what the council needs to spend to maintain services delivery and the funding available. This reflects inflationary costs included as base budget increases from 2027/28 which are not currently matched by increases in core Government funding.

Table 1 Projected Funding Gap to 2029/30

	Proposed 2026/27 £'000	Estimate 2027/28 £'000	Estimate 2028/29 £'000	Estimate 2029/30 £'000
Total Funding	234,120	238,331	242,359	253,200
Net Expenditure Budget	234,120	258,902	273,374	285,032
Surplus/(Gap) to be funded	**-**	**(20,571)**	**(31,015)**	**(31,832)**
Surplus/(Gap) as % of net budget		**(7.9%)**	**(11.3%)**	**(11.2%)**
Total (Gap) to 2029/30				**(83,418)**

3.4 Closing the estimated funding gap in future years represents a significant challenge for the council and this will be an immediate focus for the council from April 2026 as part of the council's future financial strategy. Key areas of focus and activity will include:

a. Maximising commercial income from the council's asset base;
b. Collaboration with external specialist partners to deliver efficiencies in high-cost, high-demand areas of service delivery;
c. Review of the council's relationship with subsidiary companies;
d. Creating a lean and resilient council through workforce reviews to determine the future size and scope of the organisation;
e. Use of benchmarking to compare operating costs, working with sector-led experts to identify inefficiencies and opportunities to reduce expenditure; and
f. Investing in the data and digital infrastructure to deliver long-term efficiencies, improvements and transformation in services for resident

3.5 It is a legal requirement to set a balanced revenue budget in each financial year. Any savings proposed in 2027/28 to mitigate the estimated funding gap will result in a reduction in the net expenditure budget requirement for 2028/29 with a corresponding reduction to the estimated funding gap.

Dedicated Schools Grant (DSG)

4.1 The cumulative DSG deficit is accounted for as an unusable reserve on the council's Balance Sheet, as permitted via statutory instrument, which will remain in place until 31 March 2028. This enables all local authorities to ring-fence the DSG deficit from the overall financial position in the statutory accounts.

4.2 Government has confirmed that it will bring forward a full Schools White Paper early in the new year to set out financially sustainable plans for reform of SEND provision. The council awaits confirmation of adequate funding for SEND services in Herefordshire and a real solution to address the cumulative DSG deficit at the end of the statutory override period in March 2028 to minimise the impact on the council's financial position.

4.3 The draft MTFS does not include the impact of planned reform as these cannot currently be quantified. Once plans for reform have been confirmed, including a decision on the statutory override, the MTFS will be updated.

Planning Assumptions

5.1 The key assumptions in developing the medium term financial projections are explained below.

Table 2 Key assumptions by budget area

Budget area	Key assumptions
Contract inflation	For 2026/27 the general rate of inflation is assumed at 3% or the individual contract specific rate, will not be allocated directly to services as an increase in Directorate budget. Instead, each Directorate has been set a target to manage inflationary pressures within Directorate budgets. A centrally managed Contract Inflation Fund will be established to manage inflationary increases which cannot be managed within Directorate budgets. For the remaining three years from 2027/28 to 2029/30, inflation is assumed at 2.5%, 2.0% and 2.0% respectively.
Employee related costs	A pay increase has been assumed for the four year MTFS period. The council is part of the Worcestershire Pension Fund, administered by Worcestershire County Council. The triennial valuation of the Pension Fund took place on 31 March 2025. Contributions included for the MTFS period ensure that the future costs to meet existing members' service benefits continue to be covered.
Council tax	An increase of 4.99% is assumed for 2026/27 and for the three years from 2027/28 to 2029/30.
Council tax base	The council's tax base represents the estimated number of Band D equivalent chargeable dwellings for the year. The tax base is forecast to increase by 1.2% each year for the purpose of modelling income for the MTFS; this increase is informed by prior year increases and latest new dwelling forecasts.
Other Government funding sources	Government funding sources included in the MTFS reflect the levels announced in the Provisional Settlement for the multi-year period with Settlement Funding Assessment (SFA) levels in 2029/20 assumed as per 2028/29.
Enterprise Zone retained business rates income	Income of £1.0 million per annum is assumed over the MTFS period. This income will be reviewed annually as part of the development of the in-year revenue budget in consideration of the rates retained from this source.
Fees & charges	Any increases in fees & charges have been incorporated within the budget proposals.
Capital borrowing	Capital borrowing rates of 4.9%, 4.7%, 4.6% and 4.6% have been assumed in respect of financing the Capital Programme over the next 4 years respectively. This assumption will remain under constant review and will be informed by forecasts provided by our Treasury Management Advisors: MUFG Corporate Markets. External borrowing requirements are as per the proposed capital programme for 2026/27 to 2029/30.
Revenue budget savings	The MTFS assumes delivery of savings in 2026/27 in full.
Use of reserves	The MTFS assumes that the proposed use of reserves in 2026/27 (£3.2 million of the Business Rates Risk Reserve and £7.1 million establishment of the Contract Inflation Fund) will need to be funded recurrently from 2027/28.

Robustness of Budget Estimates and Key Risks

6.1 The 2026/27 budget and MTFS include estimated values, based on key assumptions noted above and expectations of future events that are otherwise uncertain. Estimates are based on historical experience, current trends and other relevant factors. Financial forecasts are monitored as part of routine budget monitoring arrangements to ensure that risks are identified in a timely manner and mitigation action is taken.

6.2 As values cannot be determined with certainty, the table below notes the potential impact of both a positive and negative impact of 1% across the key areas within the MTFS.

Table 3 Impact assessment (1% movement)

	Potential full-year impact of 1% movement (£m)
Council tax	+/- £1.4m
Employee related costs (pay)	+/- £0.8m
Inflation	+/- £2.4m
Demand	+/- £2.0m
Interest on borrowing	+/- £2.1m

6.3 The council has strengthened arrangements to identify and monitor financial risks; implementing additional measures to provide increased support to budget managers to deliver planned savings and contain expenditure within the approved budget. These measures include:

- enhanced in-year financial monitoring and reporting to identify key risks and expected financial impacts;
- improved alignment of activity data and trend analysis to financial forecasts;
- introduction of expenditure controls to provide increased rigour and challenge of expenditure; and
- enhanced check and challenge of key assumptions in the outturn forecast.

6.4 The key financial risks that could affect the delivery of the MTFS as noted in the table below.

Table 4 Key financial risks

Key Financial Risk	Likelihood	Impact (Potential Severity)	Mitigation
Unexpected events and emergencies By its nature, the financial risk is uncertain	Low	High	The Council maintains a strategic reserve at a level of between 3 and 5% of its revenue budget for emergency purposes. The level of this reserve at 1 April 2025 was £10.1 million (4.4% of 2025/26 revenue budget). Additionally, national resources have historically been provided to support national issues.
Not delivering required improvements The council must address the statutory direction and improvements across Children's Services	Low	Medium	Improvements in Children's Services have been recognised with an overall 'Good' rating by Ofsted following the Inspection of Local Authority Children's Services (ILACS) that took place from 10 to 21 November 2021.

			Phase 3 of the Herefordshire Children's Services and Partnership Improvement Plan was endorsed by Cabinet in July 2025. Performance against the Improvement Plan is monitored and reported on a quarterly basis.
Increasing demand for Adult and Children's Social Care Demand for Children's services continue and demand for adult services increases as the population ages.	High	Medium	Demand led pressures are reflected within our spending plans; additional funding to support increased demand has been applied to Community Wellbeing and Children & Young People Directorate base budgets for 2026/27. In year monitoring of performance enables Directorates to forecast trends and identify changes in demand. Increasing demand for social care represents a key financial pressure for all councils. Robust and regular budget monitoring identifies emerging pressures and the financial impact on in-year budgets across the council. Financial monitoring is informed by activity data and trend analysis from the relevant service to ensure that forecasting is reliable and timely.
Potential overspend and non-delivery of savings required to balance the budget	Medium	Medium	High risk budget areas have been identified and financial support is targeted in these areas. Robust and regular financial monitoring which is reported to Directorate and Corporate Leadership Teams and Cabinet enables the timely identification of actions to mitigate the risk of overspends.
Volatility in Government funding streams The government settlement for 2026/27 is a multi-year settlement; the assumed funding for the MTFS period is at levels per the Provisional Settlement.	High	Medium	The MTFS reflects prudent estimates and assumptions in the financial planning over the medium-term period where it is acknowledged that uncertainty over future funding exists. The MTFS will be updated to reflect the impact for the council of the multi-year Settlement and in-year funding allocations as further information is released.
Interest and Inflation There is uncertainty over interest and inflation rates.	Medium	Medium	The Treasury Management Strategy is informed by latest forecast, as provided by our Treasury Management Advisors. Increases in borrowing rates will be managed by

			reference to in-year approved budgets in line with the Treasury Management Strategy.
Dedicated Schools Grant The future cumulative deficit requires direct financial support from Council core budgets	High	Medium	The high needs budgets are funded by the dedicated schools grant, but any overspend becomes a council liability. This risk cannot currently be mitigated; expenditure will be monitored as part of routine budget monitoring arrangements and the council will continue to work with the Department for Education and monitor progress against the DSG Deficit Management Plan. This represents a significant local and national pressure and urgent reform is required. Plans to reform funding arrangements and a future decision on the statutory override to manage the national deficit and minimise the impact on local authority financial positions are expected in early 2026.

Adequacy of reserves

7.1 The council's useable revenue reserves are split between a general reserve (the general fund) and earmarked reserves that are held for certain purposes. The general fund is held as a strategic reserve to emergency events such as unforeseen financial liabilities or natural disasters.

7.2 In line with the council's policy, this reserve is maintained at a minimum level of between 3% and 5% of the net revenue budget. As at 31 March 2025 the general reserve balance totalled £10.1 million, being 4.4% of the council's 2025/26 approved net revenue budget.

7.3 Earmarked reserves are amounts set aside for future expenditure to support specific corporate priorities or for general contingencies and cash flow management. For each reserve established, the purpose, usage and basis of transactions needs to be clearly defined.

7.4 The overall level of reserves balances is reported to Cabinet at least annually; the last report to Cabinet was in June 2025 noting the total balance of £90.8 million comprising the general fund balance of £10.1 million and earmarked reserve balances of £80.7 million at 31 March 2025.

7.5 Earmarked reserve balances include £18.0 million of grant funding carried forward into 2025/26. This represents amounts of grant funding received, with no outstanding grant conditions to be met, which have not yet been applied to relevant expenditure. In accordance with the principles of the CIPFA Code of Practice on Local Authority Accounting and relevant accounting standards, these amounts are accounted for as earmarked reserves, carried forward for application in future accounting periods.

7.6 The council's financial strategy aims to minimise the use of reserves in the medium term and to replenish them to support future sustainability, enable the council to respond to

unexpected changes and to invest in the continued transformation and improvement of its services.

7.7 The financial resilience reserve was established to manage risks present in the base budget, for example additional placement costs from unexpected demands. At 31 March 2025, a balance of £2.3 million was held in this reserve.

7.8 Any overspend in 2025/26 must be funded using the council's available reserves. At Quarter 2 (September) 2025/26, the forecast outturn position assumes £2.8 million use of the Budget Resilience Reserve. This will reduce the reserves available to manage risk in future years.

7.9 A forecast of reserves balances at 31 March 2026 and 31 March 2027 will be included at Appendix E to the 2026/27 Revenue Budget Report.

7.10 There are robust controls in place, as part of routine budget monitoring arrangements, to monitor in-year transfers to and from reserves and resulting reserve balances and these transactions are subject to review as part of the annual audit of the statutory accounts.

7.11 The Local Government Act 2003 (Section 25) requires that the chief financial officer considers the adequacy of the proposed financial reserves as part of the annual budget setting process.

7.12 The forecast general fund balance at 31 March 2026 of £10.1 million is within the range required by the council's policy; representing 4.4% of net revenue expenditure in 2025/26. This is sufficient to ensure that the council has adequate resources to fund unforeseen financial liabilities.

Conclusion

8.1 The council has a record of robust and effective financial management and is committed to delivering planned savings and managing expenditure within budget in order to preserve the future sustainability of the council.

8.2 The planning assumptions and estimates which inform the 2026/27 budget and MTFS to 2029/30 are realistic and prudent and there are appropriate arrangements in place to ensure the council is able to identify and manage risks to financial resilience.

8.3 The MTFS provides a balanced budget for 2026/27 and clearly identifies the projected funding gap and risks to delivery. Whilst there are significant challenges ahead, the council's future financial strategy will ensure that the council's finances are aligned to its strategic priorities with a clear focus on required activity to ensure the future sustainability of the council and the services it delivers.

ANNEX A Net revenue budget 2026/27

Detail	2025/26 Base Budget £'000	Unfunded Pressures £'000	Mitigations £'000	Savings £'000	2026/27 Proposed Budget £'000
Community Wellbeing	90,366	9,396	(2,720)	(7,375)	89,667
Children and Young People	58,873	3,545	(657)	(3,348)	58,413
Economy and Environment	40,992	7,303	(2,800)	(7,204)	38,291
Corporate	22,222	1,856	(53)	(1,529)	22,496
Sub Total	**212,453**	**22,100**	**(6,230)**	**(19,456)**	**208,867**
Central	19,055	7,196	(500)	(498)	25,253
TOTALS	**231,508**	**29,296**	**(6,730)**	**(19,954)**	**234,120**
Funded by:					
Council tax	146,451				153,657
Legacy Funding Assessment (LFA)	78,237				-
Settlement Funding Assessment (SFA) Of which: Baseline Funding Level Of which: Revenue Support Grant	-				 30,149 41,867
Business rates surplus income	-				1,400
Enterprise Zone Business rate income	1,282				1,750
Extended producer responsibility grant	3,538				-
Collection fund surplus	2,000				2,000
Business rates risk reserve funding	-				3,297
TOTALS	**231,508**				**234,120**

ANNEX B Medium Term Financial Strategy 2026/27 to 2029/30

Detail	Actual 2025/26 £'000	Proposed 2026/27 £'000	Estimate 2027/28 £'000	Estimate 2028/29 £'000	Estimate 2029/30 £'000
Funding:					
Council tax	146,451	153,657	163,260	173,464	184,305
Legacy Funding Assessment (LFA)	78,237	-	-	-	-
Settlement Funding Assessment (SFA)		72,016	74,071	67,895	67,895
Business rates surplus income	-	1,400	-	-	-
Enterprise Zone Business rate income	1,282	1,750	1,000	1,000	1,000
Extended producer responsibility grant	3,538	-	-	-	-
Collection fund surplus	2,000	2,000	-	-	-
Business rates risk reserve funding	-	3,297	-	-	-
Total Funding	**231,508**	**234,120**	**238,331**	**242,359**	**253,200**
Expenditure:					
Base Budget b/f		231,508	234,120	258,902	273,374
Pay Award		1,502	2,185	1,792	1,827
Growth – Demand & Pressures		21,064	22,597	12,680	9,831
Savings, efficiencies & mitigations		(19,954)	-	-	-
Net Expenditure Budget	**231,508**	**234,120**	**258,902**	**273,374**	**285,032**
Surplus/(Gap) to be funded		**-**	**(20,571)**	**(31,015)**	**(31,832)**

Herefordshire Council

Saving Proposals

2026/27

Community Wellbeing
Children & Young People
Economy & Environment
Corporate Services & Central Budgets

Total Savings Proposals 2026/27: £19,954k

Directorate	Source of Saving Proposal				TOTAL
	Control of Costs £'000	Managing Demand £'000	Increasing Income £'000	Delivering Efficiencies £'000	2026/27 £'000
Community Wellbeing	4,100	455	1,620	1,200	**7,375**
Children & Young People	1,310	1,966	-	72	**3,348**
Economy & Environment (inc Transport)	3,875	500	200	2,629	**7,204**
Corporate Services & Central Budgets	1,449	-	-	578	**2,027**
TOTAL	**10,734**	**2,921**	**1,820**	**4,479**	**19,954**

	Delivered on 01/04/26 £'000	Delivered over 2026/27 £'000	TOTAL £'000
Community Wellbeing	850	6,525	**7,375**
Children & Young People	1,263	2,085	**3,348**
Economy & Environment (inc Transport)	2,870	4,334	**7,204**
Corporate Services & Central Budgets	1,881	146	**2,027**
TOTAL	**6,864**	**13,090**	**19,954**
	34%	**66%**	

Community Wellbeing Directorate Savings Proposals 2026/27: £7,375k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £4,100k					
C1	**Partnership working:** increased and robust market engagement to secure cost savings, improved value for money and increased capacity	Negotiation with the market to pilot partnership commissioned provision, in order to secure up to 50% of required capacity across residential, nursing, home care and supported living with long term contracts.	**2,500**	**-**	**2,500**
C2	**Voluntary & Community Sector:** development of micro-provider market and Voluntary & Community Sector commissioning framework	Develop a commissioning framework for the voluntary and community sector – low entry and open to all council activities with the ability to run mini competitions for specific areas of work. CWB to look to move activity that is non personal care to the VCS market; develop micro provider market in areas where it is difficult to secure agency coverage building on local experience and expertise.	**300**	**-**	**300**
C3	**Hoople Community Equipment:** remodelling of community equipment contract for delivery of goods and services to achieve increased value for money in 2026/27	Review current operating model following mobilisation of the new contract; develop an equipment framework for preferred suppliers rather than spot purchasing and to secure discount on bulk standard items.	**400**	**-**	**400**
C4	**Hoople Learning Disability Service:** remodelling of learning disability service using CareCubed to determine and model appropriate fees	Use CareCubed to ensure that the fees are appropriate according to the needs of the residents; review the respite provision in the light of the expansion of Shared Lives.	**250**	**-**	**250**
C5	**Shaw Contract:** reset of the current contract (contract end date of 2033) to secure services at no additional cost to offset spot purchases	Negotiate with Shaw to secure residential beds within the current contract price, to offset spot purchasing costs.	**250**	**-**	**250**
C6	**CareCubed:** application of benchmarking tool to support improved negotiations with providers and agree a fair cost of care	Use the CareCubed tool on all packages of care to ensure that the correct price is negotiated and agreed. CareCubed provides an industry standard for care pricing.	**400**	**-**	**400**
INCREASE INCOME £1,620k					
I1	**Review charging for self-funders:** to establish and promote an enhanced offer for residents in line with neighbouring authorities	Develop an integrated offer for self-funders, including brokering care home placements, for which a charge would be levied in line with neighbouring authorities; work with communications team to create a supporting brochure.	**120**	**-**	**120**
I2	**Financial assessments:** review to ensure all assessments are conducted efficiently and fairly,	Investment in resource to support financial assessments being completed in a timely way – no charging for care can be made until the assessment is completed.	**1,000**	**-**	**1,000**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
	enabling contributions to the council to be identified and collected in a timely manner	Backlog of assessments to be cleared initially. Process for undertaking annual reviews to be implemented to ensure that ongoing care contributions are correct.			
I3	**Fees and charges:** review of fees and charges across the directorate	Review of all fees and charges across the directorate to ensure that they are appropriately uplifted for inflation and alignment with neighbouring authorities.	**250**	**-**	**250**
I4	**Direct payment cap changes:** to align with other rates	There is currently no cap on direct payments which makes it inequitable with other rates. Review the direct payment ceiling so that it aligns with average residential care costs.	**250**	**-**	**250**
MANAGE DEMAND £455k					
D1	**Front door:** improvements to self-referral portal including online forms and improved technology enabled communities (TEC) offer	Review the triage and referral process to ensure that appropriate people are being redirected to Community Connectors; develop options for online referral and self assessment; further develop the TEC offer so that TEC is in place prior to any formal referral through to social care.	**50**	**-**	**50**
D2	**Review of long-term cases:** to ensure right size packages of care	Review packages of care according to an agreed schedule to confirm that they are meeting needs and that all options for TEC have been considered. The initial cohort will be packages of care agreed for people coming out of hospital. Some reviews will result in an increase in care being provided. All reviews will be undertaken on an individual basis, taking a holistic review of the person.	**405**	**-**	**405**
DELIVER EFFICIENCIES £1,200k					
E1	**Magic Notes**: implementation of software to support social worker assessments	Magic Notes is an AI tool that the council piloted during 2025. It captures the discussions that the social worker has with a resident, populating an assessment template. It is the responsibility then of the social worker to review and amend the assessment prior to finalising. Feedback from the pilot was very positive with workers reporting that they could concentrate on the discussions without having to type into their laptops at the same time. There will be a resource saving as a result of full implementation.	**400**	**400**	**-**
E2	**Maximise existing Copilot functionality**: to support non-social work staff, enabling improved contract management and administration	Copilot is an AI tool that is part of the M365 IT setup for every member of staff. Through prompts, it searches documents, emails and files to create content,	**200**	**200**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
		summarise information and automate tasks. There will be a resource saving as a result of full implementation			
E3	**Culture, Museum, Libraries reshape:** to deliver service efficiencies	Review the structure of the combined service to identify opportunities for efficiency; implement digital and process improvements, eg self service in libraries.	**100**	**-**	**100**
E4	**Talk Community reshape**: to deliver service efficiencies	Review the structure of the service to identify opportunities for efficiency, including consultation on removing posts, maintaining focus on prevention.	**250**	**-**	**250**
E5	**Vacancy management:** deletion of vacant posts across Directorate	Six vacant posts have been identified in the establishment and have been deleted	**250**	**250**	**-**
			7,375	**850**	**6,525**

Children & Young People Directorate Savings Proposals 2026/27: £3,348k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £1,310k					
C1	**Reduction in Social Worker Agency posts:** planned reduction based on requirements of current cohort	Progress in line with improvement plan to secure permanency in workforce and reduce higher agency costs.	**800**	**800**	**-**
C2	**Early Help Service:** planned removal of Head of Service post (currently vacant) as part of locality model changes	This was completed as part of the individual's retirement and within the locality re-design where roles and responsibilities were re-designated. No impact on operational service delivery	**70**	**70**	**-**
C3	**SEND Staff:** removal of posts not currently filled to deliver savings in staffing costs	This was planned as a response to recognise increasing workloads. Funding found through grant for fixed period pending SEND reforms	**123**	**123**	**-**
C4	**Agency Cap Recruitment:** reduction in existing agency hourly rates for social workers to move the service closer to CAP rates whilst retaining experienced social workers	Agency staff in longer term roles approached to seek hourly rates reduction to move towards regional cap. Agreed in 17/20 staff. No impact on service delivery	**79**	**79**	**-**
C5	**Staffing review/vacancies:** reshaping of services to deliver net savings in staffing budgets	Reviewed medium/long term managed vacancies to agree permanent deletion of posts for saving contribution with minimal impact on existing staff.	**238**	**119**	**119**
MANAGE DEMAND £1,966k					
D1	**Complex needs budget:** reduction to reflect decrease in complex needs placements in 2026/27 within the Section 75 budget (pooled funding arrangement across Health, Education and Social Care)	Cohort of children jointly funded through ICB and LA S75 agreement reviewed as ICB withdrew S75. Commitment for each existing placement agreed with continued joint funding until transition to next placement as determined by the child/young person's plan. Transition to Adult services added to demand forecast in Adult services	**1,265**	**-**	**1,265**
D2	**Unaccompanied Asylum-Seeking Children (UASC) budget:** reduction in average weekly placement costs for UASC supported lodgings placements	Budget forecast on young people attaining 18yrs and moving from foster care/residential as per their care plans. No adverse impact on young people	**235**	**-**	**235**
D3	**Supported Accommodation budget:** reduction in budget to reflect decrease in required placements for internal supported accommodation in 2026/27	Budget forecast for young people attaining 18yrs + and planned moves to independent accommodation	**83**	**-**	**83**
D4	**Independent Foster Agency budget:** reduction in budget to reflect movement of current cohort turning 18 in 2026/27 who will move to internal/external supported accommodation	Budget forecast for young people attaining 18yrs + and planned moves to independent accommodation	**383**	**-**	**383**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
DELIVER EFFICIENCIES £72k					
E1	**Safeguarding Board:** Reduction in business unit costs as agreed by the partnership with each partner receiving benefit from this efficiency proposal	Safeguarding Board administration support reviewed taking into account vacancies and improvements. Business case for reduction agreed by the partnership	**72**	**72**	**-**
			3,348	**1,263**	**2,085**

Economy & Environment Directorate Savings Proposals 2026/27: £7,204k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £3,875k					
C1	**SEN and Home to School transport review**	Continuation of review of contract prices to secure reductions in taxi journey costs, increased partnership working with schools to explore shared transport options, development of in-house delivery model to provide a council managed service for routes transporting 1-4 passengers.	**2,000**	**-**	**2,000**
C2	**Service budget reductions:** 5% reduction in controllable spend across directorate budgets	5% reduction across a range of service budgets where there is controllable spend. For example a 5% reduction in the property maintenance budget achieved through identifying efficiencies and/ or prioritisation of activity.	**500**	**500**	**-**
C3	**Public Realm contract:** LEAN efficiencies in services delivered through public realm contract	As in previous years, contract efficiencies will be sought from the Public Realm Contract as part of the Annual Plan approval process.	**375**	**375**	**-**
C4	**Car-parking:** income arising covering costs from increasing activity from existing sources to better cover costs increasing costs associated with parking and highways	Review of parking charges to include introduction of pop and shop, increasing some parking charges to cover additional expenses from price freeze since 2023 and reviewing enforcement.	**900**	**-**	**900**
C5	**Realigning developer contributions to cover costs:** additional income from reassigning S278 (Highways Act) developer fees and fees and commuted sums from developers from S38 agreements under the Highways Act 1980	Increase in fees connected with new highway works to serve developments.	**100**	**-**	**100**
INCREASE INCOME £200k					
I1	**Inflationary uplifts:** to increase income from fees and charges across the directorate	Inflationary increase across traded services.	**200**	**-**	**200**
MANAGE DEMAND £500k					
D1	**Subsidised public transport:** review of public transport subsidised routes to reflect demand and usage of current routes	Review all public transport to seek cost reductions and potential for commercial routes to reduce subsidies. Explore better use of BSIP.	**500**	**-**	**500**
DELIVER EFFICIENCIES £2,629k					
E1	**Vacancy management:** deletion of vacant posts across Directorate	Review of vacant posts that can be deleted from the structure, achieved through re-prioritisation of activity, and or utilisation of technology/ new ways of working.	**500**	**500**	**-**
E2	**Grant utilisation:** additional utilisation of the Local Transport grant (LTG)	Reassign LTG to cover eligible activity.	**50**	**50**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
E3	**Reallocation of directorate reserves:** to maintain expenditure for Public Rights of Way (£250k), Drainage (£445k) and Lengthsman Scheme (£250k) added to base budget in 2024/25 on receipt of additional funding at Final Local Government Settlement	Reallocation of reserves into revenue budget.	**945**	**945**	**-**
E4	**Waste stock:** reduction in levels held of household waste collection stock	Reducing number of receptacles held in stock.	**60**	**-**	**60**
E5	**Energy costs:** reduction in energy budget resulting from efficient usage and lower kw prices	Efficient energy usage.	**80**	**-**	**80**
E6	**Grant utilisation:** review of application of the Public Health Ringfenced Grant (PHRG) against eligible directorate expenditure	Reassign external grant funding, review staffing resource subsidised by PHRG.	**294**	**-**	**294**
E7	**Grant utilisation:** utilisation of Bus Services Improvement grant (BSIP) on Public Subsidised Routes	Assign BSIP funding to socially necessary subsidised bus routes.	**500**	**500**	**-**
E8	**Transfer**: transfer of toilet facilities to parish council	Capital investment to improve public toilet provision followed by transfer of maintenance responsibilities to the relevant parish council (in agreement with the Parish Council).	**200**	**-**	**200**
			7,204	**2,870**	**4,334**

Corporate Services Directorate Savings Proposals 2026/27: £2,027k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £1,449k					
C1	**Revenue cost reduction:** capitalisation of Finance Team costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Finance Team staff supporting the delivery of the capital programme to bring assets into use.	**75**	**75**	**-**
C2	**Revenue cost reduction:** capitalisation of Legal Service costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Legal Team staff supporting the delivery of the capital programme to bring assets into use.	**150**	**150**	**-**
C3	**Staffing costs reduction:** reduced staffing costs in ICT/Transformation budgets following removal of Director of Transformation & Strategy post and reallocation of budget to Chief Digital & Information Officer post	Base budget funding for the vacant Director of Transformation & Strategy will be removed and base budget added to fund the new Chief Digital & Information Officer post which will support the council's work in this area.	**96**	**96**	**-**
C4	**Revenue cost reduction:** application of capital receipts to fund eligible transformation expenditure permitted via Flexible Capital Receipts permissions	As proposed in the Capital Programme for 2026/27, the application of capital receipts is proposed to fund qualifying expenditure to deliver transformation change programmes across the organisation.	**600**	**600**	**-**
C5	**Revenue cost reduction:** reduction in employers' deficit pension contributions linked to actuarial valuation	Following the triennial valuation of the pension fund, a reduced rate for employers' deficit pensions contributions has been confirmed by the actuary.	**498**	**498**	**-**
C6	**HR & OD Services:** review to deliver service efficiencies	The priorities and structure of the service will be reviewed to ensure we maximise efficiency whilst continuing to support council objectives.	**30**	**30**	**-**
DELIVER EFFICIENCIES £578k					
E1	**Corporate Performance & Intelligence Service review and reshape:** to deliver service efficiencies	The work of the Corporate Performance & Intelligence team will be re-prioritised with a focus on analysis and insight. The planned changes also reflect changes in Directorate needs including reduced application support requests and increased opportunities for self-service, using tailored reporting and technology, by staff across the council.	**200**	**100**	**100**
E2	**Communications review and reshape:** to deliver service efficiencies	The work of the Communications team will be reprioritised in line with a new operating model delivering support for all statutory communication functions alongside key internal communications, external publications and engagement.	**198**	**198**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
E3	**Vacancy management:** review of service delivery and deletion of vacant posts in Legal & Democratic Services	Deletion of vacant posts across Legal & Democratic Services and service reviews to maximise efficiency whilst continuing to enable delivery across council Directorates.	180	134	46
			2,207	1,881	146

Herefordshire Council

Children & Young People Directorate

2026/27 Budget Position Statement

Key pressures, challenges and savings proposals for 2026/27

Children & Young People Directorate

Key Revenue Budget Pressures

- Rising demand and increasing costs to support and protect children and young people in care as a result of increasing complexity of need and risk and limited market sufficiency.
- Increasing demand and costs to support children with Special Educational Needs and Disabilities (SEND) required to fulfil statutory responsibilities to provide education provision that meets need.
- Increased demand and costs associated with school transport costs for children with Education, Health and Care Plans and SEND.
- The impact of the Dedicated Schools Grant (DSG) High Needs Block overspend on the council's cash and borrowing position.

Key Savings Proposals

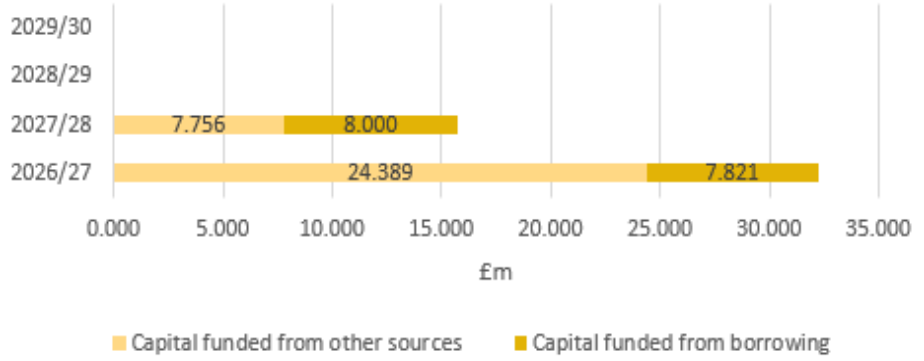
- Continued reduction in both the number of agency social workers and agency hourly pay rates to minimise pressure on staffing budgets.
- Managing expenditure of high-cost residential and complex needs placements through continued management oversight, review and challenge of outcomes for children.
- Delivering efficiencies through reshaping of services to promote Family Help reducing the need for specialist care and protection.

Key Capital Projects

- Peterchurch Area School Investment
- School Improvement Works to Brookfield School and Aylestone School
- Relocation of Herefordshire Pupil Referral Service
- Establishment of new Alternative Provision centre

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening budget	58,873	58,414	59,996	61,293
Pressures:				
Demographic growth	2,047	-	-	-
Inflation	520	1,582	1,297	1,323
Other pressures	321	-	-	-
Savings				
Cost control	(1,310)	-	-	-
Increasing income	-	-	-	-
Managing demand	(1,966)	-	-	-
Delivering efficiencies	(72)	-	-	-
Closing budget	**58,413**	**59,996**	**61,293**	**62,616**

Capital Programme



Children & Young People Directorate

Strategic Priorities

The council's priority is to support children and young people to thrive and achieve their potential, to ensure that all children have the best start in life.

The Children and Young People Partnership (CYPP) and Families First delivery programme are coordinated to promote Family Help; supporting parents and the wider family network to provide safe, nurturing care to their children in the first instance, reducing risk and preventing the need for care.

Using a restorative approach the directorate continues to recognise the importance of working with children, young people and their families and the essential role of the wider partnership in meeting the vision as set out by the Families First Welfare reforms and our own CYPP plan.

Key Services

- Early help and family support services including advice, guidance and training programmes to families and professionals.
- Children's social care services to children and young in need of Support, care and protection, including children who are care-experienced and those at risk of exploitation.
- Children with disabilities services providing early help, support and protection to those with complex needs.
- Adoption and fostering services providing safe, nurturing care.
- School place sufficiency, school admissions and attendance.
- Support and guidance to schools and education providers to promote high-quality education places for children in Herefordshire.
- Early years provisions support, guidance and quality assurance.
- Special educational needs and disabilities (SEND).
- Education support for vulnerable groups of children including those who are home educated and missing from education, and children who are looked after.

Key Challenges and Risks to Service Delivery

- Increasing care and support provider costs, and the impact of growing demand on the sufficiency of placements and provision, lead to financial pressures across the Children & Young People directorate budget.
- The annual and cumulative Dedicated Schools Grant (DSG) deficit position represents a significant financial pressure for the council over the medium-term period, in line with the national trend.
- National and local increases in Education, Health and Care Plans (EHCPs), driven by complex needs including autism and speech and language difficulties, leading to increased demand for individualised specialist placements, result in both cost and workforce pressures for the directorate with a corresponding impact on Special Educational Needs (SEN) and Home to School Transport budgets.
- The recruitment and retention of social workers represent a challenge to both service delivery and staffing budgets. The directorate continues to manage workforce pressures with a focus on permanent recruitment retention.
- Challenges in the recruitment of in-house, local foster carers, including for sibling groups and children with disabilities and complex and additional needs. A lack of capacity means the council is increasingly reliant on higher-cost provision from the independent market.

Children & Young People Directorate

Appendices

Appendix A: Revenue Budget by Service
Appendix B: Revenue Budget Movements
Appendix C: 2026/27 Savings Proposals
Appendix D: Capital Projects

Appendix A: Revenue Budget by Service

Service Description	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Central Children's Directorate	1,845	4,509	(1,501)	-	3,008			
Education Skills and Learning	4,045	7,875	(3,043)	(471)	4,361			
Corporate Parenting	41,975	44,301	(4,744)	-	39,557			
Safeguarding and Family Support	11,008	11,488	-	-	11,488			
Total	**58,873**	**68,173**	**(9,288)**	**(471)**	**58,413**	**59,996**	**61,293**	**62,616**

Appendix B: Revenue Budget Movements

Title	Detail	2026/27 £'000
Earmarked reserve funding	Social Resilience reserve	1,442
Consolidated grants	RSG Settlement	722
Pay Inflation	Estimated pay award	520
Movement in Pay estimates	Various	329
DSG Budget	Change in recharge	318
Supported Accommodation	Increased support	169
Out of County Foster Carers	Council tax support	46
Earmarked reserve funding	Movement in year of funding	(157)
Whitecross PFI	Increased income	(227)
Miscellaneous	Various	(273)
Total		**2,889**

Appendix C: 2026/27 Savings Proposals £3,348k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £1,310k					
C1	**Reduction in Social Worker Agency posts:** planned reduction based on requirements of current cohort	Progress in line with improvement plan to secure permanency in workforce and reduce higher agency costs.	**800**	**800**	**-**
C2	**Early Help Service:** planned removal of Head of Service post (currently vacant) as part of locality model changes	This was completed as part of the individual's retirement and within the locality re-design where roles and responsibilities were re-designated. No impact on operational service delivery	**70**	**70**	**-**
C3	**SEND Staff:** removal of posts not currently filled to deliver savings in staffing costs	This was planned as a response to recognise increasing workloads. Funding found through grant for fixed period pending SEND reforms	**123**	**123**	**-**
C4	**Agency Cap Recruitment:** reduction in existing agency hourly rates for social workers to move the service closer to CAP rates whilst retaining experienced social workers	Agency staff in longer term roles approached to seek hourly rates reduction to move towards regional cap. Agreed in 17/20 staff. No impact on service delivery	**79**	**79**	**-**
C5	**Staffing review/vacancies:** reshaping of services to deliver net savings in staffing budgets	Reviewed medium/long term managed vacancies to agree permanent deletion of posts for saving contribution with minimal impact on existing staff.	**238**	**119**	**119**
MANAGE DEMAND £1,966k					
D1	**Complex needs budget:** reduction to reflect decrease in complex needs placements in 2026/27 within the Section 75 budget (pooled funding arrangement across Health, Education and Social Care)	Cohort of children jointly funded through ICB and LA S75 agreement reviewed as ICB withdrew S75. Commitment for each existing placement agreed with continued joint funding until transition to next placement as determined by the child/young person's plan. Transition to Adult services added to demand forecast in Adult services	**1,265**	**-**	**1,265**
D2	**Unaccompanied Asylum-Seeking Children (UASC) budget:** reduction in average weekly placement costs for UASC supported lodgings placements	Budget forecast on young people attaining 18yrs and moving from foster care/residential as per their care plans. No adverse impact on young people	**235**	**-**	**235**
D3	**Supported Accommodation budget:** reduction in budget to reflect decrease in required placements for internal supported accommodation in 2026/27	Budget forecast for young people attaining 18yrs + and planned moves to independent accommodation	**83**	**-**	**83**
D4	**Independent Foster Agency budget:** reduction in budget to reflect movement of current cohort turning 18 in 2026/27 who will move to internal/external supported accommodation	Budget forecast for young people attaining 18yrs + and planned moves to independent accommodation	**383**	**-**	**383**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
DELIVER EFFICIENCIES £72k					
E1	**Safeguarding Board:** Reduction in business unit costs as agreed by the partnership with each partner receiving benefit from this efficiency proposal	Safeguarding Board administration support reviewed taking into account vacancies and improvements. Business case for reduction agreed by the partnership	**72**	**72**	**-**
			3,348	**1,263**	**2,085**

Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27 Total £'000	2026/27 Funded by borrowing £'000	2027/28 Total £'000	2027/28 Funded by borrowing £'000	2028/29 Total £'000	2028/29 Funded by borrowing £'000	2029/30 Total £'000	2029/30 Funded by borrowing £'000
Schools' Capital Maintenance Grant	2,770	-	1,200	-	-	-	-	-
Aylestone School Improvement Works	1,790	-	1,000	1,000	-	-	-	-
Peterchurch Area School Investment	3,377	3,377	-	-	-	-	-	-
Brookfield School Improvements*	-	-	-	-	-	-	-	-
High Needs Grant	6,784	-	-	-	-	-	-	-
Basic Needs Funding	11,810	251	5,006	-	-	-	-	-
Relocation of Herefordshire Pupil Referral Units	1,500	1,500	3,500	3,500	-	-	-	-
New Alternative Provision Centre	1,500	1,500	3,500	3,500	-	-	-	-
Childcare Expansion Capital Grant 2023/24	130	-	-	-	-	-	-	-
School Accessibility Works	1,193	1,193	-	-	-	-	-	-
Children's Residential Homes for 11 to 18 year olds*	-	-	-	-	-	-	-	-
Residential overnight short breaks refurbishment	60	-	-	-	-	-	-	-
Children & Families S106	1,297	-	1,550	-	-	-	-	-
Total	**32,211**	**7,821**	**15,756**	**8,000**	**-**	**-**	**-**	**-**

*Spend in prior years

Herefordshire Council

Corporate Services Directorate

(including Central Budgets)

2026/27 Budget Position Statement

Key pressures, challenges and savings proposals for 2026/27

Corporate Services Directorate

Key Revenue Budget Pressures (including Central Budgets)

- Interest rate uncertainty and impact on council's interest payable budget driven by timing of external borrowing requirements and overall cash position
- Increase in corporate insurance premiums reflecting changes across council services and asset base
- Increases in professional subscriptions and licences across the directorate

Key Savings Proposals

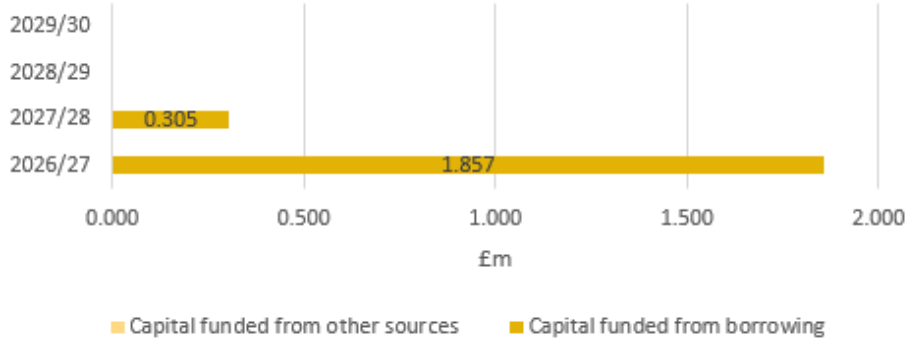
- Control of costs to secure reductions across Directorate budgets
- Review to deliver efficiencies in enabling teams aligned to wider council service delivery requirements and capital programme
- Maximising flexibility to use capital receipts to fund transformation costs
- Delivering efficiencies through increased use of technology and reshaping of services

Key Capital Projects

- Device and ancillary kit replacement programme
- Planning and regulatory services software upgrades
- Essential ICT system updates and upgrades

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening budget	41,277	47,749	58,159	62,161
Pressures:				
Demographic growth	8,283	9,724	3,439	1,683
Inflation	216	686	563	573
Other pressures	-	-	-	-
Savings				
Cost control	(1,449)	-	-	-
Increasing income	-	-	-	-
Managing demand	-	-	-	-
Delivering efficiencies	(578)	-	-	-
Closing budget	**47,749**	**58,159**	**62,161**	**64,417**

Capital Programme



Corporate Services Directorate

Strategic Priorities

The directorate aims to provide high quality corporate services to support and enable the council to deliver the priorities of the Council Plan.

Corporate Services teams ensure the council remains financially stable and resilient; safeguarding resources to support the delivery of capital and major projects and key services to residents. The Legal & Governance team lead and promote the council's internal control and governance framework, to ensure the council is carrying out its functions effectively and in accordance with relevant laws and regulations.

The directorate supports workforce development with a mission to create a lean and resilient organisation with organisational values and behaviours in place to develop an engaged, agile and resilient workforce.

The council is committed to embracing best practice to transform and be fit for the future; delivering innovation through technology to become an intelligence-led, efficient organisation.

Key Services

- Enabling services including:
  - Finance, Counterfraud, Risk and Assurance
  - HR & Organisational Development
  - Commercial & Procurement
  - Legal & Governance including Democratic and Member Services
  - Coroners & Registrars
  - Communications
  - Corporate Performance & Intelligence
  - IT, Transformation & Customer Services
  - Health & Safety

Key Challenges and Risks to Service Delivery

- Ensuring enabling corporate service teams are adequately resourced and skilled to enable delivery of council services, capital programme projects and support wider organisational transformation and improvement within required timeframes.
- Maintaining quality of internal controls and governance framework to support robust management of revenue budget and capital programme whilst enabling transformation.
- Ensuring an effective risk management framework across services, capital and major projects and transformation activity to enable Members and Officers to identify and manage financial, legal, service delivery and community impact risks arising and to support robust, informed decision making.
- Continuing to attract, recruit, retain and develop an effective and engaged workforce that enables delivery of Council Plan priorities.

Corporate Services Directorate

(including Central Budgets)

Appendices

Appendix A: Revenue Budget by Service
Appendix B: Revenue Budget Movements
Appendix C: 2026/27 Savings Proposals
Appendix D: Capital Projects

Appendix A: Revenue Budget by Service

Service Description – Corporate Services	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Transformation	6,638	7,750	(798)	(600)	6,352			
Governance and Legal	6,382	7,946	(1,730)		6,216			
Strategic Finance	7,336	8,378	(345)		8,033			
Human Resources and Organisation Design	1,866	1,895	-		1,895			
Total	**22,222**	**25,969**	**(2,873)**	**(600)**	**22,496**	**23,782**	**24,345**	**24,918**

Service Description – Central	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Total	**19,055**	**53,675**	**(30,422)**	**2,000**	**25,253**	**34,377**	**37,816**	**39,499**

Appendix B: Revenue Budget Movements

Title – Corporate Services	Detail	2026/27 £'000
Transformation	2025/26 Capital receipts funding for eligible expenditure	600
Insurance	Increase in the insurance premiums	549
Pay Inflation	Estimated pay award	216
Access/Pay-suite	Transaction costs and increased banking charges	180
Customer Services	ICT additional licence costs	111
Movement in Pay estimates	Various	74
Elected Members Budget	Ward member allocations (community groups/projects)	53
Health and Safety	Contract funded from reserves in 2025/26	39
Legal	Increased licences and subscriptions costs	34
Miscellaneous	Various	(53)
Total		**1,803**

Title – Central	Detail	2026/27 £'000
Increased IP	Requirements of capital programme and DSG deficit	3,939
Collection fund surplus	To repay business rates risk reserve	2,000
Remove central income budgets	For interest receivable and business rates pooling	650
West Mercia Energy Dividend	Moved from Corporate funding	(500)
Increased MRP	Requirements of capital programme	385
Council Tax discretionary fees budget	Council Tax discretionary fees budget	167
Miscellaneous	Increased Housing Benefit administration and IT costs	55
Total		**6,696**

Appendix C: 2026/27 Savings Proposals £2,027k (£1,529k Corporate Services and £498k Central)

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £1,449k					
C1	**Revenue cost reduction:** capitalisation of Finance Team costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Finance Team staff supporting the delivery of the capital programme to bring assets into use.	**75**	**75**	**-**
C2	**Revenue cost reduction:** capitalisation of Legal Service costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Legal Team staff supporting the delivery of the capital programme to bring assets into use.	**150**	**150**	**-**
C3	**Staffing costs reduction:** reduced staffing costs in ICT/Transformation budgets following removal of Director of Transformation & Strategy post and reallocation of budget to Chief Digital & Information Officer post	Base budget funding for the vacant Director of Transformation & Strategy will be removed and base budget added to fund the new Chief Digital & Information Officer post which will support the council's work in this area.	**96**	**96**	**-**
C4	**Revenue cost reduction:** application of capital receipts to fund eligible transformation expenditure permitted via Flexible Capital Receipts permissions	As proposed in the Capital Programme for 2026/27, the application of capital receipts is proposed to fund qualifying expenditure to deliver transformation change programmes across the organisation.	**600**	**600**	**-**
C5	**Revenue cost reduction:** reduction in employers' deficit pension contributions linked to actuarial valuation	Following the triennial valuation of the pension fund, a reduced rate for employers' deficit pensions contributions has been confirmed by the actuary.	**498**	**498**	**-**
C6	**HR & OD Services:** review to deliver service efficiencies	The priorities and structure of the service will be reviewed to ensure we maximise efficiency whilst continuing to support council objectives.	**30**	**30**	**-**
DELIVER EFFICIENCIES £578k					
E1	**Corporate Performance & Intelligence Service review and reshape:** to deliver service efficiencies	The work of the Corporate Performance & Intelligence team will be re-prioritised with a focus on analysis and insight. The planned changes also reflect changes in Directorate needs including reduced application support requests and increased opportunities for self-service, using tailored reporting and technology, by staff across the council.	**200**	**100**	**100**
E2	**Communications review and reshape:** to deliver service efficiencies	The work of the Communications team will be reprioritised in line with a new operating model delivering support for all statutory communication functions alongside key internal communications, external publications and engagement.	**198**	**198**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
E3	**Vacancy management:** review of service delivery and deletion of vacant posts in Legal & Democratic Services	Deletion of vacant posts across Legal & Democratic Services and service reviews to maximise efficiency whilst continuing to enable delivery across council Directorates.	180	134	46
			2,207	1,881	146

Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27 Total £'000	2026/27 Funded by borrowing £'000	2027/28 Total £'000	2027/28 Funded by borrowing £'000	2028/29 Total £'000	2028/29 Funded by borrowing £'000	2029/30 Total £'000	2029/30 Funded by borrowing £'000
Windows Server Upgrades*	-	-	-	-	-	-	-	-
Device and Ancillary kit replacement programme	578	578	185	185	-	-	-	-
M365 E5 Implementation*	-	-	-	-	-	-	-	-
Planning & Regulatory Services software	923	923	120	120	-	-	-	-
Contact Centre Telephony Replacement*	-	-	-	-	-	-	-	-
Wide Area Network (WAN) Replacement*	-	-	-	-	-	-	-	-
School Route Planning Software*	-	-	-	-	-	-	-	-
IT System Upgrades & Server Replacements 25-26	182	182	-	-	-	-	-	-
Essential system updates and upgrades	174	174	-	-	-	-	-	-
CCTV Equipment Upgrades*	-	-	-	-	-	-	-	-
Total	**1,857**	**1,857**	**305**	**305**	**-**	**-**	**-**	**-**

*Spend in prior years

Herefordshire Council

Community Wellbeing Directorate

2026/27 Budget Position Statement

Key pressures, challenges and savings proposals for 2026/27

Community Wellbeing Directorate

Key Revenue Budget Pressures

- Increasing complexity of need and intensity of care support for adult social care provision
- Demographic changes with the county's ageing population living longer in ill health
- Increasing demand for temporary accommodation
- Impact of high hospital occupancy rates
- Increases in the number of individuals unable to fund their own care linked to inflation and rises in the cost of living
- Market conditions including care provider fee uplifts and care worker's pay

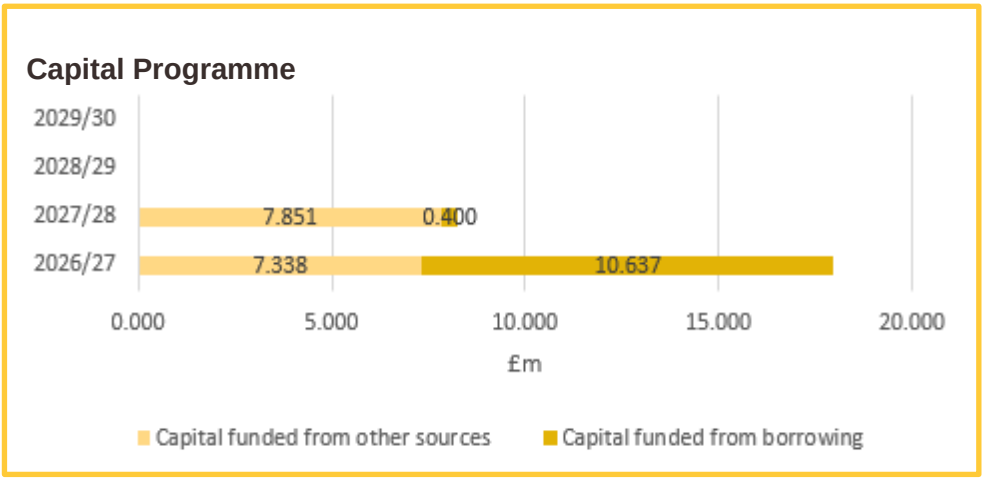
Key Savings Proposals

- Control of costs to secure reductions across care contracts
- Increasing income, ensuring fair and timely charges and contributions for services
- Managing demand through increased community engagement and review of care packages
- Delivering efficiencies through increased use of technology and reshaping of services

Key Capital Projects

- Hereford Museum & Art Gallery
- Hereford Library & Learning Centre
- Strategic Housing Acquisition Fund
- Disabled Facilities Grant

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening budget	90,366	89,667	96,000	101,491
Pressures:				
Demographic growth	8,242	2,348	2,348	2,348
Inflation	447	3,567	2,924	2,984
Other pressures	(2,013)	418	219	-
Savings				
Cost control	(4,100)	-	-	-
Increasing income	(1,620)	-	-	-
Managing demand	(455)	-	-	-
Delivering efficiencies	(1,200)	-	-	-
Closing budget	**89,667**	**96,000**	**101,491**	**106,823**



Community Wellbeing Directorate

Strategic Priorities

The council's priority is to protect and improve the lives of vulnerable people and to enable residents to live healthy lives within supportive communities. The Community Wellbeing directorate aims to support individuals to live as independently and healthily as possible through investment in prevention, early intervention and the use of technology and to encourage communities to help each other through a network of community hubs.

The directorate mission is to enable diverse, inclusive, vibrant, connected communities where people feel safe, keep well and look out for each other.

Key Services

- Social care provision and support services for:
  - Older people
  - Adults with learning disabilities
  - Adults with physical disabilities
  - Adults living with mental health illnesses
  - Family carers
- Working with the Voluntary & Community sector to support residents and communities across the county.
- Safeguarding services for vulnerable adults.
- Working with NHS partners to deliver integrated services.
- Public health services.
- Housing provision including homelessness outreach.
- Cultural services, including library services, museums and archives.
- Community development through Talk Community, including advice and guidance for the residents of Herefordshire through Talk Community Directory.

Key Challenges and Risks to Service Delivery

- Demography: Herefordshire has a higher proportion of residents aged 65 and over, at 27% compared with 19% across England and Wales, and 57% aged 16 to 64, compared with 63% nationally.
- The ageing population leads to increased demand for complex and high-acuity care and support services.
- Providing the right care, to the right people, at the right time and in the right place, is a key challenge. Our transport connectivity issues also have a disproportionate impact on an ageing population living in the rural areas who find it difficult to access services.
- There are long-term inequalities in life expectancy for people in the most deprived areas. Females born in the most deprived areas of Herefordshire could expect to live 3.4 years less than those in the least deprived, while for males, the gap was 5 years. Circulatory, cancers and respiratory are the leading causes for these differences.
- Increasing costs for care contracts, additionality of costs to deliver services to a sparsely populated, rural population result in financial pressures to the Community Wellbeing budget.
- Increased demand for temporary accommodation. A shortage of affordable homes in Herefordshire and increasing demand for temporary accommodation means the council is reliant upon costly bed & breakfast/hotel accommodation to supplement existing supply.

Community Wellbeing Directorate

Appendices

Appendix A: Revenue Budget by Service
Appendix B: Revenue Budget Movements
Appendix C: 2026/27 Savings Proposals
Appendix D: Capital Projects

Appendix A: Revenue Budget by Service

Service Description	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Director and Community Services	2,891	3,308	(521)	(3)	2,784			
Better Care Fund	(13,692)	-	(16,252)	-	(16,252)			
Adult Social Care and Housing	82,015	115,481	(29,834)	(322)	85,325			
All Ages Commissioning	18,220	18,326	(1,467)	-	16,859			
Public Health	932	11,828	(10,718)	(159)	951			
Total	**90,366**	**148,943**	**(58,792)**	**(484)**	**89,667**	**96,000**	**101,491**	**106,823**

Appendix B: Revenue Budget Movements

Title	Detail	2026/27 £'000
Physical Support clients	2025/26 growth	4,747
Physical Support clients	2026/27 growth	1,016
Learning Disabilities clients	2025/26 and 2026/27 growth	1,661
Memory & Cognition clients	2025/26 and 2026/27 growth	620
Transitions from Children and Young People	Growth in clients	337
Mental Health clients	2025/26 and 2026/27 reduction	(139)
Consolidated grants	RSG Settlement	544
Improved Better Care Fund	Additional grant	(1,585)
Better Care Fund	Additional grant	(996)
Pay Inflation	Estimated pay award	447
Miscellaneous	Various	24
Total		**6,676**

Appendix C: 2026/27 Savings Proposals £7,375k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £4,100k					
C1	**Partnership working:** increased and robust market engagement to secure cost savings, improved value for money and increased capacity	Negotiation with the market to pilot partnership commissioned provision, in order to secure up to 50% of required capacity across residential, nursing, home care and supported living with long term contracts.	**2,500**	**-**	**2,500**
C2	**Voluntary & Community Sector:** development of micro-provider market and Voluntary & Community Sector commissioning framework	Develop a commissioning framework for the voluntary and community sector – low entry and open to all council activities with the ability to run mini competitions for specific areas of work. CWB to look to move activity that is non personal care to the VCS market; develop micro provider market in areas where it is difficult to secure agency coverage building on local experience and expertise.	**300**	**-**	**300**
C3	**Hoople Community Equipment:** remodelling of community equipment contract for delivery of goods and services to achieve increased value for money in 2026/27	Review current operating model following mobilisation of the new contract; develop an equipment framework for preferred suppliers rather than spot purchasing and to secure discount on bulk standard items.	**400**	**-**	**400**
C4	**Hoople Learning Disability Service:** remodelling of learning disability service using CareCubed to determine and model appropriate fees	Use CareCubed to ensure that the fees are appropriate according to the needs of the residents; review the respite provision in the light of the expansion of Shared Lives.	**250**	**-**	**250**
C5	**Shaw Contract:** reset of the current contract (contract end date of 2033) to secure services at no additional cost to offset spot purchases	Negotiate with Shaw to secure residential beds within the current contract price, to offset spot purchasing costs.	**250**	**-**	**250**
C6	**CareCubed:** application of benchmarking tool to support improved negotiations with providers and agree a fair cost of care	Use the CareCubed tool on all packages of care to ensure that the correct price is negotiated and agreed. CareCubed provides an industry standard for care pricing.	**400**	**-**	**400**
INCREASE INCOME £1,620k					
I1	**Review charging for self-funders:** to establish and promote an enhanced offer for residents in line with neighbouring authorities	Develop an integrated offer for self-funders, including brokering care home placements, for which a charge would be levied in line with neighbouring authorities; work with communications team to create a supporting brochure.	**120**	**-**	**120**
I2	**Financial assessments:** review to ensure all assessments are conducted efficiently and fairly,	Investment in resource to support financial assessments being completed in a timely way – no charging for care can be made until the assessment is completed.	**1,000**	**-**	**1,000**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
	enabling contributions to the council to be identified and collected in a timely manner	Backlog of assessments to be cleared initially. Process for undertaking annual reviews to be implemented to ensure that ongoing care contributions are correct.			
I3	**Fees and charges:** review of fees and charges across the directorate	Review of all fees and charges across the directorate to ensure that they are appropriately uplifted for inflation and alignment with neighbouring authorities.	**250**	**-**	**250**
I4	**Direct payment cap changes:** to align with other rates	There is currently no cap on direct payments which makes it inequitable with other rates. Review the direct payment ceiling so that it aligns with average residential care costs.	**250**	**-**	**250**
MANAGE DEMAND £455k					
D1	**Front door:** improvements to self-referral portal including online forms and improved technology enabled communities (TEC) offer	Review the triage and referral process to ensure that appropriate people are being redirected to Community Connectors; develop options for online referral and self assessment; further develop the TEC offer so that TEC is in place prior to any formal referral through to social care.	**50**	**-**	**50**
D2	**Review of long-term cases:** to ensure right size packages of care	Review packages of care according to an agreed schedule to confirm that they are meeting needs and that all options for TEC have been considered. The initial cohort will be packages of care agreed for people coming out of hospital. Some reviews will result in an increase in care being provided. All reviews will be undertaken on an individual basis, taking a holistic review of the person.	**405**	**-**	**405**
DELIVER EFFICIENCIES £1,200k					
E1	**Magic Notes**: implementation of software to support social worker assessments	Magic Notes is an AI tool that the council piloted during 2025. It captures the discussions that the social worker has with a resident, populating an assessment template. It is the responsibility then of the social worker to review and amend the assessment prior to finalising. Feedback from the pilot was very positive with workers reporting that they could concentrate on the discussions without having to type into their laptops at the same time. There will be a resource saving as a result of full implementation.	**400**	**400**	**-**
E2	**Maximise existing Copilot functionality**: to support non-social work staff, enabling improved contract management and administration	Copilot is an AI tool that is part of the M365 IT setup for every member of staff. Through prompts, it searches documents, emails and files to create content,	**200**	**200**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
		summarise information and automate tasks. There will be a resource saving as a result of full implementation			
E3	**Culture, Museum, Libraries reshape:** to deliver service efficiencies	Review the structure of the combined service to identify opportunities for efficiency; implement digital and process improvements, eg self service in libraries.	**100**	**-**	**100**
E4	**Talk Community reshape**: to deliver service efficiencies	Review the structure of the service to identify opportunities for efficiency, including consultation on removing posts, maintaining focus on prevention.	**250**	**-**	**250**
E5	**Vacancy management:** deletion of vacant posts across Directorate	Six vacant posts have been identified in the establishment and have been deleted	**250**	**250**	**-**
			7,375	**850**	**6,525**

Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27 Total £'000	2026/27 Funded by borrowing £'000	2027/28 Total £'000	2027/28 Funded by borrowing £'000	2028/29 Total £'000	2028/29 Funded by borrowing £'000	2029/30 Total £'000	2029/30 Funded by borrowing £'000
Disabled Facilities Grant	2,200	-	2,200	-	-	-	-	-
Empty Property Investment & Development	286	286	-	-	-	-	-	-
Acquisition Fund for Housing Provision	2,300	2,300	-	-	-	-	-	-
Merton Meadow - Brownfield Land Release Fund*	-	-	-	-	-	-	-	-
Swimming Pool Support Fund*	-	-	-	-	-	-	-	-
Libraries Improvement Fund*	-	-	-	-	-	-	-	-
Hereford Museum & Art Gallery Redevelopment	10,525	8,051	5,581	400	-	-	-	-
Library & Learning Centre relocation to Shirehall	2,064	-	450	-	-	-	-	-
Community Capital Grants Scheme	600	-	20	-	-	-	-	-
Total	**17,975**	**10,637**	**8,251**	**400**	**-**	**-**	**-**	**-**

*Spend in prior years

Herefordshire Council

Economy & Environment Directorate

2026/27 Budget Position Statement

Key pressures, challenges and savings proposals for 2026/27

Economy & Environment Directorate

Key Revenue Budget Pressures

- Demographic changes driving increased tonnage and additional costs in waste collection and disposal services
- Increasing demand and costs of home to school transport service provision and subsidised public transport routes
- Achievement of development planning income targets linked to planning reform and conditions in the county
- Reduced occupancy resulting in reduced Commercial Services rental income
- Climate change and severe weather events which result in flooding, road defects and impact on seasonal gritting services

Key Savings Proposals

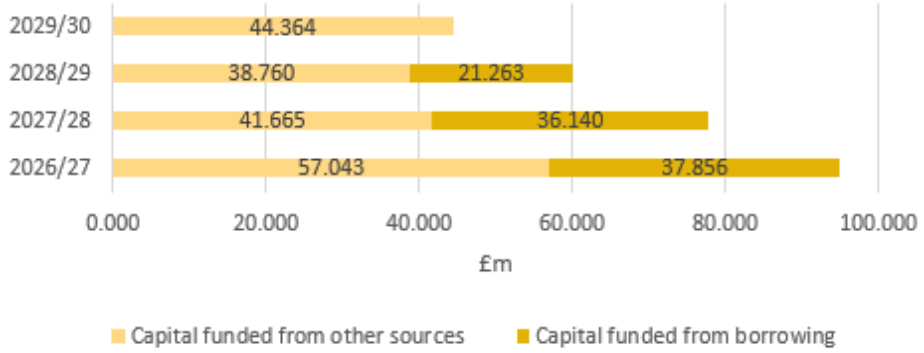
- Control of costs to secure reductions and efficiencies across service budgets
- Increasing income, to maximise commercial activity and return in traded services
- Managing demand through increased community engagement and partnership working
- Delivering efficiencies through grant utilisation and reallocation and review of directorate staffing vacancies

Key Capital Projects

- Resurfacing Herefordshire Highways
- Hereford Western Bypass Phase 1
- Strategic/Emergency Housing Capital Projects
- Historic Building Fund
- Estates Building Improvement Programmes
- Levelling Up Fund (LUF) Projects

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening budget	40,992	38,291	44,748	48,430
Pressures:				
Demographic growth	6,984	660	663	666
Inflation	319	2,125	1,746	1,781
Other pressures	(2,800)	3,672	1,273	300
Savings				
Cost control	(2,875)	-	-	-
Increasing income	(1,200)	-	-	-
Managing demand	(500)	-	-	-
Delivering efficiencies	(2,629)	-	-	-
Closing budget	**38,291**	**44,748**	**48,430**	**51,177**

Capital Programme



Economy & Environment Directorate

Strategic Priorities

The council's priority is to create the conditions to deliver sustainable growth across the county and to protect and enhance our environment and ensure that Herefordshire is a great place to live.

The Economy & Environment directorate aims to develop Herefordshire as a place for growth and prosperity where communities thrive; by expanding infrastructure, improving connectivity, increasing opportunities for housing, inward investment and supporting residents to access skills development, training and employment opportunities.

The directorate mission is to support Herefordshire's vision for a sustainable and successful future: as a vibrant, healthy, zero carbon and inclusive place to live, work, study and visit at all stages in life.

Key Services

- Highways and transport services: including public and home to school transport, flood response, street cleansing, parks and highways maintenance.
- Technical services: including building control, parking, CCTV, property services, bereavements, registrations, coroners and markets, fairs and street trading.
- Regulatory, environment and waste services: including planning and regulatory services (environmental health, trading standards and licensing, school attendance and absence), waste collection and disposal services, climate and sustainability activities.
- Enabling housing development and growth.
- Economic development programme prioritising conditions for economic growth, business support, advice and guidance, development of skills and inward investment.
- Infrastructure delivery: including flood alleviation, cycling, walking and highway improvements and schemes.

Key Challenges and Risks to Service Delivery

- The number of homeless households is increasing in Herefordshire; driven by increased eviction notices, lack of appropriate private rental accommodation and lack of affordable housing. Whilst responding to this need is a key priority for the council, future mandatory targets for housing growth will place pressure on existing infrastructure and resident services.
- Herefordshire has the lowest county tier productivity (Gross Value Added per hour) in England and the second lowest in the UK, with averages wages 13% below the national average, which affects quality of life, health and living standards.
- With the fourth lowest population density in England, the residents of Herefordshire are unevenly distributed over a large area and this, alongside poor transport connectivity, represents challenges for inward investment, travel, productivity and economic growth.
- Continued investment to improve and maintain the condition and resilience of the road infrastructure across the county is essential.
- The costs of providing home to school transport services has significantly increased; attributable to both increases in the number of children and young people becoming eligible for this service, including those with complex needs who require specialist transport and economic factors including inflation, wage costs and fuel prices.
- Responding to flood and severe weather events which cause disruption across the county represents a continuing challenge for the council; requiring partnership working and engagement to strengthen community resilience and improve support for residents.
- Regulatory and legislative changes, including proposed reforms and changes to the National Planning Policy Framework, will have an impact on the delivery of key services in the Economy & Environment directorate.
- Coordination of elements required to deliver growth across Herefordshire including economic growth, housing, transport and infrastructure requires collaboration across a variety of stakeholders and local partners.

Economy & Environment Directorate

Appendices

Appendix A: Revenue Budget by Service
Appendix B: Revenue Budget Movements
Appendix C: 2026/27 Savings Proposals
Appendix D: Capital Projects

Appendix A: Revenue Budget by Service

Service Description	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Directorate Management	141	808	-	(137)	671			
Resident Services: Highways, Environmental & Waste	23,063	45,474	(19,116)	(6,701)	19,657			
Commercial Services	3,309	8,514	(5,848)	-	2,666			
Economy and Growth	1,679	5,906	(3,516)	(988)	1,402			
Resident Services: Regulatory and Technical	60	4,015	(4,215)	(15)	(215)			
Sub-total	**28,252**	**64,717**	**(32,695)**	**(7,841)**	**24,181**	**-**	**-**	**-**
Resident Services: SEN and HTST Transport	12,735	15,798	(1,688)	-	14,110			
Total	**40,987**	**80,515**	**(34,383)**	**(7,841)**	**38,291**	**44,748**	**48,430**	**51,177**

Appendix B: Revenue Budget Movements

Title	Detail	2026/27 £'000
Waste reserve - new waste collection contract	Withdrawn 2025/26 one-off reserve funding	2,014
Phosphate reserve	Withdrawn 2025/26 one-off reserve funding	500
Extended Producer Responsibility (EPR) grant	New grant allocated to Directorate	(4,200)
New weekly soft plastics collection	Funded from EPR grant	800
Contribution to waste reserve	Funded from EPR grant	600
New weekly food waste collection service	New service to commence in 2026/27	2,607
Waste reserve – new food waste collection service	One-off reserve funding in 2026/27	(2,607)
New fortnightly garden waste collection service	New service to commence in 2026/27	809
Waste reserve - new garden waste collection service	Reserve funding will off-set subscription fees	(809)
SEN transport - increase in students and costs	2025/26 growth and projected 2026/27 growth	2,736
Public transport subsidised routes	Additional retendered contracts commissioned	751
HTST transport - increase in students and costs	2025/26 growth and projected 2026/27 growth	491
Pay inflation	Estimated pay award	319
HTST - Extended Rights for Free Transport grant	Grant withdrawn	196
Flood Risk Management	New service - establishment costs	107
Transportation ICT	Flexi-route replacement software	77
Movement in pay estimates	Various	40
Miscellaneous	Various	72
Total		**4,503**

Appendix C: 2026/27 Savings Proposals £7,204k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £3,875k					
C1	**SEN and Home to School transport review**	Continuation of review of contract prices to secure reductions in taxi journey costs, increased partnership working with schools to explore shared transport options, development of in-house delivery model to provide a council managed service for routes transporting 1-4 passengers.	**2,000**	**-**	**2,000**
C2	**Service budget reductions:** 5% reduction in controllable spend across directorate budgets	5% reduction across a range of service budgets where there is controllable spend. For example a 5% reduction in the property maintenance budget achieved through identifying efficiencies and/ or prioritisation of activity.	**500**	**500**	**-**
C3	**Public Realm contract:** LEAN efficiencies in services delivered through public realm contract	As in previous years, contract efficiencies will be sought from the Public Realm Contract as part of the Annual Plan approval process.	**375**	**375**	**-**
C4	**Car-parking:** income arising covering costs from increasing activity from existing sources to better cover costs increasing costs associated with parking and highways	Review of parking charges to include introduction of pop and shop, increasing some parking charges to cover additional expenses from price freeze since 2023 and reviewing enforcement.	**900**	**-**	**900**
C5	**Realigning developer contributions to cover costs:** additional income from reassigning S278 (Highways Act) developer fees and fees and commuted sums from developers from S38 agreements under the Highways Act 1980	Increase in fees connected with new highway works to serve developments.	**100**	**-**	**100**
INCREASE INCOME £200k					
I1	**Inflationary uplifts:** to increase income from fees and charges across the directorate	Inflationary increase across traded services.	**200**	**-**	**200**
MANAGE DEMAND £500k					
D1	**Subsidised public transport:** review of public transport subsidised routes to reflect demand and usage of current routes	Review all public transport to seek cost reductions and potential for commercial routes to reduce subsidies. Explore better use of BSIP.	**500**	**-**	**500**
DELIVER EFFICIENCIES £2,629k					
E1	**Vacancy management:** deletion of vacant posts across Directorate	Review of vacant posts that can be deleted from the structure, achieved through re-prioritisation of activity, and or utilisation of technology/ new ways of working.	**500**	**500**	**-**
E2	**Grant utilisation:** additional utilisation of the Local Transport grant (LTG)	Reassign LTG to cover eligible activity.	**50**	**50**	**-**

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
E3	**Reallocation of directorate reserves:** to maintain expenditure for Public Rights of Way (£250k), Drainage (£445k) and Lengthsman Scheme (£250k) added to base budget in 2024/25 on receipt of additional funding at Final Local Government Settlement	Reallocation of reserves into revenue budget.	**945**	**945**	**-**
E4	**Waste stock:** reduction in levels held of household waste collection stock	Reducing number of receptacles held in stock.	**60**	**-**	**60**
E5	**Energy costs:** reduction in energy budget resulting from efficient usage and lower kw prices	Efficient energy usage.	**80**	**-**	**80**
E6	**Grant utilisation:** review of application of the Public Health Ringfenced Grant (PHRG) against eligible directorate expenditure	Reassign external grant funding, review staffing resource subsidised by PHRG.	**294**	**-**	**294**
E7	**Grant utilisation:** utilisation of Bus Services Improvement grant (BSIP) on Public Subsidised Routes	Assign BSIP funding to socially necessary subsidised bus routes.	**500**	**500**	**-**
E8	**Transfer**: transfer of toilet facilities to parish council	Capital investment to improve public toilet provision followed by transfer of maintenance responsibilities to the relevant parish council (in agreement with the Parish Council).	**200**	**-**	**200**
			7,204	**2,870**	**4,334**

Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27		2027/28		2028/29		2029/30	
	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000
Highway Maintenance Block DfT (previously LTP)	23,967	-	27,449	-	29,695	-	33,948	-
Resurfacing Herefordshire Highways	5,000	5,000	-	-	-	-	-	-
Highways Infrastructure Investment	6,385	6,385	-	-	-	-	-	-
Public Realm Improvements for Ash Die Back	482	482	118	118	-	-	-	-
E & E's S106	4,207	-	2,429	-	-	-	-	-
Play Area Investment	750	750	-	-	-	-	-	-
Public Realm Services Fleet	1,322	1,322	-	-	218	218	-	-
Public Realm Mobilisation	450	450	-	-	-	-	-	-
Public Rights of Way	1,000	619	-	-	-	-	-	-
Traffic Signal Obsolescence Grant and Green Light Fund*	-	-	-	-	-	-	-	-
Hereford City Centre Transport Package	3,029	774	-	-	-	-	-	-
Hereford ATMs and Super Cycle Highway	1,000	1,000	-	-	-	-	-	-
Active Travel Fund 4*	-	-	-	-	-	-	-	-
Active Travel Fund 5	99	-	-	-	-	-	-	-
Consolidated Active Travel Fund	499	-	234	-	234	-	234	-
Hereford Western Bypass Phase 1	13,584	11,040	11,700	11,700	17,560	17,560	-	-
Stronger Towns Fund - Greening the City*	-	-	-	-	-	-	-	-
LUF - Active Travel Measures (north of river)	716	716	926	926	-	-	-	-
LUF - Active Travel Measures (south of river)	6,000	-	-	-	-	-	-	-
Local Transport Grant	5,975	-	6,966	-	7,775	-	8,584	-
Bus Service Improvement Plan	900	-	918	-	936	-	954	-
Integrated Wetlands	398	-	-	-	-	-	-	-
Natural Flood Management	390	-	-	-	-	-	-	-
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	120	-	240	-	120	-	644	-
LEVI Pilot Fund Grant	60	-	-	-	-	-	-	-
Wye Valley National Landscape (previously AONB)*	-	-	-	-	-	-	-	-
Solar Photovoltaic Panels	535	535	385	385	-	-	-	-
Yazor Brook*	-	-	-	-	-	-	-	-
Waste	-	-	6,200	6,012	-	-	-	-
Home Upgrade Grant*	-	-	-	-	-	-	-	-

Project	2026/27		2027/28		2028/29		2029/30	
	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000
Warm Homes Grant	1,003	-	982	-	-	-	-	-
Herefordshire Flood Risk Mitigation	1,805	1,055	-	-	-	-	-	-
UK Shared Prosperity Fund*	-	-	-	-	-	-	-	-
HWGTA - Development of Vocational Work Based Skills Investment*	-	-	-	-	-	-	-	-
Employment Land & Incubation Space in Market Towns	1,460	-	8,360	6,307	-	-	-	-
Rural Prosperity Fund*	-	-	-	-	-	-	-	-
Strategic/Emergency Housing Capital Projects	2,650	-	3,900	3,895	3,450	3,450	-	-
Historic Building Fund	-	-	5,000	5,000	-	-	-	-
Work to Shirehall Annex (Care Leavers Base)*	-	-	-	-	-	-	-	-
Estates Capital Programme 2019/22*	-	-	-	-	-	-	-	-
Residual property works (2019 condition reports)*	-	-	-	-	-	-	-	-
Estates Building Improvement Programme 22-25*	-	-	-	-	-	-	-	-
Estates Building Improvement Programme 23-25	990	756	-		-	-	-	-
Estates Building Improvement Programme 24-27	483	483	-	-	-	-	-	-
Building works from 2022 Condition Surveys	974	974	350	350	-	-	-	-
Shirehall Improvement Works	3,750	2,000	-	-	-	-	-	-
Property Improvements in Care Homes	484	484	-	-	-	-	-	-
Estates Building Improvement Programme 26-29	1,809	809	1,121	1,121	35	35	-	-
Estates Building Improvement Programme 25-28	2,622	2,222	526	326	-	-	-	-
Total	**94,898**	**37,856**	**77,804**	**36,140**	**60,023**	**21,263**	**44,364**	**-**

*Spend in prior years

Appendix D

Herefordshire Council

TREASURY MANAGEMENT STRATEGY 2026/27

Introduction

1.1 Treasury Management is the management of the council's borrowing, investments and cash flows, including 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 This strategy has been prepared in accordance with the following guidance:

- Department for Levelling Up, Housing and Communities (DLUHC, now MHCLG) Statutory guidance on local government investments (2018)
- Ministry of Housing, Communities & Local Government (MHCLG) Capital finance: guidance on Minimum Revenue Provision (5th edition) (2024)
- Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for capital finance in local authorities (2021)
- CIPFA Treasury management in the public services: Code of practice (2021)

1.3 To support this Treasury Management Strategy (TMS), the council maintains Treasury Management Practices (TMP) that outline how the council's strategic policy objectives for treasury management will be achieved. The operational practices are maintained by the corporate finance team and approved by the Chief Finance Officer.

1.4 The council employs external treasury management advisors, MUFG Corporate Markets (MUFG), who provide advice and guidance on treasury management activities, including interest rate forecasts. This is utilised to inform borrowing and investment decisions.

1.5 This report incorporates prudential and treasury indicators (Annex C) as required by the Prudential Code, and a treasury management policy statement (Annex E) as required by the Treasury Management Code of Practice.

Economic Context

2.1 The UK economy remains a fiscal challenge following a prolonged period of high interest rates and relatively volatile inflation, caused initially by the global pandemic and the subsequent cost of living crisis. UK growth is improving marginally, with Gross Domestic Product (GDP) at 0.7% for quarter 1 and 0.2% for quarter 2 2025.

2.2 Domestic inflation rates are elevated in comparison to the target rate of 2.0%. Consumer Price Index (CPI) has been between 3.2% and 3.8% since April 2025. CPI inflation is expected to decrease to 2.5% in April 2026, falling to 1.8% by the end of the financial year.

2.3 The Bank of England base rate was lowered from 4.25% to 4.00% in August and then to 3.75% in December. MUFG have provided an interest rate forecast in Annex D, showing a forecast steady decrease to 3.25% at the end of the 26/27 financial year.

2.4 There are some significant risks that could impact these forecasts. There are geo-political risks of ongoing conflicts, with a potential impact on oil prices and therefore an upside risk to inflationary pressure. Labour supply shortages could lead to sticky wage growth which also has a potential impact on inflation.

Borrowing Strategy

3.1 The council primarily borrows to fund capital expenditure; with borrowing driven by the requirements of the approved capital investment budget. Borrowing requirements are also driven by the increasing Dedicated Schools Grant (DSG) deficit. The objective of the borrowing strategy is to manage the risk of current and potential future debt.

3.2 The council is not permitted to borrow to invest for the primary purpose of financial return.

3.3 This strategy serves to balance the affordability of loan interest payments from the revenue budget with the long-term stability of the debt portfolio. The strategy aims to achieve a low and certain cost of finance whilst retaining flexibility should financing requirements change in the future. The council will minimise cash balances by utilising internal borrowing where possible.

3.4 The Public Works Loan Board (PWLB) is the preferred route for borrowing across the local government sector. If borrowing is required, then the council will favour short term loans because the interest rates on long term loans are relatively high (PWLB 25-year rate is 5.8%, see Annex D). Longer term borrowing will only be considered when interest rates are lowered. Local Authority to Local Authority borrowing will also be considered.

3.5 The approved sources of borrowing for the council are: -

- Internal borrowing (reserves/balances)
- Public Works Loan Board (PWLB)
- UK Local Authorities
- Any institution approved for investments (see Annual Investment Strategy section)
- Any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds
- Capital market bond investors
- Local capital finance company and any other special purpose companies created to enable local authority bond issues

3.6 In addition, capital finance may be raised by the following methods that are not borrowing:-

- Leases
- Hire purchase arrangements
- Private Finance Initiatives
- Sale and leaseback arrangements

3.7 The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement) has not been fully funded with loan debt, as cash supporting the council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer term dated borrowing rates are expected to fall from their current levels.

3.8 PWLB permits the repayment of loans before maturity by either paying a premium or receiving a discount according to a set formula based on current interest rates. This option will be kept under review and will be considered where this is expected to lead to an overall saving or reduction in risk.

3.9 The interest on the LOBO loans becomes due every 6 months. At this point, the lender has the option of increasing the interest rate, and the borrower can accept the interest rate increase, or pay back the loans.

3.10 As at 31 October 2025, the council manages current loan debt of £135.5 million, which is detailed in Annex A (treasury portfolio) and Annex B (borrowing maturity profile). This comprises £123.5 million of Public Works Loan Board (PWLB) loans, which are all fixed interest long term loans, and £12.0 million Lender Option Borrower Option (LOBO) loans.

3.11 The council borrowing is forecast to be £161.4 million at 31 March 2026. This is expected to increase to £225.8 million by 31 March 2027. The estimated movement of £64.4 million in 2026/27 is represented by additional prudential borrowing to fund capital spend of £52.2 million, additional prudential borrowing to fund DSG of £19.9 million less £7.7 million principal repayments.

Investment Strategy

4.1 The objective of the investment strategy is to ensure prudence is applied and risks are managed when the council holds surplus funds (income received in advance of expenditure).

4.2 The council will primarily consider security (protecting the capital sum invested from loss) and liquidity (ensuring the funds are available for expenditure when needed) before yield. For 2026/27 the council will continue to focus on Money Market Funds (MMF) which are liquid, diverse and spread the credit risk. There are currently relatively high rates of interest to be gained on MMFs, whilst keeping the risk levels at an appropriate level. The council will supplement this with some fixed term deposits with varying maturity lags to maximise returns during a period of interest rate cuts.

4.3 The council applies the credit worthiness service provided by MUFG. This service employs a modelling approach utilising credit ratings from three main credit rating agencies (Fitch, Moody's and Standard & Poor's). This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system to which MUFG allocate a series of colour coded bands with suggested maximum durations for investments.

4.4 Typically, the minimum credit ratings criteria the council use will be short-term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one agency are marginally lower than these ratings but still may be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

4.5 The council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA- (Fitch or equivalents). If investments are to be made overseas, then approval ahead of the investment being made is required from the Chief Finance Officer. Santander UK plc (a subsidiary of Spain's Banco Santander) and Clydesdale Bank plc (a subsidiary of National Australia Bank) will be classed as UK banks due to their substantial franchises and the arms-length nature of the parent-subsidiary relationship.

4.6 Investment limits for approved counterparties are detailed in the table below for specified investments. Specified investments are those denominated in pound sterling, due to be repaid within 12 months, not defined as capital expenditure and invested in UK government/Local Authority/a high credit quality investment scheme (A- UK domiciled or AA- non-UK domiciled).

Table 1 Investment limits for approved counterparties

Counterparty	Investment type	Rating	£ limit	Time limit
Banks and Building societies	Term deposits, certificate of deposit or corporate bond	Yellow Purple Orange Blue Red Green No colour	£5m £5m £5m £5m £5m £5m £nil	5 years 2 years 1 year 1 year 6 months 100 days None
Council's banker			£5m	Liquid
Debt Management Account Deposit Facility (DMADF)	DMADF account	UK sovereign	Unlimited	6 months
UK Government	UK gilts or Treasure bills	UK sovereign	Unlimited	364 days
Multilateral development banks	Bonds	AAA	£5m	Liquid
Local Authorities	Term deposits	n/a	£10m	1 year
Money Market Funds (MMF)	MMF	AAA	£10m	Liquid
Pooled funds	Pooled funds		£5m per fund	

4.7 Investment limits are detailed in the table below for non-specified investments. Non-specified investments are those that do not meet the definition of specified investments, for the council, this means those longer than 12 months.

Table 2 Investment limits for non-specified investments

Investment type	£ limit
Total long term investments	£5m
Total investments with unrecognised credit ratings	£5m
Total non-specified investments	£10m

4.8 The council will take an active approach to invest in environmental, social and governance (ESG) entities, but this will be a secondary consideration to security, liquidity and yield.

4.9 As at 31 October 2025, the council has £55.7 million of investments, spread across banks and MMFs. This current investment portfolio is detailed in Annex A.

Annual Minimum Revenue Provision Statement

5.1 Where the council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the notional repayment of debt is known as Minimum Revenue Provision (MRP). The Local Government Act 2003 requires the council to have regard to the MHCLG guidance on MRP most recently issued in 2024. The broad aim of the guidance is to ensure that a prudent provision is made to enable debt to be repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.

5.2 MRP is based on the Capital Financing Requirement (CFR). This is a measure of all capital expenditure that has not yet been funded by capital or revenue resources. The elements of the council's CFR are listed in table 3 below.

Table 3 CFR calculation

CFR element	Indicative 1 April 2026 £000	Included in MRP charge
Supported borrowing pre 2017/18	96,325	Yes
Prudential borrowing related to the capital programme spend	205,555	Yes
Leases capitalised under IFRS 16	2,530	Yes
Private Finance Initiatives	44,985	Yes
Adjustment A (historic adjustment from initial statutory guidance)	3,060	No – exclusion permitted under paragraph 47 of statutory guidance
Loan debtor adjustments from waste loan repayments treated as capital	(17,438)	No – exclusion permitted under paragraph 71 of statutory guidance
	335,017	

5.3 The MRP policy is to charge on an annuity basis at a rate of 4% of the applicable components of CFR on an asset-by-asset basis. No MRP is charged in year of addition. For leases and private finance initiatives the MRP charge is equal to the reduction in the liability for that year. There have been no changes to the policy from 2025/26.

5.4 There is no planned voluntary overpayment of MRP for 2026/27.

5.5 In line with the guidance, the policy for the 2026/27 calculation of MRP is as follows:

Table 4 MRP methodology and charge

	MRP methodology	Indicative MRP charge 2026/27 £000
Supported borrowing	Annuity basis at rate of 4%	965
Prudential borrowing	Annuity basis at rate of 4%	11,244
Subtotal		**12,209**
Finance leases and private finance initiatives	Equal to value of payments that reduce the liability each year	3,999
Total		**16,208**

ANNEX A Treasury Portfolio

The table below shows the treasury investment and borrowing positions as at 31 March 2025 and 31 October 2025.

Table 5 Treasury portfolio

Treasury investments	31 March 25 £000	31 March 25 %	31 Oct 25 £000	31 Oct 25 %
Banks	-	-	5,000	9%
Banks – ESG “green” deposits	5,000	12%	-	-
Local authorities	5,000	12%	-	-
Money market funds	31,610	76%	50,740	91%
Total treasury investments	**41,610**	**100%**	**55,740**	**100%**

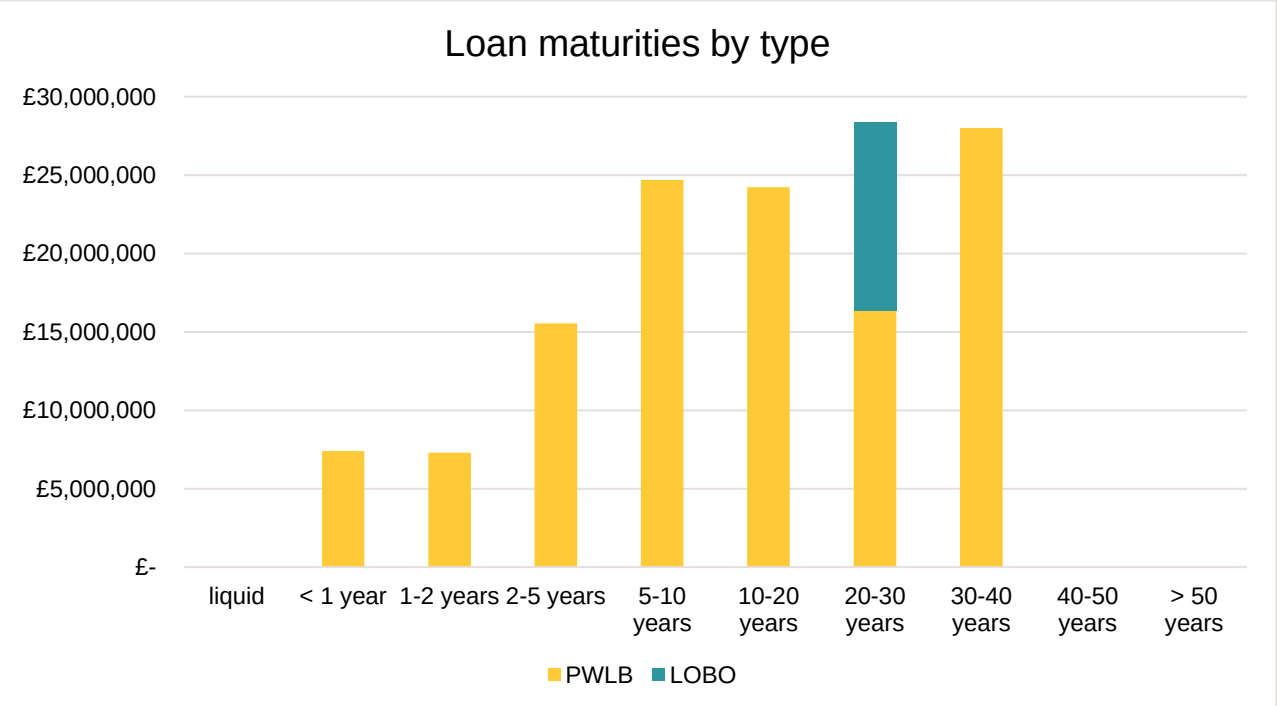
Treasury borrowing	31 March 25 £000	31 March 25 %	31 Oct 25 £000	31 Oct 25 %
Public Works Loan Board (PWLB)	(125,501)	91%	(123,547)	91%
Lender Option Borrower Option (LOBO)	(12,000)	9%	(12,000)	9%
Total treasury borrowing	**(137,501)**	**100%**	**(135,547)**	**100%**

Net treasury investments/(borrowing)	**(95,891)**	**-**	**(79,807)**	**-**

ANNEX B Borrowing Maturity Profile

The chart below shows when each loan matures over the next 50 years. The green block represents the LOBO loans, and the orange blocks represent PWLB loans.

Chart 1 Loan maturity profile



ANNEX C Prudential and Treasury Indicators

Background

1.1 The Local Government Act 2003 requires local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice.

1.2 To demonstrate that the council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored. The indicators set out parameters within which the council should operate to ensure the objectives of the Prudential Code are met.

Indicator 1: Estimates of capital expenditure

2.1 The Prudential Code requires local authorities to make reasonable estimates of the total capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years, as well as actual capital expenditure for the previous financial year.

2.2 The actual amount of capital expenditure that was incurred during 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years, based on the current approved capital programme, are noted in Table 6 below. This excludes the financing need for other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

Table 6 Estimates of capital expenditure and funding

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
Capital expenditure	74,078	107,178	146,940	102,117	60,023
Grants, contributions and capital receipts	50,864	77,174	94,773	58,392	39,885
Prudential borrowing	23,214	30,004	52,167	43,725	20,138
Total funding	**74,078**	**107,178**	**146,940**	**102,117**	**60,023**

Indicator 2: Capital financing requirement

3.1 The Prudential Code requires local authorities to make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years, as well as the actual capital financing requirement for the previous financial year.

3.2 The capital financing requirement (CFR) measures the council's underlying need to borrow for a capital purpose. It represents the capital expenditure not financed by capital receipts, capital grants, contributions or a direct revenue charge. The actual CFR for

2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years are noted in Table 7 below. The CFR includes other long-term liabilities, such as PFI and leasing arrangements. However, the Authority is not required to separately borrow for these because they already include a borrowing facility.

Table 7 Capital financing requirement

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
CFR excluding PFI	269,436	287,502	326,635	356,528	362,317
PFI and finance leases	51,128	47,515	43,784	39,753	35,321
Total CFR	**320,564**	**335,017**	**370,419**	**396,281**	**397,638**

Indicator 3: Gross debt and the capital financing requirement

4.1 The Prudential Code requires local authorities to ensure that the total gross debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

4.2 This indicator monitors the requirement for debt not to exceed the CFR. The actual ratio for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. The ratio of gross debt to CFR is below 100% for each of the disclosed years, confirming that gross debt does not exceed CFR, and that the council is operating within the parameters as set out in the Prudential Code. The impact of IFRS 16 has been included in these figures.

Table 8 Ratio of gross debt to CFR

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
External borrowing debt	138,792	161,397	225,753	277,352	307,222
PFI and finance lease debt	47,800	43,979	39,980	35,754	31,275
Total gross debt	**186,592**	**205,376**	**265,733**	**313,106**	**338,497**
CFR	320,564	335,017	370,419	396,281	397,638
Ratio of gross debt to CFR	**58%**	**61%**	**72%**	**79%**	**85%**

Indicator 4: Authorised limit for external debt

5.1 The Prudential Code requires local authorities to set an authorised limit for its gross external debt for the forthcoming financial year and the following two years.

5.2 The authorised limit represents an upper limit of borrowing that the council can legally owe. The actual limit for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. By comparing the gross debt figures in table 8 to the authorised limits in table 9, it is confirmed that the council is operating within the parameters as set out in the Prudential Code.

Table 9 Authorised limit

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
External borrowing	350,000	350,000	388,000	411,000	411,000
Other long term liabilities	70,000	70,000	70,000	70,000	70,000
Total authorised limit	**420,000**	**420,000**	**458,000**	**481,000**	**481,000**

Indicator 5: Operational boundary for external debt

6.1 The Prudential Code requires local authorities to set an operational boundary for its gross external debt for the forthcoming financial year and the following two years.

6.2 The operational boundary is the limit beyond which external debt is not normally expected to exceed and provides a parameter to monitor day to day treasury management activity. The actual limit for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. By comparing the gross debt figures in table 8 to the operational boundaries in table 10, it is confirmed that the council is operating within the parameters as set out in the Prudential Code.

Table 10 Operational boundary

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
External borrowing	340,000	340,000	376,000	398,000	398,000
Other long term liabilities	60,000	60,000	60,000	60,000	60,000
Total operational boundary	**400,000**	**400,000**	**436,000**	**458,000**	**458,000**

Indicator 6: Ratio of financing costs to net revenue stream

7.1 The Prudential Code requires local authorities to estimate the proportion of financing costs to net revenue stream for the forthcoming financial year and the following two years, as well as actual figures for the previous financial year.

7.2 This ratio highlights the proportion of the revenue budget required to meet financing costs and is an indicator of the affordability of borrowing. The actual limit for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. The calculated ratios of between 10% and 15% confirm that the council's borrowing is currently considered to be affordable.

Table 11 Ratio of financing costs to net revenue stream

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
MRP	12,845	15,106	16,208	17,227	18,828
Interest payable	7,721	9,011	12,252	14,561	16,340
Total financing costs	**20,566**	**24,117**	**28,460**	**31,788**	**35,168**
Net revenue stream	202,904	201,827	234,120	238,331	242,359
Ratio of financing costs to net revenue stream	**10%**	**12%**	**12%**	**13%**	**15%**

Indicator 7: Maturity structure of borrowing

8.1 The council sets upper and lower limits for the maturity structure of its borrowing to mitigate against the risk of exposure to interest rate fluctuations on debt refinancing. The table below shows the upper limit, the lower limit, the actual level for 2024/25 and the forecast level for 2025/25. This confirms that the council is operating within the lower and upper limit.

Table 12 Maturity structure of borrowing

	2024/25 actual %	2025/26 forecast %	Lower limit %	Upper limit %
Under 12 months	5%	6%	0%	10%
Between 12 months and 24 months	6%	5%	0%	10%
Between 24 months and 5 years	7%	9%	0%	25%
Between 5 years and 10 years	21%	19%	0%	35%
10 years and above	61%	61%	0%	80%
	100%	**100%**		

Indicator 8: Upper limit of investments over 364 days

9.1 The council sets an upper limit for total principal sums invested over 364 days to mitigate against the risk of exposure to loss due to early repayment requirements. The actual limit for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. This is monitored through-out the year in day-to-day treasury management activity.

Table 13 Upper limit of investments over 364 days

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
Upper limit	5,000	5,000	5,000	5,000	5,000

Indicator 9: Ratio of net commercial and service investments income to net revenue stream

10.1 The Prudential Code requires local authorities to estimate the proportion of net income from commercial and service investments to net revenue stream for the forthcoming financial year and the following two years, as well as actual figures for the previous financial year.

10.2 This ratio highlights the proportion of the revenue income budget reliant on commercial income. The actual limit for 2024/25, the forecast amount for 2025/26 and the estimated amounts for 2026/27 plus two further years. The calculated ratios of 1% confirm that the council is not over reliant on this income.

Table 14 Ratio of net commercial and service investments income to net revenue stream

	2024/25 actual £000	2025/26 forecast £000	2026/27 estimate £000	2027/28 estimate £000	2028/29 estimate £000
Total net income from commercial and service investments	2,744	2,808	2,892	2,979	3,068
Net revenue stream	202,904	201,827	234,120	238,331	242,359
Ratio of commercial income to net revenue stream	**1%**	**1%**	**1%**	**1%**	**1%**

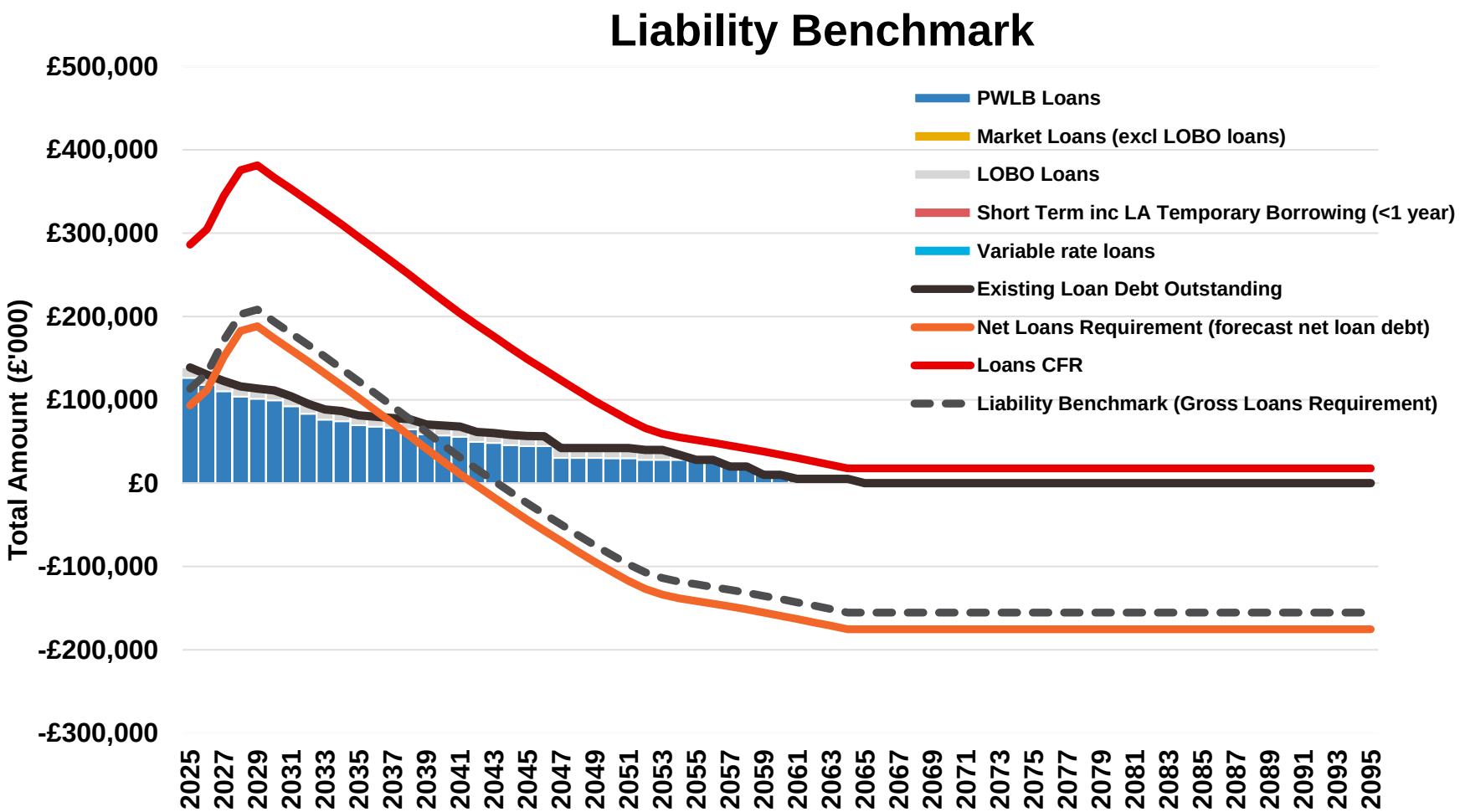
Indicator 10: Liability benchmark

11.1 The liability benchmark provides a measure of how well the existing loans portfolio matches planned borrowing needs for capital. It is calculated by deducting investable resources on the balance sheet from the outstanding debt liability, adjusting for a minimum investment allowance. A borrowing requirement is anticipated where the liability benchmark (grey dotted line) is greater than the existing debt.

11.2 The existing loans portfolio is shown on the chart below as blue and grey bar charts. The liability benchmark is the grey dotted line. By comparing these, it can be seen that the council is under-borrowed in the short term, meaning that it is utilising its strong balance sheet position instead of increasing loan debt. The gap between the black line (total existing loans) and the grey dotted line (the liability benchmark/gross loans requirement) shows the additional borrowing need for the current approved capital commitments.

Appendix D

Herefordshire Council



Herefordshire Council

ANNEX D Interest Rate Forecast

MUFG provide the council with interest rate forecasts as part of their advisory role. The following forecasts for the bank base rate and Public Works Loan Board (PWLB) rates were provided on 22 December 2025.

Table 15 MUFG interest rate forecasts

	Mar 26	Jun 26	Sep 26	Dec 26	Mar 27	Jun 27	Sep 27	Dec 27	Mar 28	Jun 28	Sep 28	Dec 28	Mar 29
Bank base rate %	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
PWLB 5 year rate %	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
PWLB 10 year rate %	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
PWLB 25 year rate %	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
PWLB 50 year rate %	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

ANNEX E Treasury Management Policy Statement

Statement of Purpose

1.1 Herefordshire Council adopts the recommendations made in CIPFA's Treasury Management in the Public Services: Code of Practice guidance, which was revised in 2021. The council adopts the following key principles and clauses.

Key Principles

2.1 Herefordshire Council adopts the following three key principles (identified in Section 4 of the Code):

- The council will put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of its treasury management activities.
- The council will ensure that its policies and practices make clear that the effective management and control of risk are prime objectives of its treasury management activities and that responsibility for these lies clearly with the council. In addition, the council's appetite for risk will form part of its annual strategy and will ensure that priority is given to security and portfolio liquidity when investing treasury funds.
- The council acknowledges that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of business and service objectives, and that within the context of effective risk management, the council's treasury management policies and practices should reflect this.

Adopted Clauses

3.1 Herefordshire Council formally adopts the following clauses (identified in Section 5 of the code):

- The council will create and maintain, as the cornerstones for effective treasury management:
  - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
  - Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

  The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of the council. Such amendments will not result in the organisation materially deviating from the Code's key principles.

- Full council 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 its TMPs.

- The responsibility for the implementation and regular monitoring of treasury management policies and practices is delegated to Cabinet and for the execution and administration of treasury management decisions to the Director of Resources and Assurance, who will act in accordance with the organisation's policy statement

and TMPs and, if they are a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

- The council nominates Scrutiny Management Board to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Definition of Treasury Management

4.1 Herefordshire Council defines its treasury management activities as: -

'The management of the organisation's borrowing, investments and cash flows, including 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.'

Policy Objectives

5.1 Herefordshire Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the council, and any financial instruments entered into to manage these risks.

5.2 Herefordshire Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Non-treasury investments

6.1 Herefordshire Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries and investment property portfolios.

6.2 Herefordshire Council will ensure that all investments in the capital programme will set out, where relevant, the risk appetite and policy and arrangement for non-treasury investments. The risk appetite for these activities may differ from that of treasury management.

6.3 Herefordshire Council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisations risk exposure within its annual statement of accounts.

Appendix E

Herefordshire Council

EARMARKED RESERVE BALANCES TO 31 MARCH 2027

Reserve	Type	Audited Balance at 31/03/2025 £m	Forecast Balance at 31/03/2026 £m	Forecast Balance at 31/03/2027 £m
Business rates risk	Liabilities and risk	13.3	10.2	8.9
Waste	Budget resilience	7.1	4.8	0.1
Budget resilience	Budget resilience	7.0	4.2	-
Enterprise zone business rates growth	Strategic Priorities	3.0	2.7	-
Fastershire	Strategic Priorities	2.7	2.7	2.7
Financial resilience	Liabilities and risk	2.3	2.3	2.3
Settlement monies	Strategic Priorities	2.0	1.7	0.1
Whitecross school PFI	Accounting reserves	1.8	2.1	2.1
Public realm project	Strategic Priorities	1.6	0.9	-
RNC campus	Liabilities and risk	1.2	0.2	0.2
Unused grants carried forward	Grants and contributions	18.0	13.6	7.3
Other reserves individually under £1m	Grants and contributions	9.0	8.1	6.2
Total reserves excluding schools		**69.0**	**53.5**	**29.9**
Schools' balances	Schools	11.7	11.7	11.7
Total earmarked reserves		**80.7**	**65.2**	**41.6**
General fund balance		**10.1**	**10.1**	**10.1**
Total earmarked reserves and general fund		**90.8**	**75.3**	**51.7**

Understanding Herefordshire
People and places

BUDGET AND COUNCIL TAX CONSULTATION 2026-27: RESULTS

Herefordshire Council Intelligence Unit

January 2026

Contents

Contents 2
Summary 3
Results: who responded and how they found out about it 4
Results: views on how the council prioritises services and makes savings 5
Results: views on how the council could balance the budget 7
Respondents' profile 9

If you need help to understand this document, or would like it in another format or language, please contact us on 01432 261944 or e-mail researchteam@herefordshire.gov.uk

Summary

Herefordshire Council's Budget and Council Tax 2026-27 consultation was carried out from 9 December 2025 to 4 January 2026. The consultation used an online questionnaire, which was published on the council's website and promoted across all of the council's social media channels.

The online questionnaire sought views from respondents on how to prioritise services while making savings and how to balance the budget through increasing Council Tax and making savings and efficiencies across various services.

This report summarises the findings from the 359 responses submitted to this questionnaire. Please note that these results should not be considered representative of the population of Herefordshire, due to the potential bias from self-selected participation, where individuals who choose to participate may have different characteristics or opinions compared to the wider population.

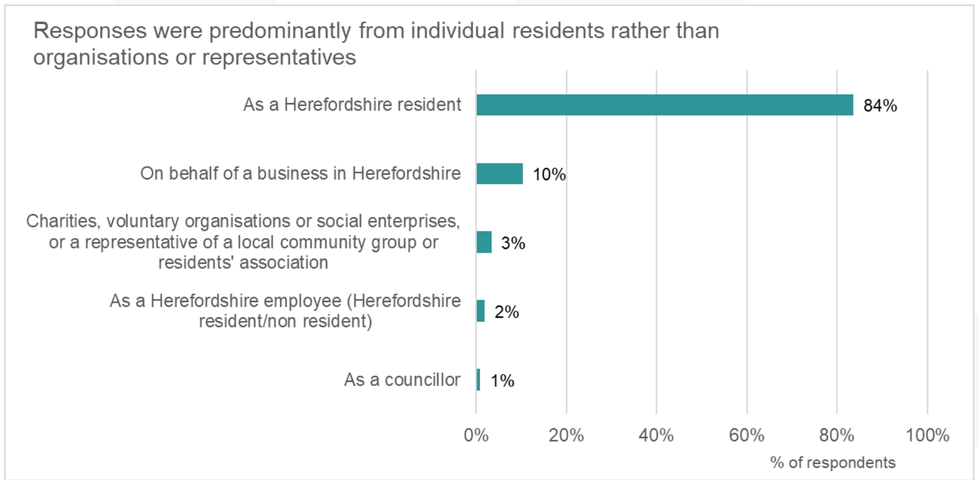
Main messages

- Most people (83%) were responding as Herefordshire residents, whilst a smaller proportion responded on behalf of a local businesses (10%) or a voluntary or community sector organisation / group (3%).
- There was an over-representation of people aged 45 to 64 amongst respondents (44% compared to 32% of the adult population), and an under-representation of people from an ethnic group other than 'white British' (3% compared to 8% of the population). There was also an under-representation of respondents from lower Council Tax bands (20% from Bands A and B compared to 38% of all properties).
- Respondents were asked how comfortable they would be with a reduction in spending in each of a list of 13 services. Highways maintenance and street lighting was the only service for which more respondents said they were not comfortable with a reduction (52%) than were at least partly comfortable.
- The services with the highest proportions (around two-thirds) saying they would be at least partly comfortable with reduced spending were: museum service, economy and growth including strategic planning and regulatory services, and adult social care.
- Highways Maintenance and Street Lighting was also the service chosen by the highest number of respondents (28%) as the single service if they only had £1 left to spend.
- A higher proportion of people disagreed with increasing Council Tax by an additional 4.99% than agreed: 51% compared to 35%. 14% neither agreed nor disagreed.
- Similarly, more people disagreed that the council should continue to offer the maximum level of Council Tax support to those experiencing severe financial hardship: 42% compared to 38% who agreed. 21% neither agreed nor disagreed
- When considering other possible things the council could do to balance the budget, there was strong support for online services and selling council buildings over reducing services. Almost 70% supported making more services available online as standard, and selling or developing council buildings, with around 15% opposing. On the other hand, around 40% opposed stopping or reducing services (both statutory and non-statutory).

Results: who responded and how they found out about it

The majority of the 359 respondents who completed the online questionnaire were Herefordshire residents (83%). A smaller proportion (10%) responded on behalf of a local businesses (10%) or a voluntary or community sector organisation / group (3%).

Figure 1: Respondents to the online survey (question 1)



Over half of respondents found out about the questionnaire through Facebook (56%). The next most popular channel was an email from Herefordshire Council (20%), followed by the Herefordshire.gov.uk website (8%). Smaller numbers heard about the consultation via friends or family, councillors, Herefordshire Now magazine/newspapers, other social media platforms, or community and voluntary organisations, with each of these accounting for only a small proportion of responses (3% each).

Table 1: How respondents found out about the consultation (question 2)

How found out about the consultation	Proportion of respondents
Facebook	56%
Email from Herefordshire Council	20%
Herefordshire.gov.uk website	8%
From a friend or family member	3%
From a Councillor	3%
Herefordshire Now magazine/Newspaper	3%
Other social media (X, Instagram, LinkedIn)	3%
From a charity, voluntary, community organisation or social enterprise (VCSE)	1%
Herefordshire Council's internal staff communication	1%
Other	4%

Results: views on how the council prioritises services and makes savings

Respondents were asked how comfortable they would be with a reduction in spending on a list of council services (questions 3 to 15).

Overall, at least half of respondents were comfortable with reductions in spending on all the services except ‘Highways Maintenance and Street Lighting’ – see Figure 1.

The services with the highest proportions of respondents who were mostly comfortable (‘comfortable’ + ‘partly comfortable’) with a spending reduction were:

- Museum Service – 65% comfortable
- Economy and Growth including Strategic Planning and Regulatory services – 64%
- Adult Social Care – 64%

The service that the respondents were least ‘comfortable’ with reduction in spending on was Highways Maintenance and Street Lighting (46% comfortable or partly comfortable).

Other than Highways Maintenance and Street Lighting, a higher proportion of respondents (42% each) were ‘not comfortable’ for reduced spending on:

- Strategic Housing and Temporary Accommodation
- Children's Social Care
- Education, Skills and Learning
- Public Health

The full breakdown of responses is shown in table 1 on the next page.

Figure 2: How comfortable respondents would be with a reduction of spending in specified service areas (questions 3 to 15)

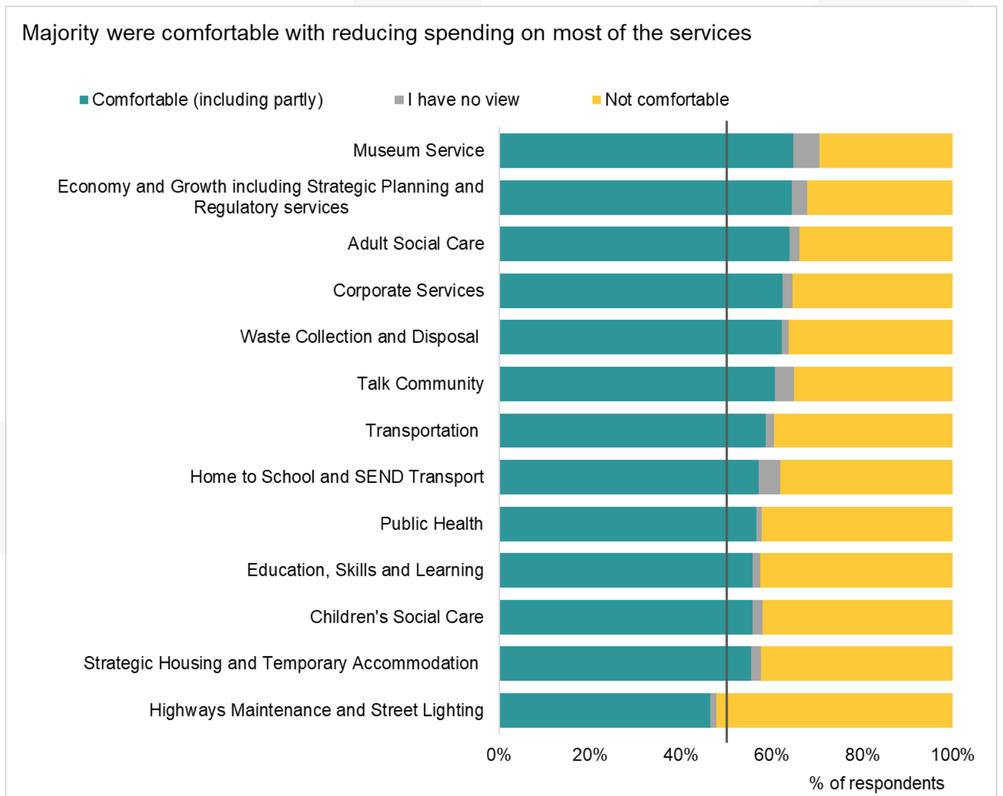


Table 2: Number and percentage of responses by how comfortable they would be with reduced spending for each service (questions 3 to 15)

Service area	Comfortable	Partly comfortable	Not comfortable	I have no view
Museum Service	134 (38%)	97 (27%	105 (29%)	20 (6%)
Economy and Growth including Strategic Planning and Regulatory services	104 (29%)	124 (35%)	114 (32%)	12 (3%)
Adult Social Care	116 (32%)	113 (32%)	121 (34%)	8 (2%)
Corporate Services	128 (36%)	93 (26%)	125 (35%)	8 (2%)
Waste Collection and Disposal	142 (40%)	78 (22%)	128 (36%)	5 (1%)
Talk Community	113 (32%)	104 (29%)	125 (35%)	15 (4%)
Transportation	105 (30%)	102 (29%)	139 (39%)	7 (2%)
Home to School and SEND Transport	102 (29%)	102 (29%)	136 (38%)	17 (5%)
Public Health	111 (32%)	88 (25%)	148 (42%)	4 (1%)
Education, Skills and Learning	107 (30%)	90 (25%)	150 (42%)	6 (2%)
Children's Social Care	107 (30%)	91 (26%)	149 (42%)	8 (2%)
Strategic Housing and Temporary Accommodation	94 (26%)	103 (26%)	150 (42%)	8 (2%)
Highways Maintenance and Street Lighting	90 (26%)	73 (21%)	183 (52%)	5 (1%)

Which single service to prioritise

Respondents were then asked which single service area they would prioritise if they only had £1 left to spend. Reflecting the results of the previous section, 'Highways Maintenance and Street Lighting' was the most common choice, selected by 28%.. Others prioritised people-focused services, with 16% choosing Education, Skills and Learning, 14% selecting Children's Social Care, and 10% opting for Adult Social Care.

Table 3: Number and percentage of responses by which service area that respondents would spend if they had only £1 left (question 16)

Service area	Number of respondents	Proportion of respondents
Highways Maintenance and Street Lighting	99	28%
Education, Skills and Learning	57	16%
Children's Social Care	51	14%
Adult Social Care	35	10%
Economy and Growth including Strategic Planning and Regulatory Services	31	9%
Public Health	25	7%
Transportation	13	4%
Museum Services	12	3%
Waste Collection and Disposal	10	3%
Temporary Accommodation	8	2%
Talk Community	8	2%
Home to School Transport	4	1%
Corporate Services	1	<1%
Total respondents	354	100%

Results: views on how the council could balance the budget

Increasing Council Tax

When asked to what extent they agreed or disagreed “that the council should protect vital public services by increasing council tax by an additional 4.99%”, 35% of respondents agreed (strongly agree or agree), while 51% disagreed (strongly disagree or disagree).

With regard to the council’s discretion to provide support to residents experiencing severe financial hardship or exceptional circumstances that prevent them from paying their Council Tax, 38% of respondents agreed that the council should continue to offer the maximum level of support, while 42% disagreed.

Table 4: Number and percentage of responses by the level of agreement for increasing Council Tax by additional 4.99% and continuing to offer the maximum support for those who need financial assisitance (questions 17 and 18)

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
To what extent do you agree or disagree that the council should protect vital public services as much as possible by increasing council tax by an additional 4.99%?	58	67	50	84	99
	16%	19%	14%	23%	28%
To what extent do you agree or disagree that the council should continue to offer the maximum level of council tax support to those in need of financial assistance?	60	74	74	80	69
	17%	21%	21%	22%	19%

Savings and efficiencies

Respondents were given a list of things that the council could do to help balance the budget and asked to what extent they support each one. The results are shown in figure 2 and table 4.

Suggestions supported by the majority were:

- Making more services available online as standard (69% support compared to 13% oppose)
- Selling/developing council buildings (68% support compared to 15% oppose)
- Charging for non-statutory services (60% support compared to 18% oppose)

On the other hand, there was stronger opposition for:

- reducing statutory services (44% support compared to 39% oppose)
- stopping or reducing services that the Council does not have a legal requirement to provide (e.g. events, regeneration, and maintenance of parks) (39% support compared to 41% oppose)

Figure 3: extent to which respondents supported suggestions for balancing the budget

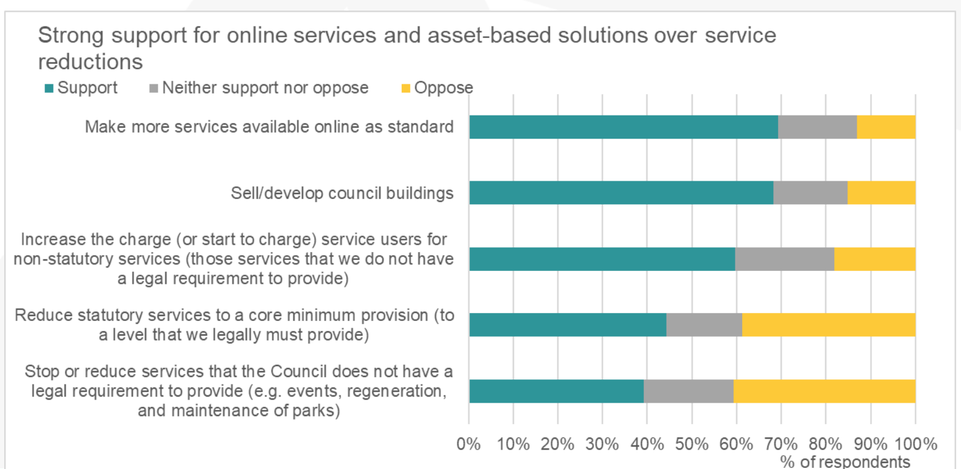


Table 5: Number and percentage of responses by the level of support for suggestions to balance the budget (questions 19 to 23)

	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
Reduce statutory services to a core minimum provision (to a level that we legally must provide)	61 (17%)	96 (27%)	60 (17%)	92 (26%)	45 (13%)
Stop or reduce services that the Council does not have a legal requirement to provide (e.g. events, regeneration, and maintenance of parks)	52 (15%)	88 (25%)	72 (20%)	109 (31%)	36 (10%)
Increase the charge (or start to charge) service users for non-statutory services (those services that we do not have a legal requirement to provide)	69 (20%)	141 (40%)	78 (22%)	45 (13%)	19 (5%)
Make more services available online as standard	99 (28%)	144 (41%)	62 (18%)	33 (9%)	13 (4%)
Sell/develop council buildings	117 (33%)	125 (35%)	59 (17%)	29 (8%)	25 (7%)

Finally, respondents were invited to suggest how to make savings or efficiencies, or increase the council income (Q24). The comments made are included in the Appendix.

Respondents' profile

Although the online survey approach is self-selecting and cannot be considered a representative sample of the views of the population, it is still useful to compare the characteristics of respondents to the population of the county as a whole.

For this reason, respondents were asked a few questions about themselves. The entire section, as well as the individual questions, was entirely optional to complete. Tables 5 to 9 below show the responses of those who chose to answer each question (those who either didn't answer or selected 'prefer not to say' are not included in the percentages).

The profile of responses was broadly similar to the gender and disability profile of the county. However, there was an over-representation of people aged 45 to 64 amongst respondents (44% compared to 32% of the adult population), and an under-representation of people from an ethnic group other than 'white British' (3% compared to 8% of population aged 16+). There was also an under-representation of responses from people living in properties in lower Council Tax bands (20% from Bands A and B compared to 38% of all properties).

Your gender?

324 (90%) of respondents chose to provide their gender.

Table 6: gender profile of respondents who answered the question compared to Herefordshire population

Gender	Percentage of respondents (online survey)	Percentage of resident population aged 16+ (2024 mid-year estimate)
Female	43%	51%
Male	57%	49%
Other	0%	-

Your age band?

323 (90%) of respondents chose to provide their age band.

Table 7: age profile of respondents who answered the question compared to Herefordshire population

Age band	Percentage of respondents (online survey)	Percentage of resident population aged 16+ (2024 mid-year estimate)
16 to 24 years	2%	9%
25 to 44 years	29%	26%
45 to 64 years	44%	32%
65+ years	25%	32%

Do you have a disability, long-term illness or health problem (12 months or more) which limits daily activities or the work you can do?

315 (88%) of respondents chose to provide their disability status.

Table 8: percentage of respondents and percentage of Herefordshire population by disability status

Disability or health problem	Percentage of respondents (online survey)	Percentage of population aged 16+ (Census 2021)
Yes	16%	17%
No	84%	83%

Your ethnic group?

309 (86%) of respondents chose to provide their ethnic group.

Table 9: percentage of respondents and percentage of Herefordshire population by ethnic group

Ethnic group	Percentage of respondents (online survey)	Percentage of population aged 16+ (Census 2021)
White British/ English/Welsh/Scottish/ Northern Irish	96%	92%
Other White	3%	5%
Any other ethnic group	0%	3%

Which Council Tax band are you in?

302 of respondents provided their Council Tax band.

Table 10: percentage of respondents and percentage of properties in Herefordshire by Council Tax band

Council Tax band	Percentage of respondents (online survey)	Percentage of properties (2025)
A	4%	15%
B	16%	23%
C	16%	20%
D	28%	15%
E	18%	14%
F, G or H	18%	13%

Herefordshire Council

Appendix H

Herefordshire Council

Activity/project name: Early Help
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's Complex Needs
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☒	☐
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's Staffing
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☒	☐
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒

Add up the "yes" column: ----------

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's Safeguarding Board
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's UASC
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☒	☐
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's Supported Accommodation
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Children's IFA
Person completing this form: Tina Russell
Date: 12/12/25

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☐
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Corporate Services Saving Proposal (Capitalisation of Finance Team time)
Person completing this form: Rachael Sanders
Date: 14/12/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Corporate Services Saving Proposal (Use of flexible capital receipts – funding change)
Person completing this form: Rachael Sanders
Date: 14/12/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Corporate Services Saving Proposal (Review service provision in Corporate Performance & Intelligence Team)
Person completing this form: Rachael Sanders
Date: 14/12/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: ICT/Transformation removal of Director (replace CDIO)
Person completing this form: Tracey Sampson
Date: 14 Jan 2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Communications budget changes
Person completing this form: Alastair Campbell, Interim Service Director, Strategic Communications
Date: 19 January 2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: **26/27 SAVINGS - Review of Long-Term Cases**
Person completing this form: **Zakia Loughead**
Date: **5 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Partnerships
Person completing this form: Jeanette Young
Date: 11th Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Voluntary and Community Sector Framework
Person completing this form: Manny Jhawar-Gill
Date: 10.12.2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☒	☐
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Hoople Equipment
Person completing this form: Leeona Marsh
Date: 10th Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Hoople Learning Disabilities Service
Person completing this form: Manny Jhawar-Gill
Date: 10.12.2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Shaw Transformation
Person completing this form: Leeona Marsh
Date: 10th Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☒	☐
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☒	☐
Add up the "yes" column:	**6**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Leeona Marsh
Directorate: Community Wellbeing
Name of lead person for this activity:
Individual(s) completing this assessment: Manny Jhawar-Gill
Date assessment completed: 12.12.2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Transformation of Shaw Healthcare services and contract to align them to commissioning priorities, compliance requirements and longer-term needs of the residents of Herefordshire residents.

What is the aim, purpose, or intended outcome of this activity?

The Council has a 30-year contract with Shaw Healthcare (Shaw) which started 1 August 2004 and ends 31 July 2034. The contract covers multiple services, including residential care, extra care flats, domiciliary care hours and day care across six homes.
It was established to modernise care for older people and is regularly reviewed for compliance and efficiency.
The Shaw transformation refers to a major service redesign initiative involving Shaw and Herefordshire Council. It focuses on reviewing and restructuring Shaw Healthcare's existing contracts to align to current commissioning priorities and compliance requirements, including up to date service level agreements, equality impact assessments and data sharing agreements that were previously missed or are now out of date. Since the start of the contract the Equalities Act 2010, Care Act 2014 GDPR 2018 have all come into force and will need to be accounted for in terms of how services will be delivered.
Financial and operational efficiency in the contract is key. The on-going service must met current needs as well as be sustainable financially.
The intended outcome is to modernise the contract and service provision delivered by Shaw, improve governance and deliver better outcomes to a greater number of individuals. This will involve changes to existing services with a view to improving more services to be more sustainable to the future.

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☒ Carers
- ☐ Patients
- ☐ All part-time staff
- ☒ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

A full review has been completed of the contract, operational activity and outcomes being achieved against spend and commissioning intentions. This work has concluded there is a requirement for the services to be modernised.

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Commissioners have been working with Shaw for some time on an on-going basis and have identified several keys areas for improvement. Comparison of care delivery in other Council's has provided further evidence for the need to change the current provision.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

Commissioners have been working with Shaw for some time on an on-going basis. Shaw are aware of the need to modernise their services. Further engagement and formal consultation is being planned for January 2026 and each service area of the contract will be looked at systematically.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

The modernisation of Shaw services aims to improve service provision for the people who are assessed as needing care and support under the Care Act 2024. Consultation with people who currently access services and their families will help shape the future service.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☐	Modernisation of the Shaw contract will support older adults to have improved service experience and outcomes. This contract does not impact children and working age adults.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☐	Modernisation of the Shaw contract will support older adults with disabilities to have improved service experience and outcomes. This contract does not impact children.
Gender Reassignment	☒	☐	☐	The modernisation of the Shaw contract will benefit people regardless of their gender reassignment.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
(include gender identity, and consider privacy of data and harassment)				However, where people's gender has been reassigned Shaw Healthcare will be expected to provide appropriate care and support and be able to cater for individual need.
Marriage & Civil Partnerships	☐	☒	☐	The modernisation of the Shaw contract will not be impacted by people's marital nor civil partnership status.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☒	☐	☐	It is unlikely due to the age profile of people receiving services from Shaw that there will be direct impact on this characteristic. However, the modernisation of the Shaw contract will not be impacted by people's pregnancy or maternity status.
Race (including Travelling Communities and people of other nationalities)	☒	☐	☐	The modernisation of the Shaw contract will enable commissioners to revise expectations under the Equalities Act and ensure people's race is accounted for when services are delivered to them e.g. meal choices and communication.
Religion & Belief	☒	☐	☐	The modernisation of the Shaw contract will enable commissioners to revise expectations under of how people are supported to acquire or maintain religion and beliefs.
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	The modernisation of the Shaw contract will not be impacted by sex.
Sexual Orientation	☒	☐	☐	The modernisation of the Shaw contract will not be impacted by sexual orientation. It is envisaged commissioners will revise expectations of Shaw to meet people's care and support needs in a way that does not discriminate them on these grounds.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☒	☐	☐	Care leavers and homeless people are not impacted by the Shaw contract. Those people below the financial threshold for paying for care will not be required to pay the full cost of care, and those with low incomes will be means tested for the ability to contribute towards the cost of their care.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☒	☐	☐	The modernisation of the Shaw contract will consider people's health conditions and make clear expectations of Shaw and the role of health and public health services in the delivery of care and support.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe

7. Monitoring and review

How will you monitor these actions?

No negative impacts have been identified.

When will you review this EIA?

Whilst no negative impacts have been identified, a review of the EIA following consultation is required to address any risks identified. This is likely to be in Feb/Mar 2026.
The EIA will be reviewed following consultation.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Date signed

12.12.2025

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Activity/project name: Care Cubed
Person completing this form: Manny Jhawar-Gill
Date: 10.12.2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Direct Payment Transformation
Person completing this form: Claire Monteith
Date: 10/12/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Review of Self Funder Fees
Person completing this form: Leeona Marsh
Date: 10th Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☒	☐
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☒	☐
Add up the "yes" column:	**6**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Leeona Marsh
Directorate: Community Wellbeing
Name of lead person for this activity:
Individual(s) completing this assessment: Manny Jhawar-Gill
Date assessment completed: 12.12.2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Administration charges for people who self-fund their care.

What is the aim, purpose, or intended outcome of this activity?

The aim of this activity is to review the charges to self-funders when Herefordshire Council arranges their care and support. There are opportunities for the Council to bring in income and added value.

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☐ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☒ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Self-funders are currently charged a set up fee of £100.00 when Herefordshire Council arranges their care and support, and £9.50 monthly administration fee for managing care and support contracts on the person's behalf. These fees have not changed since 2024 and are discretionary i.e. there is no legislation determining minimum or maximum charges. However, the Council must exercise good judgement, reasonableness and act with care when determining charges. A benchmarking exercise has determined that Herefordshire is an outlier in terms of fees and charges and could benefit from making charges to increase potential income.

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Planning for consultation is underway with a view to provisionally start formal consultation in January 2026.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

Benchmarking against other Local Authorities has shown Herefordshire Council charges significantly lower. For example, Bridgend County Council charge £500 per year on cost neutral basis compared to £100 set up fee and £9.50 monthly administration charged by Herefordshire Council.
Findings from the consultation will be reported once consultation has concluded.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

After the needs assessment, the local authority decides if the individual's care needs meet national eligibility criteria under the Care Act. If eligible, the local authority performs a means test to assess the person's financial situation. Thresholds for self-funders are determined nationally. Current threshold for England in 2025/26 show an upper capital limit of £23,250. Anyone requiring care who either has savings or assets greater than £23,250 or those people who do not wish to declare their savings and assets are liable for the full cost of their care. Therefore, any changes to self-funders fees for the setting up and administration of their care will need to be met by the self-funder until such time as their savings and assets fall below the threshold. There is no additional discrimination against this group by the Council if there are changes to the fees.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☒	A child cannot be charged for social care services under current statutory and local policy frameworks Children's services are funded through public provision and are exempt from the charging rules that apply to adults. Adults requiring care who are required to contribute towards the cost of their care may see an increase in charges. However, should their savings fall below the thresholds then the Council would be responsible for arranging their care and charges would move to contributions towards care, rather than administrative charges.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☒	Adults requiring care who are required to contribute towards the cost of their care may see an increase in charges. However, should their savings fall below the thresholds then the Council would be responsible for arranging their care and charges

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
				would move to contributions towards care, rather than administrative charges.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	Charges will be applied to all self-funders regardless of their gender or gender reassignment.
Marriage & Civil Partnerships	☐	☐	☐	Charges will be applied to all self-funders regardless of their marital or civil partnership status.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	Charges will be applied to all self-funders regardless of whether they are pregnant. Maternity is not impacted.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	Charges will be applied to all self-funders regardless of race and ethnicity.
Religion & Belief	☐	☒	☐	Charges will be applied to all self-funders regardless of religion and beliefs.
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	Charges will be applied to all self-funders regardless of sex.
Sexual Orientation	☐	☒	☐	Charges will be applied to all self-funders regardless of sexual orientation.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☒	☐	☒	Care leavers and homeless people are not likely to meet thresholds for self-funding. Family members or friends providing unpaid care are entitled to a carer's assessments to review their ability to care and to identify their support needs. They do not undergo a financial assessment when receiving support through a carer's assessment.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	Charges will be applied to all self-funders regardless of their health conditions.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Age	Consultation will include groups and individuals of a variety of ages and with those who advocate for age groups who cannot advocate for themselves e.g. children, to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026

Potential negative impact	What action will be taken	Who will lead	Timeframe
Disability	Consultation will include groups and individuals with a variety of disabilities to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026
Health inequality	Consultation will include groups and individuals with carrying health condition to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026

7. Monitoring and review

How will you monitor these actions?

A full report of the consultation findings will be written and will include perceived impacts as reported by individual impacted by any changes to self-funder charges.

When will you review this EIA?

A review of the EIA will take place following the consultation and when self-funder charges are agreed to understand the impacts.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Date signed

12.12.2025

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Activity/project name: Financial Assessments
Person completing this form: Claire Monteith
Date: 10/12/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Review of Fees and Charging
Person completing this form: Leeona Marsh
Date: 10th Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☒	☐
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**5**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Leeona Marsh
Directorate: Community Wellbeing
Name of lead person for this activity:
Individual(s) completing this assessment: Manny Jhawar-Gill
Date assessment completed: 12.12.2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Review of Fees and Charging across the full spectrum of services in the Community Wellbeing Directorate.

What is the aim, purpose, or intended outcome of this activity?

The aim of this activity is to review fees and charging to ensure the Council has set appropriate rates. There are opportunities for the Council to bring in income and added value as it moves to being commercially minded.

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☒ Visitors to the county
- ☒ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Current fees and charges from across the Community Wellbeing Directorate have been collated ranging from fee rates for care and support, to entrance fees to museums, library fines, room hire and permits. This data has been collected for 2024/25 and 2025/26. Benchmarking across other Local Authority rates will support the Herefordshire Council to understand how local fees and charges compare regionally and with our neighbouring authorities. Each service within Community Wellbeing will review their respective fees and charges and bring the information together into one report.

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Planning for consultation is underway with a view to provisionally start formal consultation in January 2026.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

Upon comparison of fees and charges from 2024/25 to 2025/26 some rates have not been uplifted and therefore the Council has not been maximising its income generation to invest in services. In addition, Herefordshire Council's fees and charges are broadly lower than the region.
Findings from the consultation will be reported once consultation has concluded.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

There are a broad range of services within scope for this review. Equality can be promoted by offering discounts to people with protected characteristics. However, charging for care and support is also necessary.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☒	Fees and charges applied may differ depending upon age. Differentiation for children (0-18yrs) and people aged over 65 may be applied for entry fees to venues. Impact may be seen by working aged adults. A child cannot be charged for social care services under current statutory and local policy frameworks Children's services are funded through public provision and are exempt from the charging rules that apply to adults.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☒	Fees and charges for people accessing social care services may see a difference in what they are charged for administration e.g. charges for arranging care for self-funders. At the same time, charges for entry to public venues may enable disabled people to have concessions.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	Fees and charges will be applied regardless of gender, gender identity or gender reassignment and there will be no adverse effects.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Marriage & Civil Partnerships	☐	☒	☐	Fees and charges will be applied regardless of marital or civil partnership status and there will be no adverse effects.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	Fees and charges will be applied regardless of pregnancy and maternity status and there will be no adverse effects.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	Fees and charges will be applied regardless of race and there will be no adverse effects.
Religion & Belief	☐	☒	☐	Fees and charges will be applied regardless of religion and beliefd and there will be no adverse effects.
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	Fees and charges will be applied regardless of sex and there will be no adverse effects.
Sexual Orientation	☐	☒	☐	Fees and charges will be applied regardless of sexual orientation and there will be no adverse effects.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☒	☐	☐	Fees and charges will be taken into account for Carers and Care Leavers, homeless people and people whose incomes will are low. These groups will generally not be charged or have a reduction in charges.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☒	☐	☒	Fees and charges for people accessing services may see a difference in what they are charged for. At the same time, charges for entry to public venues may enable people who are disabled by their health condition to have concessions.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Age	Consultation will include groups and individuals of a variety of ages and with those who advocate for age groups who cannot advocate for themselves e.g. children, to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026
Disability	Consultation will include groups and individuals with a variety of disabilities to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026
Health inequality	Consultation will include groups and individuals with carrying health condition to understand impacts.	Head of Service – Ageing Well	Jan-Feb 2026

7. Monitoring and review

How will you monitor these actions?

A project plan has been developed which includes timeframes for planning and delivering the consultation. A full report of the consultation findings will be written which will include perceived impacts as reported by individuals impacted. Impacts will be discussed with senior leaders before decisions are made on changes to fees and sharing structures.

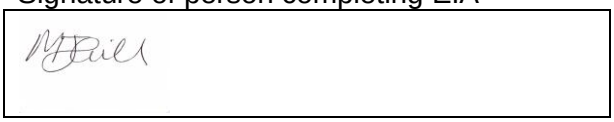
When will you review this EIA?

A review of the EIA will take place following the consultation and when new fees and charges are agreed to understand the impacts.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA



Date signed

12.12.2025

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Activity/project name: **26/27 SAVINGS – Self-referral portal**
Person completing this form: **Emma Evans**
Date: **10 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: **Review of long term cases**
Person completing this form: **Zakia Loughead**
Date: **5 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: **26/27 SAVINGS – Magic Notes**
Person completing this form: **Emma Evans**
Date: **10 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: **26/27 SAVINGS – Co pilot**
Person completing this form: **Hilary Hall**
Date: **10 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: **Community Wellbeing Staffing**
Person completing this form: **Hilary Hall**
Date: **10 December 2025**

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Culture, Museum, Libraries reshape
Person completing this form: Damian Etheraads
Date: 11 December 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Emily Lowe, Head of Communities
Directorate: Community Wellbeing
Name of lead person for this activity: Zoe Clifford, Director of Public Health
Individual(s) completing this assessment: Emily Lowe
Date assessment completed: 16/01/2026

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Talk Community service restructure and staffing savings proposal

What is the aim, purpose, or intended outcome of this activity?

To deliver required budget savings while maintaining a viable, prevention-focused community service aligned to the Talk Community Strategy.

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☒ Children
- ☒ All staff
- ☒ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☒ Other: VCSE groups

Is this:

- ☐ Review of an existing activity/policy
- ☐ New activity/policy
- ☒ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Talk Community Strategy 2024–27, internal service usage and engagement data; workforce and service delivery information; local demographic and needs evidence (including JSNA); and ongoing feedback and intelligence from community and voluntary sector engagement.

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

This EIA is being undertaken in advance of formal staff consultation and prior to any final decisions being made.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

As the proposals are subject to formal consultation, detailed equality impacts cannot yet be fully evidenced and will be informed by consultation feedback

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

The proposals do not intentionally discriminate and will be implemented through fair and transparent consultation and HR processes. There is potential sensitivity for staff and communities which could affect perceptions and relationships if not well managed. This will be mitigated through meaningful consultation, clear communication, and engagement with trade unions and stakeholders.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☐	☒	☒	Older people, children and young families may be indirectly affected if community capacity is reduced. Mitigated by prioritising highest-need groups.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☐	☒	☐	No specific differential impact identified at this stage.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	No specific differential impact identified at this stage.
Marriage & Civil Partnerships	☐	☒	☐	No specific differential impact identified at this stage.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	No specific differential impact identified at this stage.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	No specific differential impact identified at this stage.
Religion & Belief	☐	☒	☐	No specific differential impact identified at this stage.
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	No specific differential impact identified at this stage.
Sexual Orientation	☐	☒	☐	No specific differential impact identified at this stage.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☐	☒	People experiencing deprivation may rely more heavily on prevention services. Mitigated through prioritisation and targeted delivery.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☐	☒	Reduced capacity may affect preventative work addressing health inequalities. Mitigated through prioritisation and targeted delivery.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Unintended equality impacts on staff arising from proposed restructure	Undertake formal consultation in line with the process and review equality impacts as part of decision-making	HOS/ HR	During consultation
Reduced service capacity affecting communities experiencing inequality	Prioritise needs-led delivery and review service impacts following implementation	HOS	Post implementation
Equality impacts not fully evidenced at pre-consultation stage	Update this EIA using consultation feedback and any additional evidence gathered	HOS	Post consultation

7. Monitoring and review

How will you monitor these actions?

Actions will be monitored through the formal consultation process, feedback from staff and trade unions, HR oversight of Management of Change processes, and ongoing service performance and delivery monitoring following implementation.

When will you review this EIA?

Following the conclusion of the consultation and updated as necessary prior to implementation, with a further review post-implementation to assess any realised equality impacts.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Date signed

16/01/2026

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Activity/project name: Talk Community
Person completing this form: Zoe Clifford
Date: 16/01/2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☒	☐
Add up the "yes" column:	**4**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Energy budget reduction
Person completing this form: Richard Vaughan
Date: 14/01/2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: s38 and s278 income
Person completing this form: Gemma Dando
Date: 15/1/26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Sustainable Grants
Person completing this form: Gemma Dando
Date: 15/01/2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☒	☐
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Budget growth for new waste services
Person completing this form: Nicola Percival
Date: 15.1.26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Stock budget change
Person completing this form: Nicola Percival
Date: 14.1.26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Inflation uplift on fees & charges (RTS)
Person completing this form: Charles Yarnold
Date: 16th January 2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: David Land
Directorate: Environment and Economy
Name of lead person for this activity: Michael Barnes
Individual(s) completing this assessment: David Land
Date assessment completed: 15/1/26

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Review of parking tariffs

What is the aim, purpose, or intended outcome of this activity?

Introducing a free pop and shop parking option in council car parks Uplift some parking tariffs in Herefordshire

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☐ Children
- ☒ All staff
- ☒ Staff at a particular location
- ☒ Visitors to the county
- ☒ Carers
- ☒ Patients
- ☒ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Review of parking tariffs compared with inflation

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Parking tariff changes are regulated nationally and through the Council's financial policy. Local Authorities are required to publish Notification of variation in local newspaper for 21 days. We will respond to any feedback received during this period.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

TBC following notification responses

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☐	☒	☐	
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☐	☒	☐	
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	
Marriage & Civil Partnerships	☐	☒	☐	
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	
Religion & Belief	☐	☒	☐	
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	
Sexual Orientation	☐	☒	☐	
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☐	☒	Potential impact on careers and people on low income that own a car. Carers due to needing to park regularly so impact might be greater, and people on low income for any increase in charging.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Negative impact on carers due to potential high need for parking and additional charges having more impact	Availability of permits at a reduced rate for all council car parks to be promoted to carers.	Parking team	Ongoing
Negative impact on people with low income of charge increase	Introduction of a 30 min pop and shop free parking period will offer a free alternative which doesn't currently exist	Parking team	Implementation in April 2026
Impact on carers visiting clients or family on regular occasion	Virtual parking permits made available carers in area that have resident parking schemes	Parking team	Implementation of virtual parking permits is due in 2026.

7. Monitoring and review

How will you monitor these actions?

Car park usage, complaints and budgets will be monitored

When will you review this EIA?

When the notification period is completed

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Date signed

16/1/2026

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Activity/project name: School transport
Person completing this form: Gemma Dando
Date: 16/1/26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☒	☐
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**3**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Public Transport
Person completing this form: David Land
Date: 16/1/26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: vacancy review
Person completing this form: Roger Allonby
Date: 19/1.26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒

Add up the "yes" column: ----------

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Public Realm Contract
Person completing this form: Ed Bradford
Date: 19th January 2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☒	☐
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Activity/project name: Reduction of 5% in controllable spend
Person completing this form: Roger Allonby
Date: 19/1.26

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☒	☐
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒

Add up the "yes" column: ----------

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Rachael Sanders
Directorate: Corporate Services
Name of lead person for this activity: Rachael Sanders
Individual(s) completing this assessment:
Date assessment completed: 12 December 2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Council Tax increase in 2026/27 budget setting.
The proposed draft revenue budget for 2026/27 is a balanced budget. The proposal includes a 4.99% increase in Council Tax (2.99% increase in core Council Tax and 2.00% adult social care precept). This is the maximum increase permitted without a referendum.

What is the aim, purpose, or intended outcome of this activity?

The council is required to set a balanced budget each year under Section 31A of the Local Government Finance Act 1992. Reductions in Central Government funding along with increases in budget pressures have meant that the maximum increase in Council Tax has been proposed to enable a balanced budget and to maintain financial sustainability of the council into the medium term financial strategy period.

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Office for National Statistics, Census 2021 data – population, age, disability.
Office for National Statistics, unemployment data (November 2025).
Office for National Statistics, Disability pay gaps in the UK (October 2024).
Office for National Statistics, Annual Survey of Hours and Earnings (November 2025).
Ministry of Housing, Communities and Local Government (MHCLG) – Council Tax support claimants (September 2025).
Department for Work and Pensions (DWP) – Children in Low income families (March 2025).

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

A public consultation will be undertaken as part of the budget setting process. For 2026/27, this will involve an online survey to gather feedback from residents and local businesses. The analysis of consultation results will be included in the budget setting reports for Cabinet and Council.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

Age

The 2021 Census population data shows that 26% of the population of Herefordshire are aged 65 years and over. The MHCLG data shows that 42% of Council Tax support claimants are pensioners. This indicates that older adults are likely to be disproportionately impacted by an increase in Council Tax.

Disability

The 2021 Census population data shows that 6.7% of Herefordshire residents class themselves as disabled and limited a lot, and 10.3% class themselves as disabled and limited a little. The Office for National Statistics data for disability pay gap shows median hourly pay for those limited a little at 12.7% and for those limited a lot at 17.1%. This indicates that those with a disability are likely to be disproportionately impacted by an increase in Council Tax.

Sex

The Office for National Statistics data on the gender pay gap indicates that women in Herefordshire are paid 9.9% less than men. This indicates that women are likely to be disproportionately impacted by an increase in Council Tax.

The 2021 Census population data shows that the gender split of older adults aged 65 and over in Herefordshire is approximately equal (53% and 47%). This indicates that there is no significant additional impact due to gender on use of council services for older adults.

Social/economic deprivation

The Office for National Statistics data for unemployment shows the level of unemployment in Herefordshire is 2.7%.

The DWP data for children in low income families shows that 5,272 children in Herefordshire are living in families classed as in relative absolute poverty.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

n/a

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☒	Positive impact The proposed increase in Council Tax income will fund higher spend on services, including services for older people and children/younger people. Demand and complexity of demand within these services has been increasing, along with inflationary pressures as a result of general cost inflation as well as the impact of National Living Wage and employer's National Insurance increases. The increased budget for these services will support sustainability of these statutory services and will benefit this group in the longer term. Negative impact The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics. This is more likely for older adults with lower incomes and for children in low income families. Mitigations Residents on low or fixed incomes may be disproportionately impacted by the proposed increase in Council Tax. Residents in Herefordshire with lower income continue to be supported through the existing Council Tax Reduction and Hardship schemes.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☒	Positive impact The proposed increase in Council Tax income will fund higher spend on services, including services for people with disabilities. Demand and complexity of demand within these services has been increasing, along with inflationary pressures as a result of general cost inflation as well as the impact of National Living Wage and employer's National Insurance increases. The increased budget for these services will support sustainability of these statutory services and will benefit this group in the longer term. Negative impact The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics. This is more likely for people with disabilities due to the pay gap evidence. Mitigations Residents on low or fixed incomes may be disproportionately impacted by the proposed increase in Council Tax. Residents in Herefordshire with lower income continue to be supported through the existing Council Tax Reduction and Hardship schemes. It is proposed that the Council Tax Reduction Scheme is maintained at the maximum level as in previous years.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.
Marriage & Civil Partnerships	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☐	☒	Negative impact The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics. This is more likely for those in the pregnancy/maternity group due to the potential for lower income during this period (maternity leave, part time working, etc.) NB. Data source outstanding. Mitigations Residents on low or fixed incomes may be disproportionately impacted by the proposed increase in Council Tax. Residents in Herefordshire with lower income continue to be supported through the existing Council Tax Reduction and Hardship schemes.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.
Religion & Belief	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.
Sex (consider issues of safety and sexual violence, part-time work)	☐	☐	☒	Negative impact The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics. This is more likely for females due to the gender pay gap. Mitigations Residents on low or fixed incomes may be disproportionately impacted by the proposed increase in Council Tax. Residents in Herefordshire with lower income continue to be supported through the existing Council Tax Reduction and Hardship schemes. It is proposed that the Council Tax Reduction Scheme is maintained at the maximum level as in previous years.
Sexual Orientation	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☐	☒	Negative impact The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics. This is more likely for those groups with low or fixed incomes, including carers, care leavers, homeless, social/economic deprivation. NB. Data source outstanding. Mitigations Residents on low or fixed incomes may be disproportionately impacted by the proposed increase in Council Tax. Residents in Herefordshire with lower income continue to be supported through the existing Council Tax Reduction and Hardship schemes. It is proposed that the Council Tax Reduction Scheme is maintained at the maximum level as in previous years. There are also specific Local Council Tax discounts available for foster carers and care leavers to support these groups.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	The proposed increase in Council Tax is unlikely to disproportionately impact individuals within this protected characteristic group. There is no evidence to suggest this group have lower income.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
The proposal to increase Council Tax by 4.99% has the potential to negatively impact all residents of the county, including those with protected characteristics.	Mitigations are already in place through the existing Council Tax Reduction and Hardship schemes. This support will continue in 2026/27 at the maximum level as in previous years.	n/a	n/a
Groups within this EIA with potentially lower income and therefore higher impact of this policy are pregnancy/maternity, those in the other category (carers, care leavers, homeless, social/ economic deprivation) and veterans.	The council is reviewing data sources to provide information to evidence the potential for lower income in these groups.	Intelligence Unit Team	February 2026

7. Monitoring and review

How will you monitor these actions?

The Council Tax Reduction scheme is considered for renewal each year by Cabinet in line with the budget setting reporting.

When will you review this EIA?

Annually through the budget setting process.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Rachael Sanders

Date signed

16 January 2026

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Rachael Sanders
Directorate: Corporate Services
Name of lead person for this activity: Rachael Sanders
Individual(s) completing this assessment:
Date assessment completed: 10 December 2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

The Council Tax Reduction Scheme (CTRS) for Herefordshire Council is available to working age claimants (set locally by the council) and pensioner claimants (set nationally by Central Government). The local CTRS reduces Council Tax charges by 100% for claimants if they meet certain set criteria. The scheme proposed for 2026/27 is unchanged from the 2025/26 scheme.

What is the aim, purpose, or intended outcome of this activity?

The scheme aims to mitigate the financial impact of increases in Council Tax as proposed in the 2026/27 draft budget by reducing the debt burden on those residents who struggle to pay their Council Tax charge.

Who will be affected by the development and implementation of this activity?

- ☐ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Office for National Statistics, Census 2021 data – population, age, disability.
Office for National Statistics, unemployment data (November 2025).
Office for National Statistics, Disability pay gaps in the UK (October 2024).
Office for National Statistics, Annual Survey of Hours and Earnings (November 2025).
Ministry of Housing, Communities and Local Government (MHCLG) – Council Tax support claimants (September 2025).
Department for Work and Pensions (DWP) – Children in Low income families (March 2025).

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

A public consultation will be undertaken as part of the budget setting process. For 2026/27, this will involve an online survey to gather feedback from residents and local businesses. The analysis of consultation results will be included in the budget setting reports for Cabinet and Council.

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

The Council Tax Reduction Scheme (CTRS) eligibility is based on level of income and savings. This policy will disproportionately positively impact those protected characteristic groups where there is evidence that they have lower income levels than average. This is because they could have a successful application to the scheme resulting in a lower/no Council Tax charge. This potentially applies to the protected characteristics of Age, Disability, Pregnancy/Maternity, Sex and Social/economic deprivation.

Age

The 2021 Census population data shows that 26% of the population of Herefordshire are aged 65 years and over. The MHCLG data shows that 42% of Council Tax support claimants are pensioners. This indicates that older adults are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Disability

The 2021 Census population data shows that 6.7% of Herefordshire residents class themselves as disabled and limited a lot, and 10.3% class themselves as disabled and limited a little. The Office for National Statistics data for disability pay gap shows median hourly pay for those limited a little at 12.7% and for those limited a lot at 17.1%. This indicates that those with a disability are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Pregnancy/Maternity

There is potential for lower income for this group due to maternity leave and part time hours during this period. This indicates that those in the pregnancy/maternity group are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Sex

The Office for National Statistics data on the gender pay gap indicates that women in Herefordshire are paid 9.9% less than men. This indicates that women are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Social/economic deprivation

The Office for National Statistics data for unemployment shows the level of unemployment in Herefordshire is 2.7%.

The DWP data for children in low income families shows that 5,272 children in Herefordshire are living in families classed as in relative absolute poverty.

This indicates that this group are likely to have low levels of income and would therefore be disproportionately positively impacted by the CTRS.

Note we are unable to obtain protected characteristics data on those successful applicants to the CTRS, with the exception of Age, which is published by MHCLG.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☒	☐	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

By minimising the financial burden on those who struggle to afford their Council Tax charges, the council is promoting financial equality of opportunity.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☐	The CTRS claimants' data shows that 42% of successful claims are made by pensioners, which is a higher proportion than the population demographics would suggest. This suggests that older adults are disproportionately positively impacted by this scheme.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☐	ONS data shows there is a disability pay gap which would indicate that those people with disabilities are more likely to be lower paid. This suggest that people with disabilities are disproportionately positively impacted by this scheme.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Marriage & Civil Partnerships	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☒	☐	☐	It is more likely that this group would have lower income due to maternity leave pay and potential for part time hours during this period. This suggests that the pregnancy/maternity group are disproportionately positively impacted by this scheme. NB. Data source outstanding.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Religion & Belief	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Sex (consider issues of safety and sexual violence, part-time work)	☒	☐	☐	ONS data shows there is a gender pay gap which would indicate that women are more likely to be lower paid. This suggest that women are disproportionately positively impacted by this scheme.
Sexual Orientation	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☒	☐	☐	It is more likely that this group would have lower income due to their social/economic factors. This suggests that this group are disproportionately positively impacted by this scheme. NB. Data source outstanding.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	There is no evidence to suggest this group have lower income, therefore this policy is likely to impact this group in line with the general population.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Groups within this EIA with potentially lower income and therefore higher positive impact of this policy are pregnancy/maternity, those in the other category (carers, care leavers, homeless, social/ economic deprivation) and veterans.	The council is reviewing data sources to provide information to evidence the potential for lower income in these groups.	Intelligence Unit Team	February 2026

7. Monitoring and review

How will you monitor these actions?

The Council Tax Reduction scheme is considered for renewal each year by Cabinet in line with the budget setting reporting.

When will you review this EIA?

Annually through the budget setting process.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Rachael Sanders

Date signed

16 January 2026

Herefordshire Council

Activity/project name: CT discretionary fees
Person completing this form:
Date: 4 Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Cost centre C06316 Council Tax collection costs:
Expenditure budgets for Council Tax discretionary awards are overspending and need to be increased from £330k to £500k. £126k of this increase is being vired from other budgets within the Central directorate, leaving £43k of increased budget requirement.

Council Tax discretionary award expenditure budget is spent on hardship relief, Ukraine discounts, care leaver discounts and foster carer discounts. This spend has been increasing over the past 3 years with a forecast of £500k in the current financial year, due in part to the decision to include foster carers who pay Council Tax to other Local Authorities.

2023/24	£309k
2024/25	£435k
2025/26	£500k (forecast)

This EIA covers the requirement to increase the expenditure budget in line with the increased spend in this area. It does not cover the original decisions to award Council Tax reliefs and discounts. Equalities Act impact would have been assessed at the point of decision.

The increase in these budgets does not directly impact service users and is therefore not anticipated to have an Equalities Act impact.

Herefordshire Council

Activity/project name: HB admin costs
Person completing this form:
Date: 4 Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Cost centre C06318 Housing Benefit administration costs:
Expenditure budgets for computer expenditure and fees are overspending and need to be increased by £55k. This is due to increased costs of system maintenance.

The increase in these budgets does not directly impact service users and is therefore not anticipated to have an Equalities Act impact.

Herefordshire Council

Activity/project name: NNDR admin costs
Person completing this form:
Date: 4 Dec 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☐	☒
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**0**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Cost centre C06317 NNDR administration costs:
Expenditure budget is underspent and can be reduced by £122k.

Cost centre C06318 Housing Benefit administration costs:
Income budget can be increased by £4k to match the grant income expectations.

These budgets have both been vired for 2026/27 budget setting to help support increased costs within the Council Tax discretionary award pot within cost centre C06316 Council Tax collection costs.

The reduction in these budgets does not directly impact service users and is therefore not anticipated to have an Equalities Act impact.

Herefordshire Council

Activity/project name: HR and OD savings for 26/7 budget setting
Person completing this form: Tracey Sampson
Date: 11 December 2025

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☒	☐
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**2**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Philippa Wride
Directorate: Governance and Law
Name of lead person for this activity: Philippa Wride
Individual(s) completing this assessment: Philippa Wride
Date assessment completed: 2 December 2025

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Service redesign within Hear Me Service (Children's Rights and Advocacy)

What is the aim, purpose, or intended outcome of this activity?

The aim is to re-align service demand with staffing requirements. The team has been recruited in excess of service need. The aim is to reduce the staffing levels from 6.3 FTE to 3.0 FTE

Who will be affected by the development and implementation of this activity?

- ☐ Service users
- ☐ Communities
- ☐ Children
- ☐ All staff
- ☒ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☐ Other:

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Data on the numbers of children open to Children's Services – CLA, care leavers, CP, CIN Annual reports over last 3 years of Hear Me service showing the number of referrals to the service Service case tracker records Staffing establishment Service Level Agreements 2020 and 2023

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Formal consultation will be with the staff team and key stakeholders during the course of the restructure process

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

All relevant information is available and has been considered.
The 2023 SLA incorrectly assumes the size of the staffing capacity needed based on the size of the children's services population as opposed to expected referrals into the team. On this basis the team was recruited to although referrals to the service have reduced year on year.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☐	☒	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

None identified

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☐	☒	☐	
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☐	☒	☐	There are some staff who may feel anxious whilst the process takes place
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	
Marriage & Civil Partnerships	☐	☒	☐	
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	This should not impact on staff who may pregnant
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	
Religion & Belief	☐	☒	☐	
Sex (consider issues of safety and sexual violence, part-time work)	☐	☒	☐	

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Sexual Orientation	☐	☒	☐	
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☒	☐	
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☐	☒	☐	There are some staff with potential health issues but this should not impact on them other than the anxiety that such processes can naturally cause

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
N/A			

7. Monitoring and review

How will you monitor these actions?

N/A

When will you review this EIA?

At the end of the restructure process

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Philippa Wride

Date signed

2 December 2025

Herefordshire Council

Activity/project name: Granicus Licences
Person completing this form: Stacey Carter
Date: 16/01/2026

Equality impact screening checklist

Remember that your completed checklist will be available to decision-makers and the public, and is therefore open to challenge. Consider what evidence is in place to support your answers.

	Yes	No
1. Does/will the policy or activity affect the public directly or indirectly?	☐	☒
2. Have there been or likely to be any public concerns about the policy or proposal?	☐	☒
3. Does the evidence/data show an existing or likely differential impact for any of the protected characteristics (eg. age, sex, disability, race, religion, pregnancy, etc)?	☐	☒
4. Do/will people who have different protected characteristics have different needs, experiences, issues or priorities in relation to this policy or activity?	☐	☒
5. Could the policy or activity affect how services, commissioning or procurement activities are organised, provided, where and by whom?	☐	☒
6. Could the policy or activity affect our workforce or our employment practices (eg. software purchase, team restructure or relocation, HR policy)?	☒	☐
7. Have complaints been received from different equality groups about the effect of this policy, proposal or our activities in general (having no complaints does not always mean there is no issue?)	☐	☒
8. Does the policy involve, or will it have an impact upon, eliminating unlawful discrimination, promoting equality of opportunity, or promoting good relations between different groups?	☐	☒
9. Is there likely to be an adverse/negative impact or risks to the organisation, for users, equality groups or staff if the policy or activity is implemented in its current format?	☐	☒
Add up the "yes" column:	**1**	

How many answers are "**yes**"?:

0: **No impact** – the process is complete.

1-3: **Low impact** – an EIA is not required at this point (you can complete a light-touch EIA now or later if you want to – that is never wrong). But you must still indicate within your documentation and decision papers what equality factors you have considered. This is a statutory requirement, and is open to challenge and scrutiny.

4-9: **High impact** - a full EIA is required immediately. The EIA can be reviewed, re-done, or updated at any time as necessary.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Claire Monteith
Directorate: Community Wellbeing
Name of lead person for this activity: Jeanette Young
Individual(s) completing this assessment: Jeanette Young & Helen Morgan
Date assessment completed: 29/01/2026

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Proposal to cap direct payments at average residential cost

What is the aim, purpose, or intended outcome of this activity?

Improve equitability across the system and ensure effective use of council resources to support people

Who will be affected by the development and implementation of this activity?

- ☒ Service users
- ☒ Communities
- ☐ Children
- ☐ All staff
- ☐ Staff at a particular location
- ☐ Visitors to the county
- ☐ Carers
- ☐ Patients
- ☐ All part-time staff
- ☒ Other: Care providers

Is this:

- ☒ Review of an existing activity/policy
- ☐ New activity/policy
- ☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

Demographic and usage data

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Finance, ASC HoS, Service Director Commissioning, Corporate Director and lead member for CWD

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

The evidence showed an inequitable approach using our current policy and a high level of clawbacks – therefore we need to resolve this inequitably by introducing a new fairer approach and reduce the admin burden of clawbacks.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☐	☒	☐
Advance equality of opportunity between different groups?	☒	☐	☐
Foster good relations between different groups?	☐	☒	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

Introducing a fairness approach across all new direct payments and ongoing review of existing packages would reduce the inequality of allocation of funds. A consistent approach would ensure that budgets are equitably agreed based on the same criteria regardless of location or individual's inclusion in any of the defined groups.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☐	☒	☐	Modelling of adults currently paid above the new criteria indicates that the majority fall into the 26-35 and 66+ age brackets. The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Marriage & Civil Partnerships	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed..
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☐	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Race (including Travelling Communities and people of other nationalities)	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Religion & Belief	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Sex (consider issues of safety, sexual violence, part-time work, and single-sex provision – especially in light of the legal definition of "sex")	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Sexual Orientation	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☒	☐	The positive impact will be fairness and equitability of allocation of funds against needs. Some people might have changes in their packages when assessed.
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☒	☐	☐	The positive impact will be fairness and equitability of allocation of funds against needs.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Individuals may struggle to negotiate rates or source alternative providers	Ensure access to independent advice. Build robust procurement support into DPSS contract and work with providers to accept rates		
Individuals may reduce care provision resulting in unmet needs	This will only occur if their needs have changed		
All	Establish an appeals process		

7. Monitoring and review

How will you monitor these actions?

Workstreams will be established for each action. These workstreams will be monitored using project management tools. Account monitoring will be conducted at 3 month intervals for the first 9 months for any capped direct payments to ensure that potential service reductions are identified quickly and prevent unmet needs.

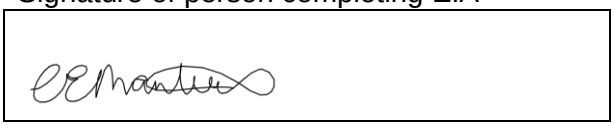
When will you review this EIA?

To be amended throughout mobilisation and reviewed in 3 months following receipt of initial feedback and monitoring.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA



Date signed

29/01/2026

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Equality Impact Assessment (EIA) Form

1. Service Area/Directorate

Name of Head of Service for activity being assessed: Amanda Moorcroft and Iain Richmond
Directorate: Community Wellbeing
Name of lead person for this activity: Zakia Loughead
Individual(s) completing this assessment: Zakia Loughead
Date assessment completed: 03/02/2026

2. What is being assessed

Activity being assessed (eg. policy, procedure, budget, service redesign, strategy etc.)

Review of Adult Social Care care packages, with a particular focus on **high-cost packages** and the exploration of alternative ways to meet eligible needs. This includes considering **strengths-based approaches**, **reablement**, **Technology Enabled Care (TEC)** solutions and **community-based support.**

What is the aim, purpose, or intended outcome of this activity?

- Improve outcomes for residents through maximising independence and ensuring provision is proportionate, strengths-based and tailored.
- Ensure fair and equitable allocation of public resources.
- Reduce over-reliance on long-term, high-cost packages where alternative solutions may better promote independence and wellbeing.
- Promote the effective us of reablement, assistive technology and community assets.
- Support consistency and transparency in decision – making.
- Ensure statutory Care Act duties are met.

Who will be affected by the development and implementation of this activity?

☒ Service users
☒ Communities
☐ Children
☒ All staff
☐ Staff at a particular location
☐ Visitors to the county
☒ Carers
☐ Patients
☐ All part-time staff
☒ Other: Partner organisations and providers of commissioned services

Is this:

☒ Review of an existing activity/policy
☐ New activity/policy
☐ Planning to withdraw or reduce a service, activity or presence?

3. Background information and findings

What information and evidence have you reviewed to help inform this assessment? (name your sources, eg. demographic information, usage data, Census data, feedback, complaints, audits, research)

- Data on high-cost care packages and expenditure patterns
- Brokerage information and provider market analysis
- Reablement service outcomes and performance
- TEC utilisation data and cost-benefit analysis
- Demand and complexity trends
- Strengths -based practice audits
- Feedback from service users and carers about current support
- Safeguarding enquiries involving high-need individuals

Summary of engagement or consultation undertaken (eg. who you've engaged with, and how, or why do you believe this is not required)

Summary of relevant findings (it is possible that you will have gaps in your evidence. You must decide whether you need to fill in the gaps now, and if it is feasible to do so. It might be that collecting robust information forms part of your action plan below)

- Some high-cost packages may not reflect a strengths-based or independence-focused approach.
- Reablement is under-utilised in certain pathways; opportunities exist to shift from long-term care to short-term care to short-term enablement.
- TEC solutions (falls sensors, remote monitoring, medication prompts, etc) are inconsistently implemented.
- Community and voluntary services offer untapped potential to reduce social isolation and dependence on formal care.
- Some groups experience barriers to accessing alternative support (e.g., digital exclusion, language barriers, cultural perceptions of care).
- A personalised approach is required to ensure cost reviews do not disproportionately impact vulnerable individuals.

4. The Public Sector Equality Duty

Will this activity have a positive, neutral or negative impact on our duty to:

Equality Duty	Positive	Neutral	Negative
Eliminate unlawful discrimination, harassment, victimisation?	☒	☐	☐
Advance equality of opportunity between different groups?	☒	☐	☐
Foster good relations between different groups?	☒	☐	☐

Explain your rationale here, and include any ways in which you could strengthen the capacity of this activity to promote equality (remember to add anything relevant into your action planning below)

Eliminate discrimination
Reviews will ensure equitable application of eligibility, reducing variability between teams. TEC and reablement can provide more personalised, dignified support compared to institutional or intensive care models.

Advance equality of opportunity
People with disabilities, long-term conditions and older adults may benefit from solution that better promote independence. Tailored TEC and community support can address inequalities in access to timely care. Reablement offers an early opportunity to regain skills and avoid long-term dependence.

Foster good relations:
Working with community groups builds trust, particularly among minority ethnic communities and digitally excluded households. Increased visibility of community assets supports social inclusion.

5. The impact of this activity

Consider the potential impact of this activity on each of the equality groups outlined below and explain your rationale. Please note it is possible for the potential impact to be both positive and negative within the same equality group. Remember to consider the impact on staff and service users (current and potential) and partner organisations. It may be useful to include data within these sections if you know the diversity make-up of the people likely to be affected.

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
Age (include safeguarding, consent and child welfare)	☒	☐	☒	Older adults often benefit greatly from reablement and TEC, improving safety and independence. It ensures older adults and younger adults receive regular, consistent reviews to maintain safety and appropriateness. However, sudden reductions in packages could increase risk if not managed carefully. Older adults may experience anxiety about changes to long-standing packages. Younger adults transitioning from children's services may feel destabilised. Risk of unintentional bias (e.g., assumptions about capability based on age).
Disability (consider attitudinal, physical, financial and social barriers, neuro-diversity, learning disability, physical and sensory impairment)	☒	☐	☒	TEC and reablement can support autonomy for individuals with physical, sensory or cognitive impairments. Reviews ensure packages reflect actual functional needs and identifies gaps in provision and unmet needs. They promote reasonable adjustments and equitable access. However, individuals with learning disabilities or neurodiversity may need more support in adopting new technology. People with cognitive or communication impairments may struggle to participate fully. There is a risk that changes to packages reduce stability for those with complex disabilities.
Gender Reassignment (include gender identity, and consider privacy of data and harassment)	☒	☐	☒	Reviews can identify inappropriate or insensitive care arrangements. There is the potential to improve dignity where gender identity has changes since the last review. However, there are risks of misgendering or insensitive questioning and potential challenges around carer gender preferences.
Marriage & Civil Partnerships	☐	☒	☐	
Pregnancy & Maternity (consider working arrangements, part-time working, infant caring responsibilities)	☐	☒	☐	
Race (including Travelling Communities and people of other nationalities)	☒	☐	☒	**Reviews provide the o**pportunity to address cultural or language-related unmet needs and ensure culturally appropriate support remains in place. Language or cultural differences may limit uptake or alternative support and potentially may lead to misunderstandings during reviews. Cultural assumptions could influence decisions. Some groups may distrust statutory services, affecting engagement.
Religion & Belief	☐	☒	☐	
Sex (consider issues of safety, sexual violence, part-time	☒	☐	☒	Women, who are more likely to be carers, may benefit from reduced caring burdens through TEC

Equality Group	Potential positive impact	Potential neutral impact	Potential negative impact	Rationale
work, and single-sex provision – especially in light of the legal definition of "sex")				and community support. Consistent reviews reduce risk of gender-based variation in care planning and support safeguarding by identifying risks earlier. Women are more likely to be older and living alone and there is the potential risk of isolation if reviews reduce support.
Sexual Orientation	☐	☒	☐	
Others: carers, care leavers, homeless, social/ economic deprivation (consider shift-patterns, caring responsibilities)	☐	☒	☐	
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from unequal distribution of social, environmental & economic conditions)	☒	☐	☐	Reablement and TEC can prevent deterioration and hospital admission. They provide earlier intervention in deprived or rural areas where care capacity is limited.

Where a negative impact on any of the equality groups is realised after the implementation of the activity, the activity lead will seek to minimise the impact and carry out a full review of this EIA.

6. Action planning

What actions will you take as a result of this impact assessment? (you will need to include actions to mitigate any potential negative impacts)

Potential negative impact	What action will be taken	Who will lead	Timeframe
Risk of inappropriate reduction in care packages	Every review must be Care Act compliant with senior sign off for high-risk cases Any reduction in a care package will have clinical and social work oversight and there will be a phased transition. Reablement and TEC solutions will be offered before any reduction. Provide clear communication in accessible formats, involving advocates or family where appropriate. Monitor for disparities in outcomes across age groups, sex, disability and race. Train reviewers on gender identity.	Heads of Adult Social Care Operations	Ongoing
Digital exclusion limiting TEC uptake	Provide analogue or easy-use devices; digital inclusion support	TEC Manager	Pre-Implementation
Anxiety among service users and carers	Clear communication, advocacy involvement, co-production sessions	Service Director – Adult Social Care and Housing	During rollout
Cultural/language barriers	Provide translated materials and community engagement if deemed necessary	Commissioning and Equality Lead	Within 3 months

Potential negative impact	What action will be taken	Who will lead	Timeframe
Staff confidence in reablement and TEC pathways	Training programme on strengths-based practice and TEC assessment	Workforce Development and TEC Manager	Within 6 months

7. Monitoring and review

How will you monitor these actions?

- Cost and outcome evaluation of care package changes.
- Tracking TEC uptake and impact.
- Reablement success rates (independence outcomes)
- Equality data audit to identify and disproportionate impact
- Review every 6 months, or earlier if concerns are identified

When will you review this EIA?

The EIA will be reviewed every six months.

8. Equality Statement

- All public bodies have a statutory duty under the Equality Act 2010 to give due regard to how they can improve society and promote equality in every aspect of their day-to-day business. This means that they must consider, and keep reviewing, how they are promoting equality in decision-making, policies, services, procurement, staff recruitment and management.
- Herefordshire Council will challenge discrimination, promote equality, respect human rights, and design and implement services, policies and measures that meet the diverse needs of our population, ensuring that none are placed at a disadvantage over others.

Signature of person completing EIA

Date signed

04/02/206

9. Make this EIA available (and delete this section)

- Attach your EIA as an appendix to any decision reports so that decision-makers have all the equality data they need in order to make robust and fair decisions.
- Upload your EIA to the shared Teams site: Equality Impact Assessment | General | Microsoft Teams
- Staff, trade unions, service users or members of the public may want to see this EIA, so it must be published on our website along with the decision report.

Herefordshire Council

Title of report: Pay Policy Statement 2026/27

Meeting: Full Council

Meeting date: 13 February 2026

Report by: Chair of Employment Panel

Classification
Open

Decision type

Non-key

Wards affected
(All Wards);

Purpose
To approve the pay policy statement 2026-27 for publication.

Recommendation(s)
That the pay policy statement in Appendix A is approved for publication.

Alternative options

1. There are no alternatives to the recommendation; the publication of the pay policy statement is a statutory requirement as stated in the Localism Act 2011. This provides transparency on the council's approach to pay and remuneration relationship for the highest and lowest earners. This statement does not introduce any policy changes but does provide a summary of policies already in place.

2. Council are able to determine any changes to the statement to improve transparency, whilst having regard to statutory guidance issued by the Secretary of State.

Key considerations

3. The Localism Act 2011 places an obligation on the council to produce an annual pay policy statement for each financial year and for this statement to be approved by Council before the start of the financial year to which it relates.

4. The statement must set out the council's policies relating to:

    a) The remuneration of its chief officers

    b) The remuneration of its lowest paid employees; and

    c) The relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.

5. The statement must include the council's definition of 'lowest paid employees' and the reason for adopting that definition.

6. The statement must include policies relating to:

    a) The level and elements of remuneration for each chief officer
    b) Remuneration of chief officers on recruitment
    c) Increases and additions to remuneration for each chief officer
    d) The use of performance related pay for chief officers
    e) The use of bonuses for chief officers
    f) The approach to the payment of chief officers on their ceasing to hold office under, or to be employed by the authority; and
    g) The publication of and access to information relating to remuneration of chief officers

7. The statement draws together factual material and provides a summary of the current pay policies of the council.

    The ratio between the council's lowest paid staff and the chief executive's salary is included in the statement. For 2026/27 this ratio is 1:7.03 which is a marginal improvement from the previous year (1:7.37). A comparison of the most recently published pay ratios for similar or neighbouring local authorities is below and this shows the council's ratio to be amongst the lowest.

    a) Worcestershire County Council, 1:9
    b) Gloucestershire County Council, 1:20
    c) Shropshire Council, 1:8
    d) Powys County Council, 1:6.46
    e) Staffordshire County Council, 1:9
    f) Dudley MBC, 1:8
    g) Oxfordshire County Council, 1:10.09
    h) Sandwell Council, 1:9

    The pay policy statement also includes the ratio between the median (average) full time equivalent earnings of staff and the chief executive's salary. In Herefordshire Council this ratio is 1:5.27 and benchmarking data for regional or neighbouring authorities is shown below:

    a) Worcestershire County Council, 1:6.63
    b) Gloucestershire County Council, 1:5.04
    c) Shropshire Council, 1:6

d) Powys County Council, 1:5.20
e) Staffordshire County Council, 1.6
f) Dudley MBC, 1:6
g) Oxfordshire County Council, 1:6.34
h) Sandwell Council, 1:6

8. All posts, whether chief officer or not, have their level of remuneration established through assessment by a nationally recognised and independent job evaluation scheme. Council must approve any new salary packages not included in the pay policy statement, or severance payments, exceeding £100,000.

9. In approving its statement, Council must have regard to any guidance issued by the Secretary of State. This has been taken into consideration in the development of the statement.

Community impact

10. By complying with the legal requirements placed on it, the council continues to ensure that the resources available are used in the most effective way and there is transparency in how public money is used. This contributes to the corporate plan priority to secure better services, quality of life and value for money.

11. By publishing this statement the council is demonstrating the code of corporate governance principles of implementing good practices in transparency, reporting and audit to deliver effective accountability, and behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Environmental Impact

12. Whilst this decision will have minimal environmental impact, consideration has been made to minimise waste and resource use in line with the council's environmental policy.

Equality duty

13. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.

14. The mandatory equality impact screening checklist has been completed for this statement and it has been found to have no impact for equality.

15. The pay policy statement clearly sets out that pay levels are set in line with equality legislation.

Resource implications

16. There are no costs arising directly from this report.

Legal implications

17. The requirement to publish an annual Pay Policy Statement is a requirement of section 38 of the Localism Act 2011. The Council also must consider the minister's statutory guidance issued in February 2012 when publishing the Statement.

18. The Statement must be approved by Council and cannot be delegated to a committee.

Risk management

19. The risks identified with the pay policy statement are detailed below.

Risk / opportunity	Mitigation
Failure to approve and publish a statement will result in non-compliance with a statutory requirement	Arrangements are in place to ensure the statement is published following Council's full approval

Consultees

20. None

Appendices

Appendix 1 - Pay Policy Statement 2026-2027

Background papers

None identified.

Herefordshire Council

Appendix 1

PAY POLICY STATEMENT 2026/27

1. Introduction

1.1.This statement is published in line with section 38(1) of the Localism Act 2011. The Act requires councils to produce an annual pay policy statement that sets out the council's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and lowest paid employees. The majority of terms and conditions are universal and apply to all employees, unless otherwise specified.

1.2. This pay policy statement does not apply to schools, other than in reference to pay bargaining for support staff in locally maintained schools.

1.3. Herefordshire Council's rules with regard to the employment of staff are set out within the employment rules contained within part 4, section 9 of the constitution.

1.4. This statement is subject to annual review.

2. Pay structure, national and local frameworks

2.1. Herefordshire Council (the council) is committed to fair pay and grading determined by a robust and objective job evaluation process. The National Joint Council's (NJC) job evaluation scheme is used for identifying the pay grade for all posts up to 07HC and the Hay job evaluation scheme for posts above this level.

2.2. The council's pay structure is based on the National Joint Council for local authorities pay spine up to 11HC. Pay structures above this are locally determined. The pay structure is at appendix A. The council adheres to the national pay bargaining for local government employees, including any negotiated annual cost of living increases. This also applies to support staff in local authority maintained schools.

2.3. To reflect market conditions, the council currently pays enhancements such as market forces supplements to attract candidates or to retain employees where there is an identified and evidenced skills shortage to enable the council to pay a competitive rate for the job. The council has a robust policy in place to manage market forces supplements. The majority of these supplements are paid to staff working in children's social care where there are nationally recognised shortages in the supply of qualified children's social workers. A small number of market forces supplements are in place for some senior management posts and these are illustrated in the table under section 3. Proposals for new market forces supplements are approved by the Director of HR and OD. Existing market forces supplements are reviewed no less frequently than every two years and may be withdrawn subject to notice, where the market conditions no longer warrant the payment.

2.4 To respond to the challenges faced by the council of retaining qualified and experienced social workers, the council has a welcome scheme payment and a retention scheme payment, which is supported by robust qualifying rules.

2.5 All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by council policy.

2.6 The terms and conditions of employment for the majority of council employees are determined by the National Joint Council (NJC) for local authorities. Chief Officers are aligned to the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities (or Joint Negotiating Committee for Chief Executives of Local Authorities). These may be amended, supplemented or superseded by decisions on conditions of service made by the council from time to time and contained within the council's employment policies and procedures.

2.7 Where there are instances of differing pay awards determined for NJC and JNC granted by the national employers, the council reserves the right to adopt the most equitable pay award for senior officers whose salaries fall within the grades HoS1, HoS2 and HoC1 to ensure fairness and to maintain the pay structure.

2.8 Nationally or locally determined rates and terms and conditions apply for other employee groups including:

- Employees whose pay and conditions are determined by the Soulbury Committee;
- Centrally employed teachers whose pay and conditions are determined nationally;
- Employees who have transferred from the NHS to the council and retain their former terms and conditions of employment;
- Employees who have retained terms and conditions of employment from other employers following a TUPE transfer to the council.

3. Level and elements of remuneration for each chief officer

3.1 The definition of chief officer is defined as the head of the authority's paid service or a statutory chief officer which under the Local Government and Housing Act 1989 means Director of Children's Services, Director of Adult Social Services, Director of Public Health, Section 151 Officer and Monitoring Officer or equivalent.

3.2 The definition of chief officer also includes non-statutory chief officers which means a person who, for most of the duties of his/her post, is required to report directly to the head of the authority's paid service.

3.3 The definition of a deputy chief officer means, a person who, for all or most of the duties of his/her post, is required to report directly to one or more of the statutory or non-statutory chief officers.

3.4 Those posts listed below are reported where there is a permanent established post and an employee in post at the time of writing. A copy of the senior management structure is available on the council's website.

Post Title	**Salary grade**
Chief Executive (head of paid service)	CEX
Statutory chief officers	
Corporate director, children and young people [3]	DIR2
Corporate director, community wellbeing	DIR2

Director of governance and law (monitoring officer)	DIR1
Director of finance (s151)	DIR0
Director of public health[2]	HOC1
Non statutory chief officers	
Corporate director for economy and environment	DIR2
Director, human resources and organisational development	HOC1
Deputy chief officers	
Service director all age commissioning	HOS1
Service director adult social care and housing	HOS1
Head of delivery and improvement	HC13
Head of culture, museum, libraries and archives	HC13
Service director, education, skills and learning	HOS1
Service director, early help, CIN and safeguarding [1]	HOS1
Service director, corporate parenting	HOS1
Head of service, business support and performance	HC13
Head of legal services & deputy monitoring officer	HOS2
Head of practice management – governance & law (0.8 fte)	HC13
Democratic services manager	HC13
Information governance manager	HC10
Electoral services manager	HC09
Complaints and children's rights manager	HC11
Head of strategic finance (deputy s151)	HoS2
Strategic capital finance manager	HC13
Strategic finance manager – financial planning & analysis	HC13
Chief accountant	HC13
Head of corporate performance and intelligence	HC13
Commercial services manager	HC12
Risk and assurance manager	HC10
Counter fraud manager	HC11
Consultant in public health (1.6 fte)	HOS2
Public health principal (0.6 fte)	HC13
Head of communities (0.8 fte)	HC13
Head of resilient communities	HC13
Service director, growth	HOS1
Chief operating officer, resident services	HOS1
Major contracts, programme director	HOS1
Head of learning and organisational development	HC13
HR improvement manager	HC11
Health & safety manager	HC11
Head of transformation	HC13
Talk community customer lead	HC12

[3] *Market forces supplement £7,000 to be reviewed April 2026*

[2] *Market forces supplement £9,567 to be reviewed September 2026*

[1] *Market forces supplement £10,000 to be reviewed March 2027*

4. Remuneration of lowest paid employees

4.1 'Lowest paid employees' is defined as those paid on full time equivalent salaries on Grade 02HC, spinal column point (SCP) 3. The NJC pay structure shows a Grade 02HC, spinal column point 2, which is not used and no staff are paid at this salary.

4.2 In July 2023 the council voluntarily adopted the Real Living Wage as a supplement and at its discretion, to top up those employees whose hourly rate fell below the Real Living Wage.

5. Relationship between remuneration of chief officers and remuneration of employees who are not chief officers

5.1. The salary ratio between the council's lowest paid scale point and the chief executive's salary is 1:7.03. This is a marginal improvement on the previous year. The salary ratio between the council's lowest paid staff and the chief executive's salary when considering the real living wage supplement is 1:6.72.

5.2 The multiple between the median FTE earnings of £33,063 p.a. and the Chief Executive is 1:5.27; and between the median full time equivalent earning for Chief Officers is 1:3.9.

6. Equality in pay – Gender Pay Gap

6.1 Since April 2018, employers with more than 250 employees have been legally required to publish the difference between the average earnings for male and female employees, known as the gender pay gap, This is not measuring Equal Pay (equal pay for equal value) which, has been illegal since the adoption of the Equal Pay Act 1970, now covered by the Equality Act 2010.

6.2 Employers who adopt equal pay can still have a large gender pay gap caused by where male and female employees are positioned along the pay structure. This is demonstrated in Appendix 2.

6.3 The council's gender pay gap is published annually within the equality analysis of our workforce, and the most recent report can be found here: 2025 Equality in Employment report

6.4 The report includes the council's gender pay gap information for 2024 as the most recent data available at the time of publishing and is summarised below.

	Mean hourly pay	**Median hourly pay**
Female	£18.21	£15.69
Male	£ 18.26	£ 16.61
Pay gap	0.28% lower	5.55% lower

6.5 The following table puts the data into context and it shows that while Herefordshire Council has a pay gap of 5.55 %, it has decreased significantly since the previous year (10.4%), and it is performing better than some other organisations and the UK public sector overall.

Local authorities	**Median pay gap**
Powys Council	6.9%
Worcestershire County Council	6.7%
Herefordshire Council	5.55%

Shropshire Council	10.3%
Other organisations or sectors	
Hoople Ltd	15.2%
UK Public Sector	13.5%
West Midlands (all sectors)	10.1%
West Mercia Police	16%
Wye Valley NHS Trust	15.7%

7. Remuneration on recruitment

7.1 New appointments will normally be made at the minimum of the relevant grade, although exceptions can arise where necessary to secure the best candidate or if an internal candidate is appointed on promotion so that a pay rise ensues.

7.2 The chief executive, s151 officer, monitoring officer and corporate directors are on a spot salary as specified in this statement. Spot salaries are where there are no annual incremental increases in the salary structure; these are DIR0, DIR1, DIR 2, and CEX detailed in the pay structure at the end of this statement.

8. Increases and additions to remuneration

8.1 Employees within a salary pay band receive annual increments until the top of their salary grade has been reached. The increment is paid in April each year or after 6 months in post, whichever is the latter. In exceptional circumstances increments may be accelerated within the grade on grounds of special merit or ability, subject to the maximum of the level not being exceeded.

8.2 The chief executive is the returning officer for Herefordshire. No additional payment is made for fulfilling this duty for local elections as this is built into the overall salary. Employees who undertake election duties are paid a fee that is set by the returning officer depending on the duties undertaken.

8.3 From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where this is necessary the council may apply pay supplements to posts which are determined to be ‘hard to fill’. At all times the council will ensure the requirement for such supplements is objectively justified by reference to clear and transparent evidence of relevant market conditions. These supplements are regularly reviewed.

8.4 Honoraria payments are made to recognise either a special contribution an employee has made that is over and above general performance in a role, or where they have temporarily undertaken additional responsibility at a higher grade.

9. Use of performance related pay, bonuses or pension enhancements

9.1 The council does not apply any bonuses or performance related pay to employees.

9.2 Pension enhancements are made in line with the council’s Local Government Pension Scheme (LGPS) discretions policy. The council’s LGPS discretions policy is published and in the previous 12 months any mandatory and non-mandatory discretions which would result in a cost for the council have not been exercised.

10. Benefits in kind

10.1 Employees currently have access to salary sacrifice schemes for bicycles. The council operates a childcare voucher scheme to those employees already in the scheme at 1 April

2018 and subject to prevailing legislation. The council also offers staff access to a package of high street discounts and benefits. This reflects the benefits available to staff in neighbouring authorities so that the council is able to be competitive in recruitment markets.

10.2 Reasonable relocation expenses may be paid for new employees or workplace relocation. Employees are reimbursed for reasonable travel and subsistence expenditure incurred in the course of their work. Subsistence is only paid when travelling outside of the county.

10.3 Worcestershire County Council administers the local government pension scheme on behalf of the council.

11. Approach to payment on ceasing to hold office under or to be employed by the authority

11.1 The council's policy on termination of employment of employees prior to reaching normal retirement age is to base redundancy payments on the statutory calculation multiplied by 1.5.

11.2 The council operates a discretionary mutual early resignation scheme (MERS) under which an individual employee, in agreement with the council, chooses to leave employment in return for a severance payment or, if in the Local Government Pension Scheme and aged over 55, a pension that is not actuarially reduced. It is not a redundancy or a voluntary redundancy.

12. Accountability and decision making

12.1 In accordance with the council's constitution, the employment panel is responsible for decision making in relation to the recruitment, terms and conditions and severance arrangements for the chief executive, monitoring officer, section 151 officer, director of public health and corporate directors.

12.2 In accordance with the council's constitution, the chief executive is responsible for decision making in relation to all other employees of the council.

12.3 For those pay accountability matters identified within the Localism Act as being reserved to Council, the employment panel will be the body accountable for formulating recommendations to council. This includes the undertaking of an annual review of this statement before recommending its approval to council as one of the suite of documents council approves as part of its medium term financial strategy. The pay policy statement therefore forms part of the budget and policy framework of the council.

12.4 In addition to approval of this statement, the right of approval of new salary packages for additional posts not listed in this statement over £100,000 is reserved to Council. In such circumstances the employment panel will be the body accountable for developing recommendations to Council.

12.5 In line with HM Treasury Guidance on Public Sector Exit Payments, decisions will be made at full council for any severance package exceeding £100,000. Any decision required for a severance payment over £20,000 and under the £100,000 threshold will be made by the chief executive and the council leader. Any decision on a severance package under £20,000 falls within the scheme of delegation.

13. Publication of and access to information

13.1 After approval by Council, this statement will be published on the council's website. In addition, statutory employees' (chief executive, directors, including the chief finance officer, and monitoring officer) details are disclosed in the council's annual statement of

accounts setting out the total amount of:

- Salary, fees or allowances paid to or receivable by the person in the current and previous year.
- Any bonuses so paid or receivable by the person in the current and previous year.
- Any sums payable by way of expenses allowance that are chargeable to UK income tax.
- Any compensation for loss of employment and any other payments connected with termination.
- Any benefits received that do not fall within the above.

Herefordshire Council

Appendix 1

APPENDIX 1 - NATIONAL JOINT COUNCIL FOR LOCAL GOVERNMENT GRADES:

PAY STRUCTURE AS AT 1 APRIL 2025

Grade	SCP	Annual Salary (£)	Hourly Pay Rate (£)
02HC	2	24,413	12.65
	3	24,796	12.85
03HC	3	24,796	12.85
	4	25,185	13.05
04HC	4	25,185	13.05
	5	25,583	13.26
	6	25,989	13.47
05HC	6	25,989	13.47
	7	26,403	13.69
	8	26,824	13.9
	9	27,252	14.13
	10	27,694	14.36
	11	28,142	14.59
06HC	11	28,142	14.59
	12	28,598	14.82
	13	29.064	15.07
	14	29,540	15.31
	15	30,024	15.56
	16	30,518	15.82
	17	31,022	16.08
	18	31,537	16.35
	19	32,061	16.62
07HC	19	32,061	16.62
	20	32,597	16.9
	21	33,143	17.18
	22	33,699	17.47
	23	34,434	17.85
	24	35,412	18.36
	25	36,363	18.85
08HC	25	36,363	18.85
	26	37,280	19.32
	27	38,220	19.81
	28	39,152	20.29
	29	39,862	20.66
	30	40,777	21.14
09HC	30	40,777	21.14
	31	41,771	21.65
	32	42,839	22.21
	33	44,075	22.85

	34	45,091	23.37
10HC	35	46,142	23.92
	36	47,181	24.46
	37	48,226	25
	38	49,282	25.55
	39	50,269	26.06
11HC	40	51,356	26.62
	41	52,413	27.17
	42	53,460	27.71
	43	54,495	28.25
	44L*	55,915	28.98
12HC	45L	57,373	29.74
	46L	58,876	30.52
	47L	60,329	31.27
	48L	62,003	32.14
	49L	63,628	32.98
13HC	50L	65,303	33.85
	51L	67,020	34.74
	52L	68,784	35.65
	53L	70,596	36.59
HoS2	1	88,296	45.77
	2	90,623	46.97
	3	93,012	48.21
HoS1	1	95,466	49.49
	2	97,986	50.79
	3	100,571	52.13

**SCP 44 and above are local SCPs*

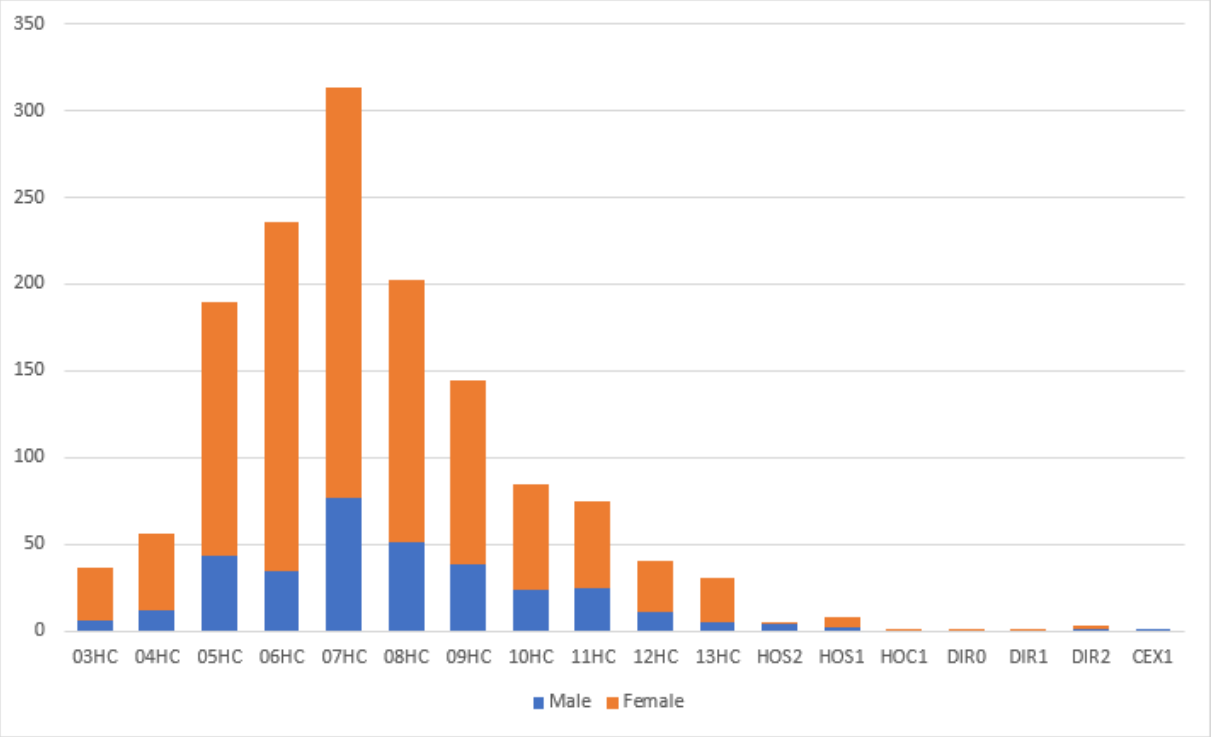
JNC Chief Officer Pay Structure

Grade	SCP	Annual Salary (£)	Hourly Pay Rate (£)
HoC1	1	95,465	49.48
	2	97,986	50.79
	3	100,571	52.13
DIR0	1	110,628	57.34
DIR1	1	120,865	62.65
DIR2	2	147,526	76.47

Chief Executive Pay Structure

Grade	SCP	Annual Salary (£)	Hourly Pay Rate (£)
CEX	1	174,377	90.39

APPENDIX 2 - Staff distribution across grades* as at September 2025



The graph above illustrates the distribution of male and female employees across the whole organisation against the council's pay structure at a snapshot of September 2025, regardless of their contract type or hours.

Women make up the majority of the workforce in almost every grade The only exceptions are CEX1 and HoS2, where there are more men than women. These grades contain a very small number of posts and therefore have a limited impact on the overall workforce profile.

Although the workforce is predominantly female, a gender pay gap still exists. This is because men are disproportionately underrepresented in lower paid roles and more concentrated in higher paid grades. As a result, the median hourly rate for men is higher than for women, producing a pay gap of 5.5% in 2024.

The information in the graph shouldn't be compared with the table in section 3, which reports senior roles under the statutory definition of chief officer, non-statutory chief officers and deputy chief officers.