

Lynne Ridsdale
Chief Executive

Our Ref C/RE
Date 17 February 2026
Contact Rachel Everitt
Direct Line 0161 253 5103
E-mail r.everitt@bury.gov.uk
Web Site www.bury.gov.uk

TO: All Members of Council

Councillors : A Arif, S Arif, N Bayley, R Bernstein, D Berry, C Birchmore, C Boles, A Booth, R Brown, C Cummins, D Duncalfe, U Farooq, E FitzGerald, N Frith, I Gartside, R Gold, D Green, J Grimshaw, S Haroon, J Harris, M Hayes, J Hook, K Hussain, B Ibrahim, J Lancaster, G Marsden, L McBriar, G McGill, C Morris, E Moss, E O'Brien, T Pilkington, A Quinn, D Quinn, T Rafiq, M Rahimov, I Rizvi, M Rubinstein, J Rydeheard, L Ryder, K Simpson, L Smith, M Smith, J Southworth, G Staples-Jones, T Tariq, S Thorpe, D Vernon, S Walmsley, M Walsh and Y Wright

Dear Member/Colleague

Council

You are invited to attend a meeting of Council which will be held as follows:-

Date:	Wednesday, 25 February 2026
Place:	Council Chamber - Town Hall
Time:	7.00 pm
Briefing Facilities:	If Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

The Agenda for the meeting is attached.

The Agenda and Reports are available on the Council's Intranet for Councillors and Officers and also on the Council's Website at www.bury.gov.uk

Yours sincerely

A handwritten signature in cursive script, appearing to read "W. D. D. D. D.", is positioned below the "Yours sincerely" text.

Chief Executive

(Note: Members are reminded that under Section 106 of the Local Government Finance Act 1992, if a Member of a Local Authority has not paid Council Tax for at least two months and, even if an arrangement has been entered into to pay arrears, then at any meeting where consideration is given to matters relating to, or which might affect the calculation of Council Tax, that Member must declare the fact that he/she is in arrears and must not vote on the matter).

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of the Council are requested to declare any interests which they have in any items or issues before the Council for determination.

3 MAYORAL COMMUNICATIONS AND ANNOUNCEMENTS

To receive communications from the Mayor and any announcements by the Leader of the Council or the Chief Executive on matters of interest to the Council.

4 MINUTES (Pages 9 - 16)

Attached for approval, minutes of the meetings held on:
21 January 2026
26 January 2026

5 PUBLIC QUESTION TIME

To answer questions from members of the public, notice of which has been given, on any matter relevant to the Council or its services to the community. Up to 30 minutes will be set aside for this purpose. If time permits, further questions will be invited from members of the public present.

6 RECOMMENDATIONS OF CABINET AND COUNCIL COMMITTEES

Committee/Date	Subject	Recommendation
Cabinet – 15 January 2026	Youth Justice Business Plan	The plan has been submitted for approval
Employment Panel – 3 February 2026	Pay Policy	1. Commend the proposed Pay Policy Statement for 2026-27 for approval by full Council. 2. Agree the Council's proposed pay structure for 2026-27 as set out within the statement and inclusive of revised non-consolidated pay supplements to retain compliance with the Real Living Wage rate of pay. Classification Open Item No. 2 3. Also, to agree ongoing uplifts to retain compliance with the Real Living Wage if required.
Employment Panel – 3 February 2026	Chief Officer Recruitment	That the Employment Panel proposes that Council approve that a Market Supplement of £5k (total maximum remuneration of £101,251) be applied to the post of Assistant Director - People and Inclusion
Cabinet – 11 February 2026	Annual HRA Budget 2026/27 & Rent Setting	<ul style="list-style-type: none">• Approve the 2026/27 budget for the Housing Revenue Account• Agree and approve the proposed HRA

		<p>Capital Investment Plan for 2026/27.</p> <ul style="list-style-type: none">• Approve the setting of individual social formula rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026 (being September 2025 CPI (Consumer Price Index) 3.8% plus 1%).• Approve the setting of individual actual affordable rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026.• Approve shared ownership rents to be increased by RPI (as at February 2026) plus 0.5% in line with provisions set out within shared ownership agreements with effect from 1 st April 2026.• Approve an increase in Garage rents of 4.8% with effect from 1st April 2026.• Approve an increase in Sheltered Management and Support Charges of 4.8% from 1 st April 2026.• Approve an increase in Service and Amenity Charges of 4.8% from 1st April 2026. • Approve an increase in Support and Heating charges of 4.8% from 1st April 2026.• Approve an increase in Furnished Tenancy charges of 4.8% from 1st April 2026. • Approve continuation of the policy that when a social rent property is re-let to a new or transferring tenant the rent level will be revised to match the formula rent (target rent) for that property.• Note in accordance with the Rent Standard, that where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent (including service charges where applicable) for a similar property at the time of letting or the formula rent for the property, whichever is the greater.• Approve in principle in line with Government's commitment confirmed in January 2026, the re-introduction of Rent Convergence for Bury's HRA stock, which will come into effect from April 2027, with an additional rent charge of £1 per week in 2027-28, and
--	--	---

		<p>£2 per week from 2028-29 onwards until Rent Convergence is achieved.</p> <ul style="list-style-type: none"> • Note that Government has confirmed its commitment to the re-introduction of rent convergence from April 2027, with a proposed additional £1 per week charge from April 2027 and £2 per week from April 2028. Until the changes are finally confirmed the additional income has not been assumed in the revenue plan. • Note that following the Cabinet decision to wind down and close Six Town Housing (STH), a working group has been set up to oversee this process, led by Management Consultants Campbell-Tickell. This process will take at least 12-18 months, and at this stage it is not possible to state what implications if any there will be for the Council's General Fund and HRA. The options as to what will happen to the remaining assets currently held by STH will be presented to Cabinet at the appropriate time for any decisions to be made. • To note and approve the revisions made to the HRA 30-Year Business Plan.
<p>Cabinet – 11 February 2026</p>	<p>The Council's 2026/27 Revenue Budget and Medium-Term Financial Strategy (MTFS) for 2027/28 through to 2028/29</p>	<ul style="list-style-type: none"> • Approve the Medium-Term Financial Strategy to 2028/29 and the assumptions regarding resources and spending requirements. • Approve the Council Tax base for Bury Council for 2026/27 of 58,709.94 Band D equivalent dwellings, this is the basis on which the Council Tax funding has been calculated (Appendix 1). • Approve the net revenue budget of £252.135m for 2026/27. • Approve the Council Tax requirement of £124.224m and the increase in Council Tax in 2026/27 of 2.99% in terms of General Council Tax and a further 2% for the Adult Social Care precept for 2026/27 (Appendix 1). • Approve the budget assumptions of £29.364m in 2026/27. • Approve new revenue budget proposal relating to additional Place Directorate income to be achieved across 3 areas: car parking, moving vehicle offences and EV cross pavement fees. Delivery plans will be

		<p>brought forward for consideration by Cabinet in the new financial year, including the detail of any specific consultation exercises that may be required to be undertaken. The consultation outcomes will be considered by Cabinet before implementation along with any financial implications adopted in the 2027/28 budget proposed by Cabinet to Council.</p> <ul style="list-style-type: none"> • Note the remaining budget gap of £21.155m over the medium-term to 2028/29. • Approve the use of £3.977m of reserves from the budget stabilisation reserve for 2026/27. • Note the forecast position on reserves over the medium-term to 2028/29. • Approve the recommendations set out in the Treasury Management Strategy (Appendix 2): <ul style="list-style-type: none"> ○ To approve the Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy. ○ To approve the Treasury Management Policy Statement. ○ To approve the Minimum Revenue Provision (MRP) Policy Statement. • Approve the Capital Strategy and the Programme for 2026/27 – 2028/29 (Appendix 3). <ul style="list-style-type: none"> ○ Cabinet to recommend and council to approve the use of £2m flexible use of capital receipts in 2026/27. ○ Council to confirm the of £3m flexible use of capital receipts in 2025/26 as included in the February 2025 budget report which has been applied in the following areas: <ul style="list-style-type: none"> ▪ As part of the Council's wider savings proposals to close the financial gap a number of service reviews and restructures were undertaken. The costs associated with implementing these
--	--	---

		<p>reviews including severance costs, will be funded from capital receipts, up to the value of £1m.</p> <ul style="list-style-type: none"> ▪ In order to identify and support the identification and implementation of additional savings in Adult Social Care, a consultancy firm was commissioned to undertake review work with the costs to be funded from capital receipt flexibilities (£382k) ▪ Enabling services across the Corporate Core includes costs associated with financial transformation and zero-based budgeting exercises, including identification of additional savings plans as detailed in this report, this will be funded up to £0.418m. ▪ Within Children's and Young People department, the Family Safeguarding project and a Family Safeguarding additional team have been working on prevention of costs to deliver long term reductions in revenue requirement. £1.2m <ul style="list-style-type: none"> • Approve the Dedicated Schools Grant budget for 2026/27 at £257.345m and approve the allocations between the four funding blocks as set out in Appendix 4 of this report. <ul style="list-style-type: none"> ○ The Schools and Academies 2026/27 funding unit values as recommended by Schools Forum and detailed at Annex 1 to appendix 4. ○ Approve the 2026/27 hourly rates for all early year's providers as follows:
--	--	--

		<ul style="list-style-type: none"> ▪ £5.77 per hour for 3- and 4-year-olds. ▪ £8.35 per hour for 2-year-olds. ▪ £11.30 per hour for under 2's. <ul style="list-style-type: none"> • Note the Equality Impact Assessment for the budget report (Appendix 5). • Note the Chief Finance Officer (Director of Finance) statement on the robustness of estimates and adequacy of financial reserves in setting the budget (Appendix 6).
Standards Committee – 12 February 2026	Officer & Member Protocol	<ul style="list-style-type: none"> • To approve the Officer Member Protocol
Audit Committee – 17 February 2026	Audit Committee Terms of Reference	<ul style="list-style-type: none"> • To approve the updated Terms of Reference for the Audit Committee and recommend that the Constitution be updated to reflect these.

a **YOUTH JUSTICE BUSINESS PLAN 2025** (Pages 17 - 56)

Report of the Deputy Leader and Cabinet Member for Children and Young People is attached.

b **PAY POLICY** (Pages 57 - 90)

Report from the Cabinet Member for Customer Service, Communications and Corporate Affairs attached

c **CHIEF OFFICER RECRUITMENT** (Pages 91 - 96)

Reports attached

d **ANNUAL HRA BUDGET 2026/27 & RENT SETTING** (Pages 97 - 128)

Report of the Deputy Leader and Cabinet Member for Finance and Transformation is attached

e **THE COUNCIL'S 2026/27 REVENUE BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY (MTFS) FOR 2027/28 THROUGH TO 2028/29** (Pages 129 - 254)

Report of the Deputy Leader and Cabinet Member for Finance and Transformation is attached.

f **AMENDMENTS** (Pages 255 - 258)

Conservative Amendment
Together for Bury Amendment

g **OFFICER & MEMBER PROTOCOL** (Pages 259 - 266)

h **TERMS OF REFERENCE** (Pages 267 - 278)

Report attached

Draft Terms of Reference attached

7 **DELEGATED DECISION OF COUNCIL COMMITTEES** (Pages 279 - 310)

Minutes of:

Corporate JCC

Teachers JCC

Overview and Scrutiny Committee

Budget Cabinet

8 **URGENT ITEM - COUNCIL TAX SUPPORT SCHEME TECHNICAL CORRECTION**
(Pages 311 - 376)

This page is intentionally left blank

Minutes of: COUNCIL

Date of Meeting: 21 January 2026

Present: The Worshipful the Mayor (Councillor Bayley, in the Chair)
Councillors A Arif, S Arif, N Bayley, R Bernstein, C Birchmore, C Boles, A Booth, R Brown, C Cummins, D Duncalfe, N Frith, I Gartside, R Gold, D Green, J Grimshaw, S Haroon, J Harris, M Hayes, J Hook, K Hussain, B Ibrahim, J Lancaster, G Marsden, L McBriar, G McGill, C Morris, E Moss, E O'Brien, A Quinn, D Quinn, T Rafiq, M Rahimov, I Rizvi, M Rubinstein, J Rydeheard, L Ryder, K Simpson, L Smith, M Smith, J Southworth, G Staples-Jones, T Tariq, S Thorpe, D Vernon, S Walmsley and Y Wright

Apologies for Absence D Berry, U Farooq, E FitzGerald, T Pilkington and M Walsh

Public Attendance: 10 members of the public attended the meeting.

C. 38 APOLOGIES FOR ABSENCE

Apologies are noted above.

C. 39 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

C. 40 MAYORAL COMMUNICATIONS AND ANNOUNCEMENTS

The Mayor as Bury's first citizen updated Members of the Council on work undertaken since the last meeting.

C. 41 MINUTES

The minutes of the meeting held on 12th November 2025 were approved as a correct record and signed by the Mayor.

C. 42 PUBLIC QUESTION TIME

Notice had been received of the following questions:

Questioner	Topic	Responding
Andrew Riley	Works to Market Street	Cllr Quinn
Andrew Luxton	Chapel Street Tottington	Cllr Quinn
Charlotte Hunt	Litter Picking in Ramsbottom	Cllr Quinn
Steve Middleton	Artificial Intelligence	Cllr Thorpe
Richard Garland	Bus Lane	Cllr Quinn

Luke Broadfoot	Drinkwater Park	Cllr Quinn
Mike Hankins	Six Town Housing contract	Cllr Cummins
Julie Southworth	Junction inspection	Cllr Quinn

Questions without notice:

Questioner	Topic	Responding
Phil Bygrave	Planning Committee	Cllr O'Brien
Kiran Hampson	Live Streaming	Cllr O'Brien
Kiera Delaney	Accessible public participation option	Cllr O'Brien

C. 43
a **RECOMMENDATIONS OF CABINET AND COUNCIL COMMITTEES**
WORKFORCE POLICIES

It was moved by Councillor Gold and seconded by Councillor Rizvi and on being put, with 46 Members voting for, the Mayor abstaining; that, Council, approves:

To approve:

1. A revised Code of Conduct, which is part of the Council's Constitution
2. A refreshed Facilities Time Agreement, which forms Appendix K of Local Conditions of Service
3. A revised Capability Procedure
4. An updated Grievance Procedure
5. Revisions to appeals and hearing procedures
6. An updated Social Media Policy
7. An updated Chief Officer Job Evaluation Scheme and Guidance document

(ii) STANDARDS COMMITTEE – PUBLIC PARTICIPATION

It was moved by Councillor O'Brien and seconded by Councillor L Smith and on being put, with 46 Members voting for, and the Mayor abstaining; that, Council, approves:

C. 44 1. That finalised guidance on public participation is approved by Council
PUBLIC PARTICIPATION GUIDANCE

It was moved by Councillor O'Brien and seconded by Councillor L Smith and on being put, with 40 Members voting for, 6 Members voting against, and the Mayor abstaining; that, Council, approves:

That the constitution be amended to state:

1. The ruling group and the main opposition group for Bury Council would each be guaranteed one motion per council meeting.
2. The remaining groups would alternate for the third motion.
3. The constitution is amended to limit the number of written questions with the order of questions to be politically proportionate and limited to ruling group 6, opposition group 5 and all other groups 4.
4. The suggested constitutional changes regarding motions and questions be adopted from March 2026 full Council.

a **COUNCIL TAX SUPPORT SCHEME 2026**

It was moved by Councillor Thorpe and seconded by Councillor O'Brien and on being put, with 46 Members voting for, the Mayor abstaining; that, Council, approves:

To approve:

1. That Full Council approve the adoption and implementation of the new Council Tax Support Scheme from 1st April 2026

C. 45 LEADER' STATEMENT AND CABINET QUESTION TIME

The Leader of the Council, Councillor E O'Brien, made a statement on the work undertaken by him since the date of the last Council meeting. The Leader and the relevant Cabinet Members answered questions raised by Councillors on the following issues:

Questioner	Cabinet Member	Topic
Cllr Bernstein	Cllr Quinn	Potholes
Cllr M Smith	Cllr Quinn	Blocked grids
Cllr Moss	Leader	Prestwich
Cllr D Quinn	Leader	Milltown Bridge
Cllr S Arif	Blocked road gullies	Cllr Quinn
Cllr D Vernon	Christmas refuse collections	Cllr Quinn
Cllr Simpson	Litter cleaning	Cllr Quinn
Cllr Walmsley	CQC inspection at Falcon House	Cllr Tariq
Cllr A Arif	Council tax support consultation	Cllr Thorpe
Cllr Harris	Puffin Crossing	Cllr Quinn
Cllr Lancaster	School numbers	Cllr Smith
Cllr Birchmore	Access to long term support	Cllr Thorpe
Cllr Haroon	July's Ofsted inspection	Cllr L Smith

Due to the lack of time to answer questions 14 to 21 inclusive, the Leader gave an undertaking that copies of those questions and responses will be circulated to all Councillors. The Leader also gave an undertaking to make these available on the Council Web Site.

b) Verbal Questions

The Leader received verbal questions from the following:

Questioner	Cabinet Member	Topic
M Smith	Leader	Social Housing
S Arif	Leader	Market Street Roadworks
R Bernstein	Leader	Schools marking the Holocaust Memorial
Cllr Rahimov	Cllr A Quinn	Besses Local Nature Reserve
Cllr Hook	Cllr Morris	Bury Market Coach Trips
Cllr Ryder	Cllr Walmsley	Funding to Community Groups in Prestwich
Cllr Ibrahim	Leader	Red Route on Walmsley Road
Cllr Rydeheard	Leader	Funding pattern for Bury VCFA
Cllr Hayes	Cllr Walmsley	Bradlesholme Food Bank Repairs
Cllr A Arif	Leader	Lifting of the two child benefit cap

C. 46 COMBINED AUTHORITY REPORT AND QUESTIONS TO THE COUNCIL'S COMBINED AUTHORITY REPRESENTATIVES

The Council received a report on the work of the Combined Authorities.

The following questions had been received in accordance with Council Procedure Rules:

Questioner	Cabinet Member	Topic
Cllr McBriar	Cllr Walmsley	Drink Driving
Cllr Birchmore	Cllr A Quinn	Bus Passes
Cllr Grimshaw	Cllr A Quinn	Concessionary Bus Passes
Cllr Rahimov	Leader	Whitefield Fire Station
Cllr Gartside	Cllr A Quinn	GM Rail Vision
Cllr McGill	Cllr A Quinn	Clean Air Zone

Due to the lack of time to answer questions 6 to 12 inclusive, the Mayor gave an undertaking that copies of those questions and responses will be circulated to all Councillors. The Mayor also gave an undertaking to make these available on the Council Web Site.

C. 47 NOTICES OF MOTION

(i) Reintroduction of live streaming for committee meetings

Council considered a motion in the names of Councillors Carol Birchmore, Cllr Donald Berry, Cllr Andrea Booth, Cllr Des Duncalfe, Cllr Glyn Marsden, Cllr Ken Simpson, Cllr Mike Smith and Cllr Mary Walsh.

The motion was moved by Councillor Birchmore and seconded by Councillor Duncalfe and on being put; with 13 members voting for; 32 member voting against and the Mayor abstaining, the Mayor declared the motion lost.

(ii) Children receiving the best possible start in life

Council considered a motion in the names of A Arif, Bayley, Boles, Cummins, Farooq, Fitzgerald, Frith, Gold, Green, Grimshaw, Haroon, Hayes, Hook, Ibrahim, McGill, Morris, Moss, O'Brien, Pilkington, Quinn Alan, Quinn Deborah, Rafiq, Rahimov, Rizvi, Rubinstein, Ryder, Smith Lucy, Southworth, Staples-Jones Gareth, Tariq, Thorpe, Walmsley.

The motion was moved by Councillor Walmsley and seconded by Councillor Southworth and on being put; with 44 members voting for; 1 member voting against and the Mayor abstaining, the Mayor declared the motion carried.

(iii) Improving Road and Pavement Conditions Across Bury

Council considered a motion in the names of Councillor Arif, Councillor Brown, Councillor Gartside, Councillor Harris, Councillor Hussain.

The motion was moved by Councillor Brown and seconded by Councillor Harris.

Members considered an amendment moved by Councillor Morris and Seconded by Councillor Gold.

Members moved to vote on the amendment and on being put; with 33 members voting for; 6 members voting against and 3 including the Mayor abstaining, the Mayor declared the amendment carried.

Members moved to a vote on the substantive motion and on being put; with 33 members voting for; 6 members voting against and 3 including the Mayor abstaining, the Mayor declared the amended motion carried.

(iv) Culvert Maintenance and Flood Resilience

Council considered an altered motion in the name of Councillors Bernstein, Lancaster, McBriar and Vernon.

On being put with 45 Members voting for and the Mayor Abstaining, the Mayor declared the altered motion carried.

Members voted on the substantive motion:

On being put: with 45 voting for and the Mayor abstaining, the altered motion was carried.

C. 48 COUNCIL MOTION TRACKER

Attached for information only.

C. 49 SCRUTINY REVIEW REPORTS AND SPECIFIC ITEMS "CALLED IN" BY SCRUTINY COMMITTEES

There were no scrutiny review reports and specific items "called in" by scrutiny committees.

C. 50 QUESTIONS ON THE WORK OF OUTSIDE BODIES OR PARTNERSHIPS

There were no questions on the work of outside bodies or partnerships.

THE WORSHIPFUL THE MAYOR

(Notes: The meeting started at 7.00 pm and ended at 10.38 pm)

This page is intentionally left blank

Minutes of: COUNCIL

Date of Meeting: 26 January 2026

Present: The Worshipful the Mayor (Councillor Bayley, in the Chair)
Councillors A Arif, S Arif, R Bernstein, A Booth, R Brown, C Cummins, N Frith, I Gartside, R Gold, D Green, J Grimshaw, S Haroon, J Harris, M Hayes, J Hook, K Hussain, B Ibrahim, J Lancaster, G Marsden, L McBriar, G McGill, C Morris, E Moss, E O'Brien, T Pilkington, D Quinn, T Rafiq, M Rahimov, I Rizvi, M Rubinstein, J Rydeheard, L Ryder, K Simpson, L Smith, M Smith, J Southworth, G Staples-Jones, T Tariq, S Thorpe, D Vernon, S Walmsley, M Walsh and Y Wright

Apologies for Absence D Berry, C Birchmore, C Boles, D Duncalfe, U Farooq, E FitzGerald and A Quinn

C. 51 HONORARY FREEDOM OF THE BOROUGH AWARDS

It was moved by Councillor L Smith and seconded by Councillor L McBriar and:-

RESOLVED UNANIMOUSLY

That the Council, in exercise of its powers under Section 249(5) of the Local Government Act 1972, admit Mr and Mrs Keith and Helen Atkinson, to the Honorary Freedom of the Metropolitan Borough in of their thirty year fostering career looking after vulnerable looked after children, teenagers and unaccompanied minors seeking asylum. For their dedication to championing foster care within Bury through being ambassadors for Foster with Bury, and their work to recruit and train new foster carers throughout the borough.

The worshipful the Mayor asked Mr and Mrs Keith and Helen Atkinson to sign the Freeman's Declaration and presented them with an illuminated Scroll and Medallion.

It was moved by Councillor R Bernstein and seconded by Councillor T Rafiq and:-

RESOLVED UNANIMOUSLY

That the Council, in exercise of its powers under Section 249(5) of the Local Government Act 1972, admit Mrs Joan Grimshaw, to the Honorary Freedom of the Metropolitan Borough in recognition of her eminent, valuable and devoted services which she has rendered to the Bury Metropolitan Borough as a member of the Council for 24 years. For her dedication to community work including as a supporter of Bury's Carers Forum, patron of Bury Blind Society and champion of her local community in a range of different groups.

The worshipful the Mayor asked Mrs Grimshaw to sign the Freeman's Declaration and presented her with an illuminated Scroll and Medallion.

THE WORSHIPFUL THE MAYOR



Classification: Open	Decision Type: Non-Key
--------------------------------	----------------------------------

Report to:	Cabinet	Date: 15 January 2026
Subject:	Youth Justice Business Plan 2025 – 2026	
Report of	Deputy Leader and Cabinet Member for Children and Young People	

Summary

The legislative requirement for a Youth Justice Business Plan in England and Wales is set out in Section 40 of the Crime and Disorder Act 1998. This law mandates that: each local authority, in consultation with its statutory partners (police, health, probation, and others), must formulate and implement an annual Youth Justice Plan. The plan must detail: How youth justice services (YJSs) will be provided and funded: How they will operate, including staffing and partner services: What functions they will carry out, including prevention of offending and reduction of reoffending.

Our Youth Justice Business Plan 2025- 2026 has been approved by the Youth Justice Partnership Management Board, and the Youth Justice Board. As a legislative requirement the Ministry of Justice grant is given to us on condition that this plan is completed and implemented.

The plan must be approved by the full council (in England) under Regulation 4 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000.

Recommendation(s)

The plan has been submitted for approval, as expected statutorily and to make Cabinet aware of the priorities, performance, issues and risks for the Youth Justice Services over the coming year (outlined on pages 21 – 23 of the Youth Justice Business Plan 2025-2026 (see appendix 1)

Reasons for recommendation(s)

The legislative requirement set out in Section 40 of the Crime and Disorder Act 1998, as detailed in the summary section above.

Alternative options considered and rejected

Not applicable.

Report Author and Contact Details:

Name: Jen Rust

Position: Head of Service Early Help (interim MASSH, Duty & Assessment, EDT and CST)

Department: Bury Children's Services

E-mail: j.rust@bury.gov.uk

Background

1. Bury and Rochdale Youth Justice Service amalgamated in 2014, and our partnership board is chaired by the Director of Bury Children's Services, with the Assistant Director of Rochdale Children's Services as co-chair. Strategically and operationally partners are drawn from both boroughs.
2. Bury retained responsibility for the Youth Justice Prevention element following the merge. There are close links and working relationships between the two services to ensure that we are identifying need at the earliest opportunity. One of our key priority areas is early identification of young people who may be at risk of offending, to intervene early and reduce the number of first-time entrants into the criminal justice service.
3. The Youth Justice Plan 2025/2026 was agreed by the Youth Justice Board in July 2025, and sets out the priorities for this financial year, in addition to the proposed outcomes for children and young people open to the service.
4. Issues covered in the business plan that are important for Cabinet to be aware of include:
 - a. the need for a Bury town centre base for the service,
 - b. higher numbers of children in Bury's care open to the service
 - c. higher numbers of Bury children with EHCPs and identified SEND being worked with by the Youth Justice Service
 - d. the disproportionality of some ethnic groups within the cohort of young people supported by the service
5. The Business plan notes performance against national key performance measures, with the number of first time entrants falling and the reoffending rate and custody rate being lower than the regional or GM average in Bury and Rochdale.
6. The plan also notes key risks, which include:
 - a. Inconsistent attendance at the Partnership Board, with a change in governance structure being implemented to address this issue
 - b. Differential access to expert additional resource as part of the Youth Justice offer, with Bury children not having access to a dedicated CAMHs practitioner, or a Educational Attendance specialist, or a Speech and Language Therapist
 - c. The absence of a seconded probation officer for children moving between children and adult youth justice services.
7. Six priority areas for 2025/26 are identified within the plan:
 - a. Governance & Leadership
 - b. Prevention and Diversion
 - c. Remand, Custody and Resettlement
 - d. Victims and Restorative Justice
 - e. Serious Violence and Harmful Sexual Behaviour
 - f. Quality Assurance and Workforce Developmentand these broadly map to the inspection framework for Youth Justice Services.

Links with the Corporate Priorities:

1. The Youth Justice Business plan links to the strategic vision from Let's Do It Strategy – making Bury a place of opportunity, reducing deprivation, improving

life chances, and operationalises it is the contact of children and young people involved (or at risk of involvement) in the youth justice system.

2. It supports the Council’s corporate priorities by contributing directly to improved educational outcomes, increased employability, prevention of offending, building safer and more resilient communities.
3. The plan embeds the LET’s principles into its approach: working at a neighbourhood level; promoting skills / education; partnership across agencies and communities; focusing on strengths and early intervention.
4. It also provides a delivery route for the Council’s ambition that no young person is left behind, that services are joined up, early intervention is key, and children / young people are supported to reach their full potential.

Equality Impact and Considerations:

A comprehensive equality analysis has identified potential impacts across all characteristics which this plan seeks to address. Mitigations have been incorporated into the plan to reduce and eliminate disadvantages taking into account the different needs and approaches specific characteristics require, ensuring the plan is inclusive and equitable.

Environmental Impact and Considerations:

1. The Youth Justice Plan has a low direct environmental impact but aligns with Bury Council’s commitment to sustainability and climate responsibility. Through local delivery models, digital working, and environmentally focused community reparation projects, the service contributes to reducing emissions and improving local environments.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
<p>Demand and complexity of cases. Increasing complexity of young people’s needs (e.g. trauma, exploitation, mental health, substance misuse) places strain on capacity and resources</p>	<p>Multi-agency planning trauma informed practice; early help pathways; workforce development in complex needs and safeguarding.</p>
<p>Disproportionality and Equality Continued overrepresentation of looked after children and minority ethnic groups in YJS cohort.</p>	<p>Regular disproportionality adults; targeted diversion for children looked after and minority groups; joint working with schools and social care; board monitoring equality data.</p>
<p>Partnership Coordination Changes in partner priorities (e.g. Police, Health, Education) reduce alignment or</p>	<p>Maintain robust Youth Justice Partnership Board governance; shared</p>

resource contribution to youth justice outcomes.	priorities in strategic plans; joint training and communications.
Re-offending rates Increase in youth reoffending or serious violence due to social / economic pressures or reduced Early Help capacity	Focused early intervention and diversion; targeted work with known cohorts (e.g. serious youth violence); robust monitoring and case review

Legal Implications:

Every Local Authority is subject to a statutory duty to formulate and implement for every year a plan in consultation with relevant persons and bodies every year setting out how Youth Justice Services are to be funded and provided and how youth justice teams are to be composed, funded, operated and what functions they are to carry out (Section 40(1)(a)-(b) Crime and Disorder Act 1998). This plan fulfils this duty.

Financial Implications:

There are no financial implications arising directly from this report.

Appendices:

Bury and Rochdale Youth Justice Business Plan 2025-26.

Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning

Bury and Rochdale Youth Justice Business Plan 2025- 2026

Item	Page Number
Introduction, vision and strategy	1-5
Governance, leadership and partnership arrangements	6-10
Update on the previous year	10
Progress on priorities in previous plan	11-12
Performance over the previous year	12-14
Risks and issues	14
Plan for the forthcoming year	
Child First	15
Resources and services	16
Board development	17
Workforce Development	18
Evidence-based practice and innovation	19
Evaluation	20
Priorities for the coming year	
Standards for children	21
Service development	22
National priority areas	
Children from groups which are over-represented	22 – 25
Policing	25
Prevention	26
Diversion	26
Education	27
Restorative approaches and victims	28
Serious violence, exploitation and contextual safeguarding	29 – 30
Detention in police custody	31
Remands	31
Use of custody and constructive resettlement	32
Working with families	33
Sign off, submission and approval	34
Appendix 1: Staffing Structure	35
Appendix 2: Summary of grant compliance	36

Introduction, vision and strategy

Foreword from the Director of Bury Children’s Services, Chair of the Youth Justice Partnership Management Board Jeanette Richards

On behalf of Bury and Rochdale Youth Justice Service, and as the Chair of the Youth Justice Management Partnership Board we are pleased to share our Youth Justice Business Plan 2025- 2026. We remain committed in our goal, to achieve excellence for all children and young people, and we continue to work with families, carers and partners to achieve our shared vision.

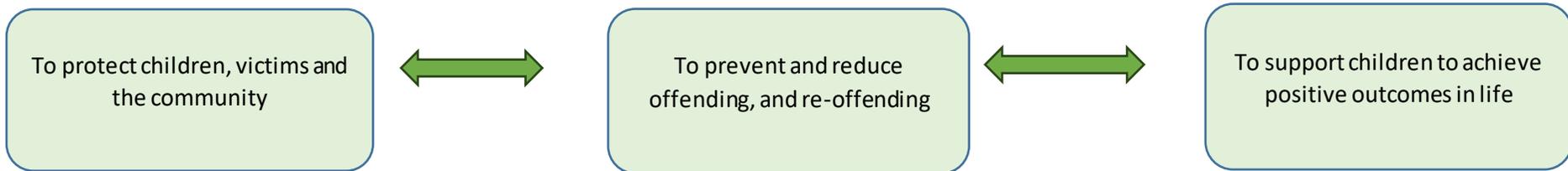
Our Shared Vision

“We want Bury and Rochdale children and young people to grow up happy, healthy, with confidence, ambition and surrounded by love, care, and kindness. We want children and young people to have the very best start in life and to thrive throughout their childhood and adolescence, and for families and carers to be supported to enable this.

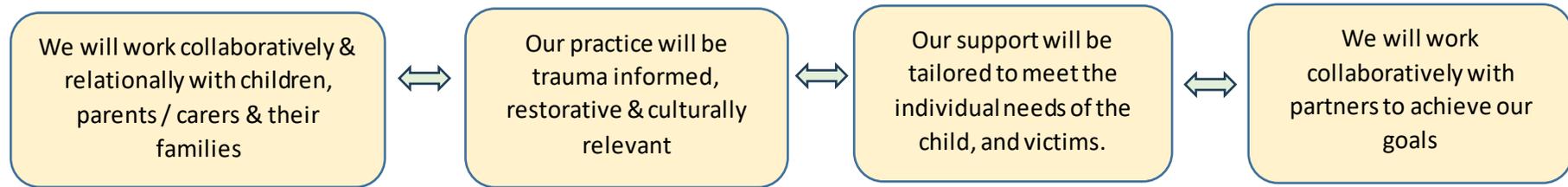
Our vision is to see the ‘child and young person first’ and to provide ‘the right service, at the right time, in the right way’. We want to prevent our children and young people from entering the Criminal Justice System, to reduce offending and re-offending, to reduce custody, and to improve the safety and wellbeing of all those who come to us through supporting them to achieve their ambitions’ and create a safer community, with fewer victims.

Bury and Rochdale Youth Justice, is committed to working holistically and collaboratively with children and young people, parents, carers, families, partners, and communities to achieve this vision”.

Our Goals



Our approach



Local context

Bury and Rochdale Youth Justice Service amalgamated in 2014, and our partnership board is chaired by the Director of Bury Children’s Services, with the Assistant Director of Rochdale Children’s Services as co-chair. Strategically and operationally partners are drawn from both boroughs.

Rochdale [Census 2021]

Rochdale is known for its cultural diversity, and it offers a mix of traditional and contemporary shops, cafes and local business. Rochdale is well connected for commuters, offering direct tram services to Manchester city centre, whilst nestling in beautiful countryside. Average property prices in Rochdale are affordable, and this makes it an attractive option for first time buyers, and young families, which might be in part why the population is increasing. Rochdale continues to invest in its residents’ offering projects, and a wide range of education, training and employment related activities. However, as in many local authorities we have areas of deprivation, and our unemployment rate and economically inactive population is above the national average.

Bury [Census 2021]

Bury is known as a vibrant market town, with green spaces, affordable living and excellent public transport including the metro link tram service into Manchester. Bury has a strong community feel, with a rich heritage and cultural scene, benefitting from well-rated schools and healthcare facilities it is an attractive place for young families to live. Bury’s population has continued to increase. As with most areas Bury has areas of deprivation, and the percentage of children living in Bury in recent years has fallen.



Bury and Rochdale demographics [online census 2021]

44,740 children are between 10 & 17 years old

*78 % of the Bury and Rochdale population are White British: 22% from Black and other minority ethnic groups;
33% of the population between 10 & 17 years old are from Black and other minority ethnic groups*

49% of the population are males, and 51% female

Bury and Rochdale are ranked in the top 10% most deprived areas Nationally, with 26 % of children living in low – income families.

Local delivery

Bury and Rochdale Youth Justice Service is based in Rochdale, conveniently located near the town centre and bus station, ensuring easy access for children and young people from the Rochdale area. Prior to the amalgamation of the Youth Justice service, local young people were actively involved in designing their space at ‘Fashion Corner’ in Rochdale. The facility now includes several dedicated rooms, and hosts a fully equipped kitchen, a games room featuring a snooker table and gaming equipment, and a dedicated health space, providing a safe and supportive environment for children engaging with the Youth Justice Service.

In contrast, Bury currently does not have a comparable facility, with no suitable space for Youth Justice children to visit, and most interactions take place in the home or other community settings. One of the key challenges is the absence of a child-focused, ‘drop-in’ facility for children experiencing crisis, limiting opportunities for immediate support in a safe and welcoming environment. This matter has been raised at the Youth Justice Partnership Board and is under review. Bury children open to Youth Justice have access to the central Youth Centre, which is situated at the Town Hall, however, it is acknowledged that this is not an ideal setting, and therefore other options are currently being considered as a priority.

An understanding of our data and the profiles of children within our service enables us to identify both strengths and areas for improvement. This insight informs strategic planning and operational delivery, ensuring that we understand where we need to target resources to be most effective, and to achieve the best possible outcomes for young people. There are notable disparities in the availability of resources, Bury has reviewed their Prevention Offer and revised this, to ensure that this is comparable with Rochdale – an additional member of staff has been recruited to specifically work with our children in Year 5 and 6 at Primary School, Bury NHS ICB colleagues are currently reviewing the health offer. Some of the local challenges in delivering a ‘shared’ Youth Justice Service across two local authorities is addressing these inequalities which is essential to ensure that all children, regardless of their locality, receive equitable support and the chance to thrive.

The number of Bury children/interventions open to Youth Justice is lower than Rochdale, and therefore we would expect to see the comparable differential across data sets and Bury manage their prevention offer outside of Bury and Rochdale Youth Justice. However, despite the comparable differential the data indicates that we have more Bury cared for children open than Rochdale; a higher number of children with Special Educational Needs (SEN) and/or Education, Health and Care Plans (EHCPs). Going forward in 2025- 2026 resource need to be targeted to address these areas of concern. Notably Bury children are disproportionately represented in court proceedings, remand, and licence cases. We continue to work closely with the courts to ensure fair and equitable treatment for all children. *[caveat- small numbers often yield higher percentages which can be misleading]*

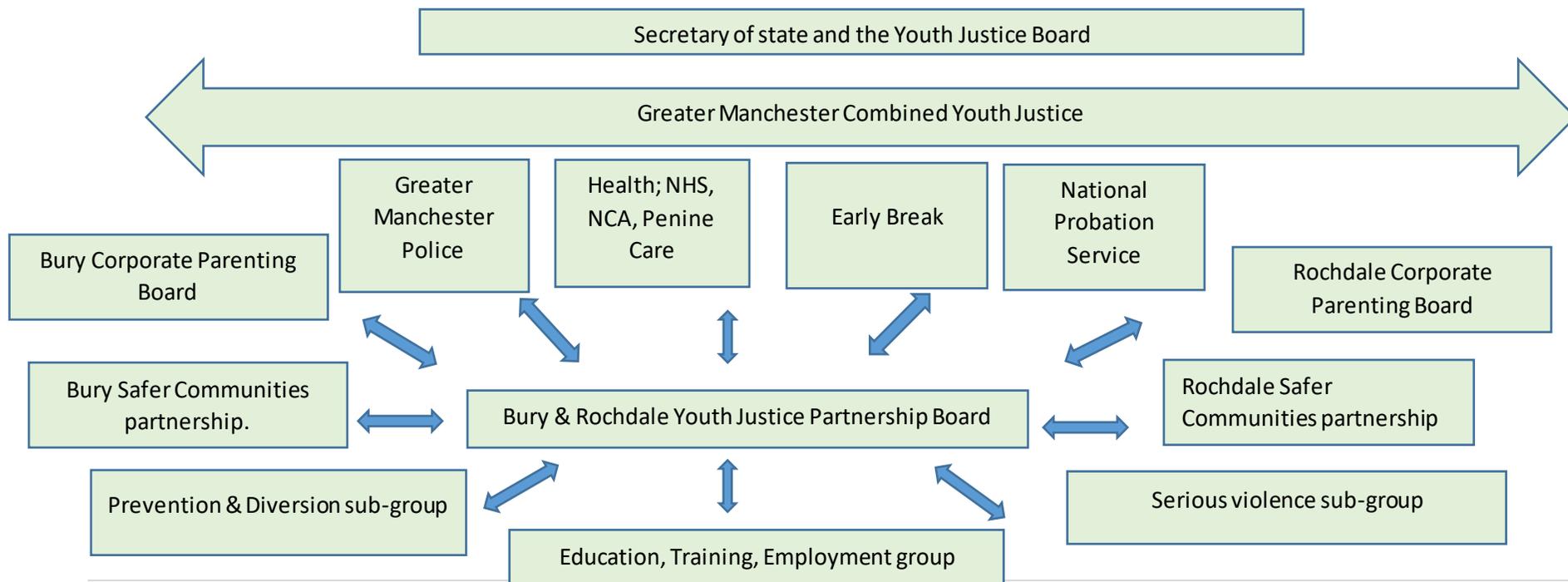
The number of Rochdale children open to Youth Justice is higher than Bury, and Rochdale specific data indicates that any disparities are comparable to the differential. In terms of ethnicity (Q4 2024/25 data), Rochdale has 15.2% more White children open to Youth Justice than Bury; Bury has 1.1% more Asian children than Rochdale; Rochdale has 2.5% more Black children than Bury; Bury has 3.6% more children identified as Chinese/Other. Notably, Bury has 9%

more Dual Heritage children open to Youth Justice than Rochdale, which indicates a higher level of disproportionality despite the difference in the number of cases.

2 Governance, leadership and partnership arrangements

Youth Justice is inspected by His Majesty Inspectorate of Prisons [HMIP], and our last inspection report rated us overall as Good [June 2020]. [An inspection of youth offending services in Bury and Rochdale](#). Youth Justice is legislated through the Secretary of State, and our performance is monitored through the Youth Justice Board quarterly performance oversight framework. Bury and Rochdale currently sit in quadrant 3: *“Service Improvement required: Investigation and analysis of the cause or nature of concerns impacting on performance outcomes for children; identify where the service may need assistance; offering advice and guidance and broker support and/or direct delivery of intervention support”*.

Strategic governance and partnership arrangements are overseen by the Youth Justice Partnership Board, which is chaired by the Director of Bury Children’s Services, and co-chaired by the Assistance Director of Rochdale Children’ Services. The Board currently meets’ bi-monthly and our wider strategic governance arrangements are reflected in the diagram below.

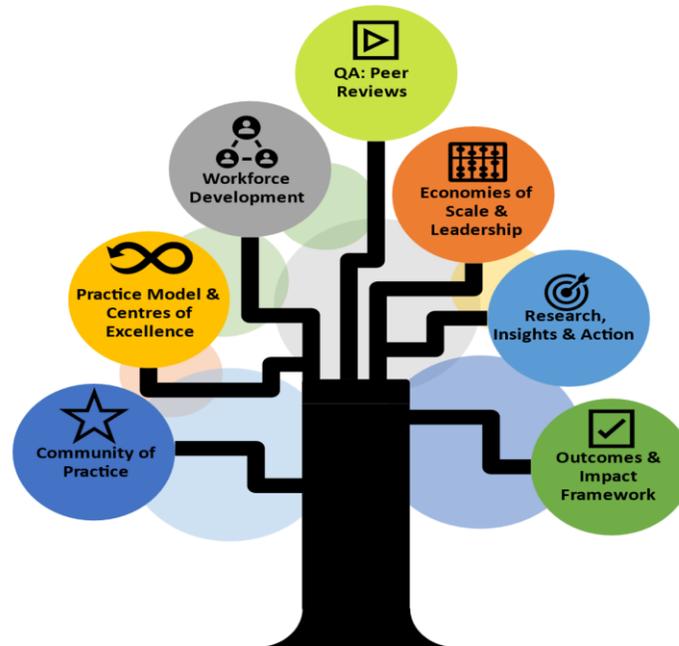




Our 10 Greater Manchester Youth Justice areas sit within devolved governance arrangements and each local authority lead works together through our community of practice led by Dr Alex Chard. Together we have developed the Greater Manchester Youth Justice Transformation Framework and plan, 2025- 2029. This reflects a shared and core set of Youth Justice Principles, Pillars and enablers, outcomes and priorities, and has been informed by children and young people, some of whom open to Bury and Rochdale Youth Justice. Through our Greater Manchester coordination hub, we will ensure that we learn from one another, share innovative practice, and more importantly improve outcomes for children and keep victims and communities safe. Our plan going forward is to develop a peer review model across Youth Justice Services.

A Youth Justice Coordination Hub

Growing the capability and capacity to work smarter across services and systems in Greater Manchester.



Our Greater Manchester principles are to 1] advocate for children, 2] hear their voice 3] be trauma responsive 4] strengthen communities and support victims 5] have an innovative mindset 6] collaborate and co-design 7] support children through early intervention and preventions 8] be evidence led 9] be professionally curious 10] leave nobody behind.

Our Greater Manchester pillars of delivery will focus on 1] harm and risk reduction 2] resilience and engagement 3] safety and protection 4] stability and wellbeing.

Our Local operational governance and partnership arrangements are overseen by Rochdale Children’s Services. Our Head of Service, recruited in April 2025 leads and manages Rochdale Complex Safeguarding Service, missing from home/care service, and Bury and Rochdale Youth Justice Service. Bury and Rochdale Youth Justice have 2 full time Team Managers, and 2 full time Advanced Practitioners that lead and manage the team [please see appendix 1 for full staffing structure and financial contributions]

Seconded partnership arrangements are not equitable across Bury and Rochdale Youth Justice as per the table to the left below. This has been escalated and is under review at the Youth Justice Partnership Board.

Integrated partners



Agency / Partner	Bury	Rochdale
Police	Police officer	Police officer
Health	Nurse	Nurse
	-	CAMHS
	-	SALT
Education		
Pre 16	-	EWO
Post 16	Connexions	Positive Steps
Probation Officer	Yes [vacant]	
Serious Violence	Yes	
REMEDI/Victim	Yes	

Local Partnership Arrangements: *Bury and Rochdale have their own Early Help/ Family Help offer; and Voluntary, Community and Faith sectors that children, young people and families can access.*

Rochdale Connexions Trust: *provides mentoring to YJ children across Bury & Rochdale.*

REMEDI: *delivers Bury & Rochdale YJ victim service / reparation.*

Early Break: *working with children and families affected by substance misuse across Bury & Rochdale.*

Positive Steps: *Working with Rochdale school leavers to support in ETE.*

Connexions: *Working with Bury school leavers to support in ETE.*

PPIED: *is an approach used across Bury and Rochdale*

Turnaround: *is an approach used across Bury and Rochdale. Bury manage their own Turnaround.*

Serious Violence: *our children have access to the virtual reality decision making programme [virtual headsets] to address knife related behaviours. We also support children in school through our preventing exclusion programme for knife / weapon related behaviours.*

Complex Safeguarding: *Both Bury and Rochdale have a complex safeguarding and missing service*

Local quality assurance arrangements: We align with Rochdale Children’s Services quality assurance framework.

Team Managers submit a case file audit each month, consisting of a reflective conversation with the practitioner, child, and their parent / carer to ascertain their view of the service.

Advanced Practitioners jointly complete a themed ‘dip sample’, and/or a quarterly themed in-depth audit.

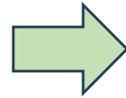
Team Managers each submit a monthly performance report, detailing analysis of data; learning from audits, supervisions completed, and staffing matters; areas to celebrate and areas to reflect on and develop.

The Head of Service holds a Quality and Performance Clinic each month with the Team Managers and Advanced Practitioners

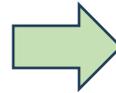
The Head of Service attends a Quality and Performance Clinic each month with the Assistant Director of Rochdale Children’s Services.

‘Close the loop’ learning from the Audits is presented at the team bi-monthly alternate ‘team meetings’ and ‘team development afternoons’

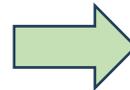
The Head of Service chairs 1 x service development afternoon each month with the Team Managers and Advanced Practitioners to review the service ‘improvement’ plan and prepare for forthcoming inspections.



This approach has supported us to hear the child’s voice, work collaboratively with parents, and understand our practice across themed areas.



This ensures a clear line of governance, and promote a stable workforce, understanding of data, highlighting areas of strength, and areas to improve on, which supports us to provide a consistent service for our children.



This approach has supported us to start to develop a learning culture, and our children will have the benefit of a knowledgeable and skilled workforce going forward.

Update on the previous year

Progress on priorities in previous plan

In our 2024–2025 Youth Justice Business Plan, we submitted a ‘Plan on a Page’, which served as a positive foundation for the development of a Youth Justice Improvement Plan. However, this initial work also led to the creation of additional plans, including a Youth Justice Service Plan and a Youth Justice Performance Oversight Plan. While each plan has value, the proliferation of separate documents has diluted our strategic focus and may have hindered the pace of progress we initially aimed for. Please see a review of the 2024- 2025 priorities below:

Priority 1: Governance and Leadership; We have encountered challenges in our leadership and governance arrangements. Attendance at the Youth Justice Partnership Board has been inconsistent, with some partners not routinely engaging. Additionally, there has been limited understanding, commitment, and constructive challenge regarding the information presented at Board meetings. In response, the Board has recently established three thematic sub-groups to strengthen strategic oversight and drive improvement in key areas: Prevention and Diversion – focused on reducing First Time Entrants into the Youth Justice system: Education, Training and Employment (ETE) – aimed at promoting positive engagement and reducing reoffending; and Serious Violence – established in response to data indicating a continued rise in serious youth violence. These sub-groups are still in the early stages of development, and it is too soon to assess their impact. However, we are committed to refining and strengthening their role as part of our ongoing improvement journey.

Priority 2: Prevention and Diversion: We have continued to deliver prevention initiatives through the Turnaround Programme, the Knife Crime Exclusion Programme in schools, and PPIED. Diversionary pathways remain in place and include Outcome 22, Community Resolutions, Youth Conditional Cautions, and Deferred Cautions/Prosecutions. However, a key challenge persists; there is a noticeable disparity between the number of police disposals issued and the number of referrals received by the Youth Justice Service. This highlights an ongoing need to raise awareness and understanding of the Out of Court Disposal framework among police colleagues. To address these issues, we aim to utilise the newly established Prevention and Diversion / First Time Entrants Sub-Group to strengthen collaboration, improve referral pathways, and ensure consistent application of the OOCDF framework. Additionally, we recognise the need to better understand police data — particularly the volume and characteristics of children who are: Stopped and searched, released under investigation, placed on bail, and those arrested or detained overnight. This analysis will be crucial in identifying patterns, addressing disproportionality, and ensuring that outcomes for children are fair and appropriate, and support us to reduce first time entrants.

Priority 3: Remand, Custody and Resettlement: During 2024–2025, we observed a reduction in the number of children entering custody. By Quarter 4, our custody rate was lower than the same period in the previous year and below the averages for the Northwest region, Greater Manchester, and our Youth Justice statistical family. In response to this positive trend, we have undertaken a review of our custody and resettlement processes. All children who are remanded or serving custodial sentences will be reviewed through our risk management meetings, ensuring alignment with the principles of the constructive resettlement pathway. This approach supports a more structured and rehabilitative transition for children returning to the community.

Priority 4: Victims and Restorative Justice; We are mindful of the new HMIP inspection framework, which, for the first time, introduces dedicated Victim standards. Following a review of the new expectations, we identified inconsistencies in our previous approach to victim engagement. In response, we commissioned Remedi, a specialist and experienced provider of victim services, to deliver a consistent and high-quality victim and reparation offer. This provision is still in its early stages, and we have developed a set of evaluation and outcome measures to monitor its effectiveness. Remedi will report regularly to the Youth Justice Partnership Board on the delivery and impact of the victim and reparation service. A formal review of the service will take place at six, nine, and twelve month interval to ensure continuous improvement and alignment with inspection standards.

Priority 5: Serious Violence and Harmful Sexual Behaviour; Serious violence continues to rise and remains a challenge for our service. In response, we plan to re-focus the role of our dedicated Serious Violence Project Lead, shifting from broader community safety responsibilities to a more targeted Youth Justice perspective. This includes a detailed analysis of serious violence data, examining key themes such as: locality, child characteristics, school engagement, offence type, and number and type of previous interventions. This approach aims to strengthen our understanding of patterns and 'risk' factors, enabling us to effectively target resources and interventions. We continue to deliver the virtual reality knife crime decision-making programme, which supports children in making safer choices. Additionally, the knife crime exclusion programme has been implemented in schools to raise awareness and prevent escalation. However, we recognise the need to improve our ability to track, monitor, and evaluate these initiatives. Developing a robust evaluation framework will help us understand what is working well, what is not, and inform a clear, evidence-based action plan moving forward.

Harmful Sexual Behaviour (HSB); Our Harmful Sexual Behaviour Policy has been recognised as an example of good practice by the Youth Justice Board and is featured on their national resource hub. The policy is also embedded within Tri.x CSC Greater Manchester, and local procedures. Children benefit from a well-structured, consistently delivered and regularly reviewed HSB intervention offer, ensuring a high standard of support and safeguarding.

Priority 6: Quality Assurance and Workforce Development; We have commissioned 'SHOUT' to support our engagement and participation work, completing two out of three surveys to date. Additionally, we have agreed an honorarium for a dedicated staff member to lead on developing this area further. Our next steps involve analysing the survey findings to identify emerging patterns and themes and use this insight to shape service delivery. We are committed to adopting a 'You Said, We Did' approach to demonstrate how children's voices influence our practice and decision-making. We currently capture the voice of the child through a range of mechanisms, including case file and conversational audits, feedback self-assessments, referral order panels, and review processes. However, we recognise the need to strengthen our analysis and develop clear actions that ensure children's feedback meaningfully informs service development. We submit monthly case file audits and conduct themed audits to support continuous improvement. In the coming year, we will focus on embedding learning from our quality assurance processes and evaluating the impact of these improvements on children, victims, and the wider community.

Performance over the previous year

National Key Performance Indicators

Across 2023–2024, we achieved a slight reduction in the number of First Time Entrants (FTEs), reducing from 113 to 102, which reflects our continued efforts in promoting alternatives. Our reoffending binary rate at Quarter 4 of 2023–2024 was also positive, outperforming regional and national comparators: Our rate: 17.0% (9 of 53 children reoffended, committing 38 offences), Northwest average: 28.2%, Greater Manchester average: 21.6%, and our Youth Justice Statistical Family average: 31.1%. While the number of children in custody or held on remand has increased during 2024, our rate remains below all comparator groups: Our rate: 0.09, Northwest: 0.12, Greater Manchester: 0.12, Youth Justice Statistical Family: 0.11. These figures reflect improved performance in these areas, though the rise in custodial cases highlights the need for continued focus on early intervention and robust community alternatives.

Reporting period	First Time Entrants	Reoffending rates	Custody & Remand
January – December 2023	113	Binary 17% Frequency 4.2%	4
January – December 2024	102	Data not available	6

Local Key Performance Indicators

KPI 1 Accommodation	<i>The number of children in suitable accommodation at the end of their intervention has been high, and relatively consistent across each quarter in 2024- 2025, Q1 95.8%: Q2 100%: Q3 100% and Q4 97%. Our target will always be 100%.</i>
KPI 2 ETE	<i>On average 50 % of children were in suitable education, training or employment at the end of their intervention, which is lower than we would like. We now have a dedicated ETE sub-group that reports to the Board.</i>

KPI 3 SEND/ EHCP	<i>77 children open to YJ in 2024- 2025 had EHCP or SEND needs. We plan to liaise more closely with our SEND/EHCP leads.</i>
KPI 4 Mental / Emotional Wellbeing	<i>During 2024–2025, data indicates that 15 children were already receiving mental health or emotional wellbeing support prior to undergoing our screening process. An additional 9 children were identified through screening as requiring support, bringing the total to 24. However, actual engagement with support services was significantly lower, with attendance figures ranging between 3 and 9 children. This highlights a critical gap between identified need and service uptake. Moving forward, we need to strengthen pathways to ensure children have timely and equitable access to appropriate mental health and emotional wellbeing services.</i>
KPI 5 Substance Use	<i>65% of children successfully engaged in tier 2 and 3 treatments in 2024- 2025. We continue to encourage children to access our substance use services.</i>
KPI 6 OOCDS	<i>125 children have been supported through Out of Court Disposals in 2024- 2025 [referred to YJ] [data to be treated with caution]</i>
KPI 7 Management Board Attendance	<i>Throughout 2024–2025, we have prioritised the development of our Board, with a continued focus on strengthening attendance, active participation, and shared accountability. Our efforts aim to build the Board’s capacity to interpret data effectively, make informed decisions that promote equitable resource allocation, and provide a safe and supportive environment for children. Key areas of focus include serious violence, education, training and employment (ETE), prevention and diversion, first-time entrants, and reducing reoffending rates. The Chair of the Board has appropriately escalated concerns to partners, reinforcing our collective commitment to continuous improvement and our ambition to achieve excellence.</i>
KPI 8 Wider Services	<i>A significant number of our Youth Justice cohort are also engaged with wider support services. In 2024–2025, 27 children were open to Child in Need plans, 22 were cared for children, and 7 were supported through Child Protection plans — representing approximately 30% to 35% of our overall cohort. We continue to work closely with Social Care and Early Help services to ensure that children receive timely and coordinated support at the earliest opportunity</i>
KPI 9 Serious Violence	<i>We have continued to observe an upward trend in the number of children involved in serious violence offences. Between October 2023 and September 2024, 23 children were responsible for 39 such offences. A consistent pattern has emerged, with Robbery, Attempted Robbery, Knife Crime, and Violence Against the Person being the most prevalent offence types. Our serious violence rate currently stands at 8.3, which is above the average for our Youth Justice family [6.4] but remains below</i>

	<i>the Greater Manchester average. We are actively analysing these trends to inform targeted interventions and multi-agency responses through our serious violence sub-group.</i>
KPI 10 Victims	<i>148 Victims out of 161 consented to be contacted by us in 2024-2025. We have commissioned REMEDI, victim services to provide this service through 2025-2026.</i>

Risks and issues

We continue to face challenges which are discussed at our Youth Justice Board performance oversight meetings. We will remain focused on the following areas:

Youth Justice Management Partnership Board

Risk: *Attendance is inconsistent, and this has led to a lack of focus on Leadership and governance, and key areas around serious violence, prevention & diversion, first-time entrants, and re-offending.*

Reflections: *Attendance has been escalated by the chair of the Board, and a key stakeholder meeting held to improve that. The membership has been revisited; sub-groups have been implemented and the Youth Justice Board has supported in the delivery of development sessions. The Head of Service will complete a scoping exercise focusing on the Board understanding of HMIP leadership/governance/and partnership services standards for further development.*

Partnership Services: Inconsistent resource for children between Bury and Rochdale

Risk: *Bury and Rochdale Youth Justice children do not have the same access to resource. Bury Youth Justice children do not have a dedicated Children Adolescent Mental Health practitioner; Educational Welfare Officer; or a Speech and Language Therapist. Bury children do not have a child appropriate place and space in Bury.*

Reflections: *This disparity has been raised at the Youth Justice Management Partnership Board, but not yet resolved. We need to reflect further on the impact that this has on our Bury children and provide evidence of this to the Board.*

Risk: *we do not currently have a seconded probation officer for our children who are transitioning to adult services*

Reflections: *we have worked closely with the probation service who will financially remunerate for the post. This is a temporary measure, and the probation service are actively sourcing a probation officer, and probation service officer to fill the vacant post.*

PLAN FOR THE COMING YEAR

CHILD FIRST

What is Child First?

The Child First framework has been adopted as the guiding principle for the youth justice sector. It sees children as children, treats them fairly and helps them make a constructive contribution to society. This will prevent offending and creates safer communities with fewer victims.

The number of children in custody is the lowest on record, but those who remain in the system have complex needs and face multiple challenges. Child First aims to break down barriers and create opportunities for children to help them move forwards.

Child First goes beyond the youth justice system.

Decades of research tells us that working in a Child First way has benefits for children's outcomes.

Child First is...

- An evidence-based framework
- For everyone working with children
- A decision-making tool
- Built on the best contemporary evidence available

Child First is not...

- An approach, vision, model or mantra
- New - it's based on decades of research of what we know works
- A 'hard' or 'soft' option

The four 'tenets' of Child First

As children
Prioritise children's best interests and recognise their rights and unique needs. Be child-focused, developmentally informed and acknowledge structural barriers, meeting adult responsibilities towards children to support them to realise their potential.

Building a pro-social identity
Promote children's strengths through supportive relationships and a future-focus, empowering them to develop their identity in a way that enables them to make a positive contribution to society.

Collaborating with children
Encourage active participation, meaningful engagement and wider social inclusion for children and their families or carers.

Diverting from stigma
Encourage a childhood away from the youth justice system by using early outside support, including diversion and minimal intervention to avoid and minimise the stigma of criminal contact.



Bury and Rochdale Youth Justice: our Child First approach alongside the Greater Manchester principles [referred to on page 8]

As Children: *We continue to create a culture that focuses on the child, their lived experience and social graces, and promote organisational and practice responses to the child first, and behaviour second. We will promote training. Our aspiration is for all of our practitioners to understand the impact of adverse childhood experiences, and be Trauma informed, understanding and advocating for their rights with our partners, including the Court.*

Building a pro-social identity: *We remain committed to our practice values, principles, and core behaviour and are ambitious for our children. We will support them to be aspirational, focus on their individual social graces, strengths, and build their confidence through creative approaches. Our ambition is to develop our 'resource directory', through our VCFS so that we create systemic 'expertise' and support for children.*

Collaborating with children: *Many of our children have learnt to mistrust professionals, and services and we struggle to engage them. We will persist to implement an engagement group. We are committed to creating different approaches to hear our children, and use their voice to shape our service, adopting a 'you said' 'we did' approach.*

Diverting from stigma *We use 'PPIED' and Turnaround approaches to identify, and support children at the earliest time. Our multi-agency processes enable us to work with partners to identify children who might benefit from mentoring, and out of court disposals, and are able to offer targeted support through SALT, Education, Health, Substance Misuse, CAMHS, and Social Care to reduce the likelihood of criminalisation and promote social inclusion. We are further supported by the GM Transformation programme, to divert children from custody, and prevent criminalisation. Our ambition is to promote our service to wider services and develop practice in line with a family's first model.*

Resources and Services



AND ...



We will use our Youth Justice Board grant to support the funding of core staff, ensuring the consistent delivery of service for children across Bury and Rochdale. Continued investment in staff training will further strengthen the knowledge and skills of our workforce, enabling us to better meet the diverse needs of the children we support and improve outcomes across the partnership

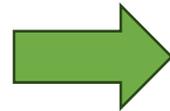
We will continue to fund a dedicated lead professional to oversee our Serious Violence Project. This role is pivotal in driving efforts to reduce serious violence, safeguard victims and the wider community, and promote positive outcomes for children. Over the next 12 months, the project lead will be responsible for the implementation and evaluation of the *Round Midnight* virtual reality knife crime decision-making programme. This innovative initiative combines creative arts with educational technology to engage young people in immersive, meaningful learning experiences that challenge perceptions and influence safer choice. [Round Midnight - Creative arts and EdTech](#); and our school prevention / exclusion programme.

Our grant will also support the appointment of dedicated staff and approaches to strengthen the voices of children and parents/carers. This will underpin the development of our engagement and participation strategy, which includes commissioning surveys, exploring innovative approaches to reach children, and ensuring access to safe and inclusive spaces—aligned with the principles of the Lundy model of participation. By embedding their voices into our service design and delivery, we aim to ensure that our interventions are responsive, inclusive, and targeted where they are most needed.

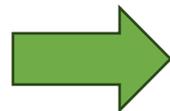
We remain firmly committed to investing in early intervention and prevention initiatives. Our focus will be on strengthening partnerships with Family Hubs and wider agencies, while developing a clear and recognisable *Children and Families First* brand. This will be supported by developing a communication strategy, and co-designing informative leaflets, targeted promotional materials streamlined referral pathways, These efforts are designed to ensure that children and families receive timely, accessible support at the earliest opportunity

Finally, the grant will support services for victims and facilitate reparation opportunities for children through our commissioned partner, REMEDI, which provides restorative justice and victim support services. [What We Do: Victim Services | Remedi](#)

BOARD DEVELOPMENT



Domain one- organisational delivery
[Youth Justice Services – HM Inspectorate of Probation](#)



Bury and Rochdale Youth Justice Partnership Board: Governance and Strategic Updates

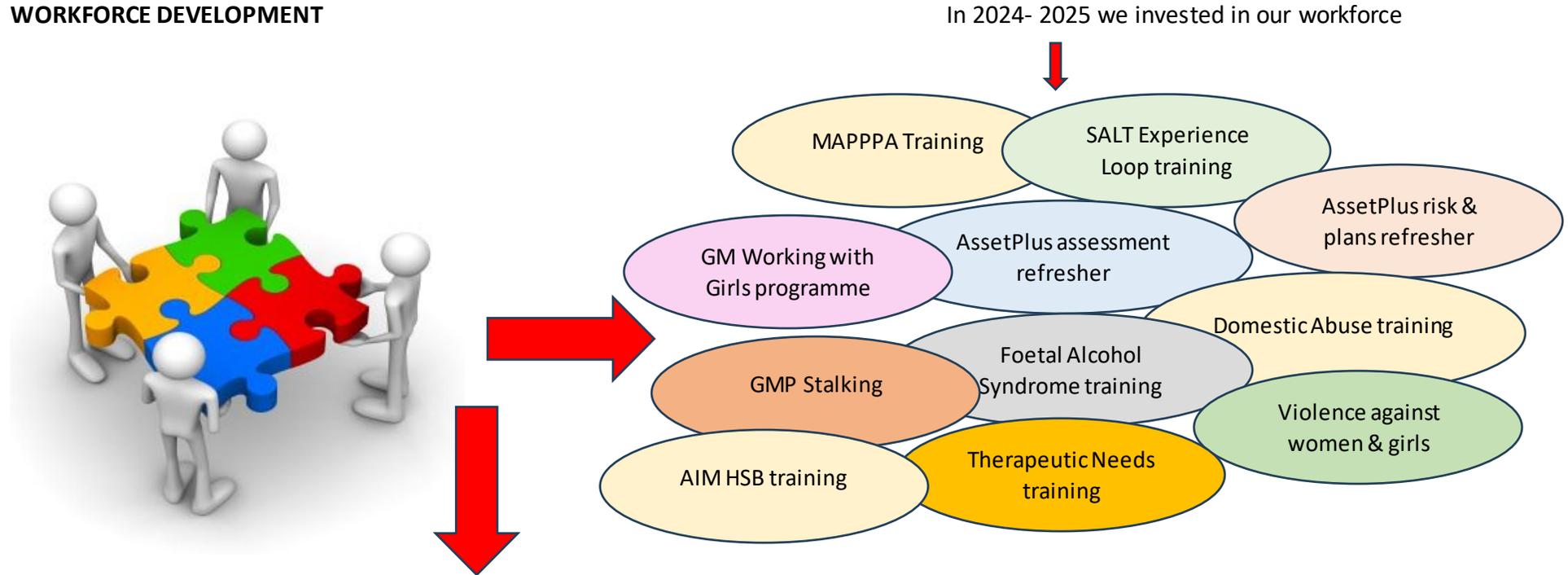
The Bury and Rochdale Youth Justice Partnership Board has encountered several challenges, including inconsistent attendance from key stakeholders, limited scrutiny of priority areas, and concerns regarding the seniority of Board representation. These issues have been formally escalated by the Chair and addressed with the support of our Youth Justice Board (YJB) regional lead, who facilitated a development session aimed at strengthening governance and strategic alignment.

To enhance operational effectiveness, we have established thematic sub-groups focusing on key priority areas: prevention and diversion/first-time entrants, serious violence, and education, training, and employment (ETE). Although these groups are in the early stages of development, our immediate focus is on improving data interpretation and providing clear strategic direction to drive meaningful outcomes for children engaged with Youth Justice services.

Operating a dual-authority Youth Justice service presents inherent complexities, particularly in achieving equitable resource allocation across both local authorities. This issue has been escalated, and the Chair has engaged with senior stakeholders, the YJB regional lead, and the Head of Service to raise concerns. We remain committed to addressing this challenge through ongoing dialogue and collaboration at Board level

2025- 2026 *In the coming year, we will undertake a self-assessment with Board members, aligned with HM Inspectorate of Probation (HMIP) expectations for leadership, governance, and partnership working as outlined in the Inspection Framework. This reflective exercise will support the identification of development areas and ensure the Board is well-positioned to provide effective oversight and strategic support for Youth Justice services.*

WORKFORCE DEVELOPMENT



We will remain committed to ongoing investment in our workforce to ensure resilience, reflective practice, and continuous professional development. Personal supervision will continue to support staff wellbeing and resilience, while reflective case supervision will be used to promote best practice and learning. Practitioners are encouraged to engage in continuous development through their annual DELVE conversations, which provide a structured opportunity to reflect on progress and identify growth areas.

In 2025–2026, we will undertake a comprehensive training needs analysis to assess levels of confidence and competence across the workforce. This will enable us to tailor our training offer to meet identified needs of staff.

In addition, we will consider findings from national, regional, and local audits to identify learning gaps and implement training in response to recommendations. A particular focus will be placed on strengthening the ‘golden thread’ across assessment, planning, intervention delivery, review, and case closure. This includes embedding an understanding of social graces, enhancing the quality of written work, and promoting the use of child-centred, strengths-based language.

EVIDENCE BASED PRACTICE AND INNOVATION



We are actively engaged in the Greater Manchester Remand Pilot, which commenced in 2023. The initiative seeks to consolidate remand funding across the ten Greater Manchester Youth Justice Services to explore whether a pooled approach can facilitate investment in innovative community-based alternatives to secure remand for children. A range of creative proposals are currently being considered for the 2025–2026 remand underspend, and we remain committed to supporting this progressive and collaborative approach.

We are actively involved in the Greater Manchester Youth Justice Community of Practice, which has played a key role in shaping the Greater Manchester Youth Justice Transformation Framework 2025–2029. This framework represents a distinctive regional approach that enables collaborative service co-design and the sharing of best practice across the sector.

We are working towards developing our engagement and participation strategy, which reflects the evidence-based Lundy Model of Participation. This will provide a rights-based framework for engaging children in decision-making processes. It emphasises four key elements: Space, ensuring safe and inclusive opportunities for children to express their views; Voice, supporting them to articulate their perspectives freely; Audience, ensuring their views are actively listened to; and Influence, demonstrating how their input has informed outcomes. Our plan is to develop an engagement group, and different approaches to capture the child’s voice so that we can use this to have a tangible impact on the services and decisions that affect their lives.

Serious violence remains a concern for us, and in response, we have commissioned the Virtual Reality Knife Crime Decision-Making Programme. This innovative initiative has garnered substantial interest from researchers and evaluators and is supported by the Department for Education. We also recognise that sustained engagement in suitable Education, Training, or Employment (ETE) is a key protective factor against offending. In partnership with community safety, we have implemented the Knife Crime Exclusion Programme, which aims to support young people at risk of exclusion due to knife-related incidents. Together, these initiatives are designed to foster positive behavioural change, reduce the risk of reoffending, and enhance safety for victims and communities alike.

We continue to apply the PPIED and Turnaround approaches to provide early intervention support for children, working closely with Rochdale’s 17 Family Hubs. These hubs play a vital role in facilitating early referrals, often before a child comes to the attention of the police. We recognise, however, that there is more we can do to improve accessibility and engagement. As part of this, we are reflecting on our service ‘branding’, acknowledging that the term ‘Youth Justice’ can sometimes act as a barrier for families seeking support at the earliest opportunity.

Our Harmful sexual behaviour policy and practice standards has been recognised by the Youth Justice Board as good practice and can be found on the Youth Justice Board resource hub.

EVALUATION

Audits: *In line with our internal Quality Assurance Framework, we have continued to submit monthly case file audits, incorporating feedback from children, parents, and carers. Additionally, we have undertaken targeted ‘dip sampling’ across key areas including Home Visits, Planning, Desistance Factors, Language, Intervention Work, our Trauma-Informed Approach, and understanding of Adverse Childhood Experiences (ACEs). The findings indicate a mix of outcomes, with some areas considered good and others requiring improvement. However, the audits also highlight inconsistencies in practice, which we are committed to addressing through ongoing reflection, training, and quality improvement measures.*



Our Out of Court Disposals (OOCd) are subject to quarterly scrutiny through the OOCd Scrutiny Panel, which includes representatives from Greater Manchester Police, the Crown Prosecution Service, Magistrates, and Youth Justice. The panel’s purpose is to ensure that decision-making is appropriate, defensible, and aligned with national guidance. Feedback on our practice has generally been positive; however, areas for improvement have been identified—particularly in collaboration with police colleagues in both Bury and Rochdale—to promote a more consistent and child-centred approach across the region. We are actively involved in the development of child centred policing in relation to out of court disposals through the Greater Manchester Youth Justice lead community of practice and transforming Youth Justice plan.

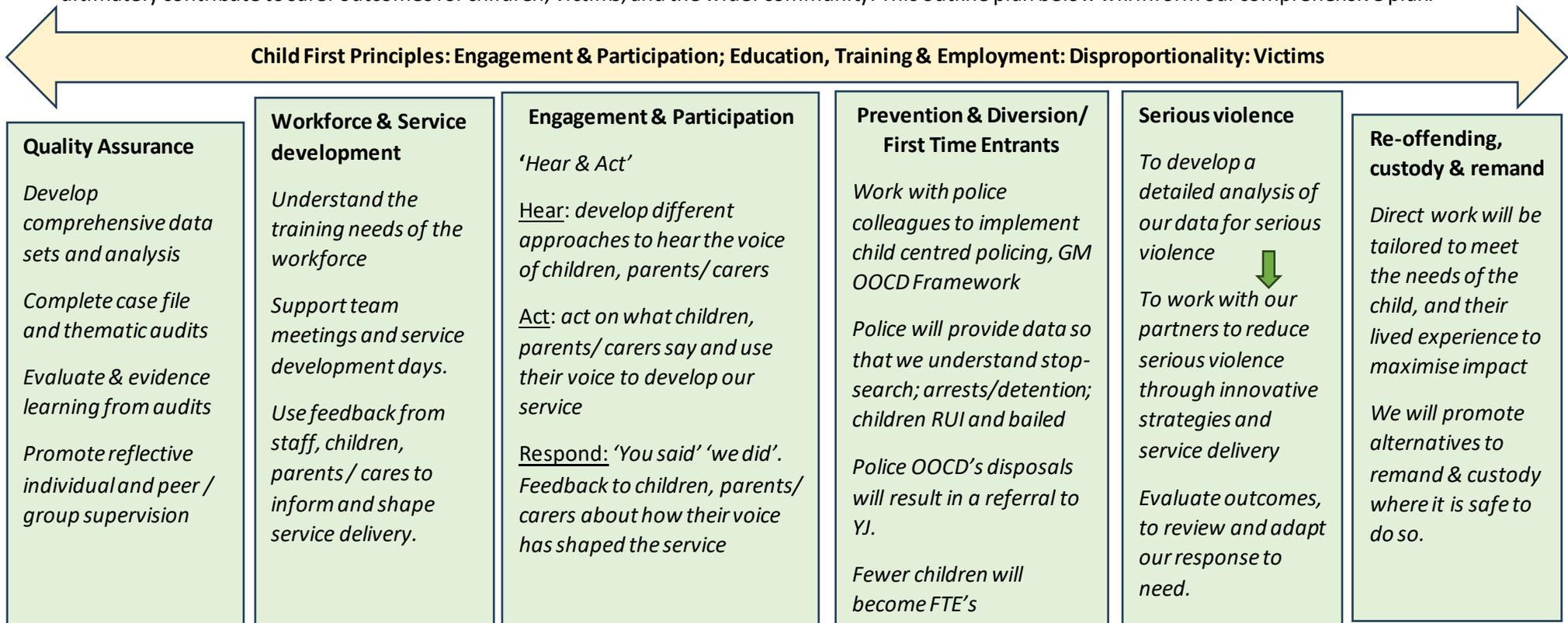
PRIORITIES FOR THE COMING YEAR: Standards for children

<p>STANDARD 1 OODC</p> <p><i>Our data indicates that not all children issued with a Community Resolution or Outcome 22 are referred to us by our police partners. This gap limits opportunities for timely intervention and tailored support.</i></p> <p>Our 2025–2026 commitment is to address this issue by strengthening referral pathways & enhancing collaboration with police colleagues to ensure that more children receive support at the earliest stage of the justice system. By doing so, we aim to reduce the number of First Time Entrants and promote more effective, preventative approaches to youth offending.</p>	<p>STANDARD 2 At Court</p> <p><i>We are committed to strengthening our quality assurance processes for children who attend Court, with a particular focus on ensuring issues of disproportionality are clearly reflected & addressed within reports.</i></p> <p><i>Wherever possible, children will be supported with a communication passport—a tool designed to help the Court understand the communication style of the child appearing before it.</i></p> <p><i>All children & families will receive an information leaflet explaining Court procedures and Youth Justice processes to help demystify the system, reduce anxiety, & support engagement.</i></p>	<p>STANDARD 3 In the community</p> <p><i>Our approach to supporting children will be grounded in Child First, strengths-based, & trauma-informed principles, engaging with children in safe places.</i></p> <p><i>We will adapt our practice to meet the unique needs of each child, delivering services in a way that respects & reflects their individual identity, background, & social graces.</i></p> <p><i>Our records will be written to the child—using accurate, non-blaming, & appropriate language, ensuring our communication respects & reflects the child’s voice and journey</i></p>	<p>STANDARD 4 In secure settings</p> <p><i>We remain committed to providing timely & accurate information to the secure estate to support the safety & wellbeing of children.</i></p> <p><i>Children will be seen regularly to maintain trusted relationships with their practitioners, offering continuity of care & emotional support.</i></p> <p><i>We will advocate for family, supporting families to maintain contact with their child wherever possible.</i></p> <p><i>We will advocate access to ETE opportunities to support continuous learning. Accommodation will remain a key focus</i></p>	<p>STANDARD 5 On transition & resettlement</p> <p><i>We will embed the principles constructive resettlement in our risk management processes; [pre-sentence stage to post-custody]. This will enable us to address areas of concern and actively promote protective factors to support long-term desistance and positive outcomes.</i></p> <p><i>We will work in partnership with colleagues from the NPS to strengthen transitions for children aged 17 + to ensure our young people receive the right support as they transition into becoming a young adult</i></p>
--	--	--	---	---

SERVICE DEVELOPMENT

As a Youth Justice service, we operate within a framework shaped by legislation, governing bodies, and external inspection standards. In addition, we are accountable to our wider Children’s Services directorate through internal assurance processes, all of which are designed to drive continuous improvement and deliver excellence for the children we support. Looking ahead to 2025–2026, we are committed to evolving and modernising our Youth Justice offer to ensure it remains responsive, relevant, and aligned with the current and emerging needs of our children and young people.

Throughout 2024–2025, we have remained in Quadrant 3, and our focus moving forward is to return to core principles —understanding our data in depth, gaining deeper insight into the lived experiences of our children, and fostering a culture of continuous learning. By doing so, we aim to address key areas for development and strengthen our practice. This approach will help us promote safety and stability, support children in achieving positive change, and ultimately contribute to safer outcomes for children, victims, and the wider community. This outline plan below will inform our comprehensive plan.



NATIONAL PRIORITY AREAS

Certain groups of children continue to be over-represented within Youth Justice and across wider services. While we do not control the referrals made to us, we recognise that children from specific backgrounds — such as those from minoritised ethnic groups, those with SEND or EHCPs, children in care, or those already known to other services — may be disproportionately referred in, and, as a result, over-represented. It is essential that we understand which groups are affected and why, so that we can engage with these children in ways that are meaningful, respectful, and responsive to their lived experiences. This understanding is key to delivering equitable and inclusive support. Bury and Rochdale have observed an over-representation in the groups below.

Ethnicity

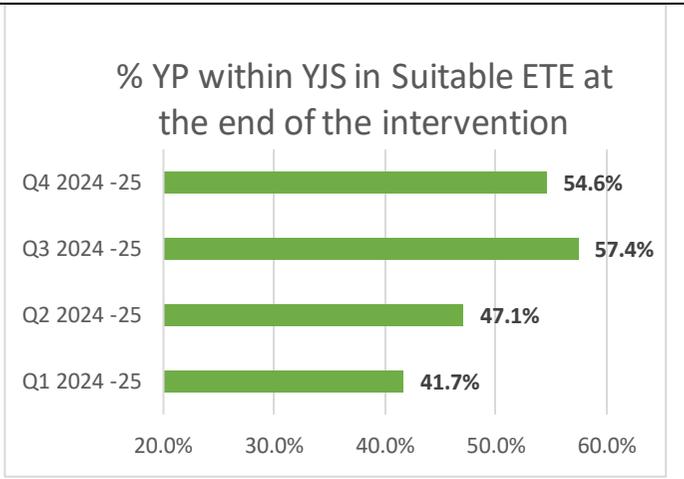
Ethnicity	Total Caseload		Total Caseload%	
	Bury	Rochdale	Bury	Rochdale
White	34	77	54.8%	70.0%
Asian	8	13	12.9%	11.8%
Black	3	8	4.8%	7.3%
Chinese/Other	5	5	8.1%	4.5%
Mixed	9	6	14.5%	5.5%
Unknown	3	1	4.8%	0.9%
Total	62	110	100%	100%

[Data is showing open interventions between Q4 2024-2025]

There remains a disproportionate overall picture across some ethnic groups with 35.5% of our Youth Justice Service children from Asian, Black or Mixed heritage, although this is based on small overall numbers, it is prone to fluctuation and can be misleading unless viewed over much longer time periods based on higher overall numbers.

2025-2026 plan: *To design and implement our disproportionality policy and quality assurance process so that we ensure that we consider diversity and equality in our Standards [OOC, Court, Community, Secure, and Transitions], through our Assessment, Plan, Delivery, Review, Closure; Supervision; Reports, and Audits. To ensure our workforce are culturally competent.*

Education, Training and Employment



Data Quarter 4 2024- 2025

Children who are open to Youth Justice often struggle with Education, Training and Employment. At the end of their intervention 54.6% of children were in suitable education. 13.95 % of children had a Statement of Educational Needs; and 10.47% had an Education Health Care Plan.

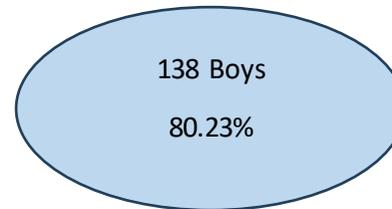
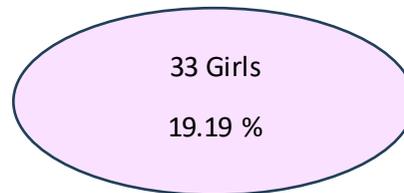
2025-2026- We will support children to feel a sense of achievement through delivering AQA's; and advocate for children to have access to the right education, training and employment. This will include working with school to reduce exclusions, promote attendance and participation and engagement.

Gender

Data Quarter 4 2024- 2025

The number of girls open to our Youth Justice Service has remained relatively consistent during Q1,2,3 and 4 in 2024- 2025. We have worked with the Greater Manchester working with girls' group & have identified specific areas of support that is needed, resulting in a Greater Manchester programme for girls.

2025- 2026: We need to evaluate this programme through feedback from our girls, and reflect on what is working well, an what we need to strengthen.



Cared for children



Data Quarter 4 2024- 2025

We recognise that these children are among the most vulnerable, often having experienced significant adversity and trauma. At Quarter 4, two of the twenty cared for children had committed offences within their care setting. In alignment with child-centred policing principles, we continue to advocate for Out of Court Disposals (OOCs) wherever it is safe and appropriate to do so. All children are screened prior to court appearances to assess whether an OOC can be pursued as an alternative to formal proceedings.

2025–2026, we are committed to strengthening our advocacy for cared for children. This includes developing joint supervision and audit arrangements for those assessed as posing a high risk of reoffending and/or serious harm to others, ensuring a more coordinated and trauma-informed response.

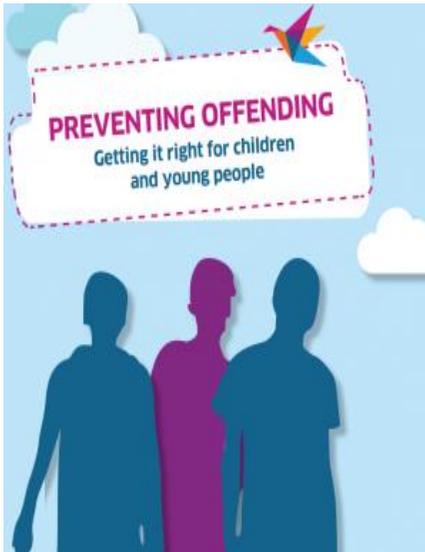
Policing: We have two full time seconded police officers representing Bury and Rochdale in our service

We continue to face challenges in fully implementing child-centred policing & the OOC framework across Bury and Rochdale. One of the key barriers is limited police data, & the data that we do receive highlights significant gaps between the number of recorded disposals & the number of children referred for Youth Justice support. For example, in Quarter 4, 172 crimes were recorded (with some children linked to multiple offences), yet only 32 referrals were made to Youth Justice during the same period.

2025–2026, we are taking a proactive approach to address these issues. We are escalating concerns through our partnership board and directly with police colleagues. We have formally requested a monthly data set from the police, advocated for additional training for frontline officers, and committed to refreshing our local joint working arrangements in line with NPCC guidance. Additionally, we will be developing a clear escalation pathway to strengthen governance and accountability. These actions aim to reduce the number of First Time Entrants (FTEs) and ensure children receive timely and appropriate support.



Prevention



Bury Local Authority complete their own Prevention & Turnaround support.

At Quarter 4 of 2024–2025, 40 children (27.21%) were open to our Rochdale Prevention Service. Of these, 25% were supported through school-based prevention [Knife Crime Exclusion Programme], 55% through the Turnaround programme, 7.5% through other mentoring-based prevention support, and 12.5% for Harmful Sexual Behaviour (HSB) prevention. We continue to deliver both PPIED and Turnaround interventions and work closely with partners to prevent children from entering the criminal justice system. We have begun to strengthen our collaboration with Family Hubs, with referral pathways becoming more embedded and our attendance at Family Help Panels increasing. Additionally, we have aligned Youth Justice single points of contact with neighbourhood teams, although further work is needed to consolidate this approach. We continue to work closely with Bury prevention service.

2025–2026, our priorities include: *Reviewing policies and collaborative working arrangements with partners: Strengthening feedback mechanisms from children, parents, and carers: Developing an evaluation process to assess the impact and effectiveness of our prevention offer: Enhancing collaboration with the Youth Service to support targeted outreach work: and continue to work across Greater Manchester to understand and improve our connectivity with Young Future Hubs.*

Diversion

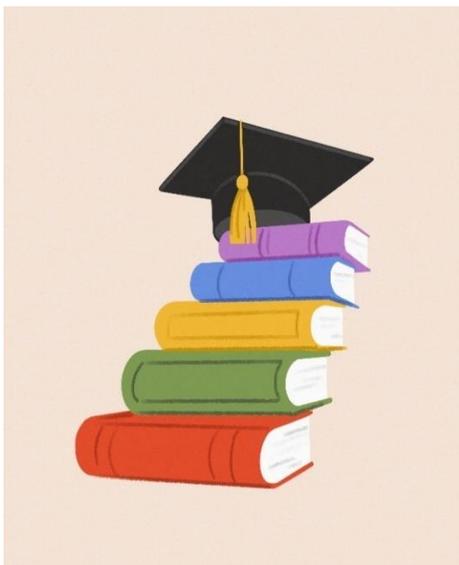


Data 2024- 2025

During 2024–2025, we supported 123 children through OOCDS (YCC) – 21, (YC) – 39, (CR) – 42, and Outcome 22 – 2. We continue to observe a higher number of Rochdale children receiving OOCDS compared to Bury, even when accounting for differences in overall caseloads. Our OOCDS are scrutinised at an external panel [CPS, Police & YJ] & are observed to be appropriate.

2025–2026- *our priorities are outlined in the policing section above, and outline plan but also include: Reducing the number of children receiving multiple Community Resolutions or Outcome 22s before being referred to Youth Justice: Ensuring that children issued with a police disposal are referred to Youth Justice for appropriate support: Promoting the full use of available disposals, including deferred cautions and deferred prosecutions: Further developing the multi-agency Joint Decision-Making Panel to streamline processes, ensure child-focused decision-making, and support positive outcomes: and establishing a robust evaluation framework to better understand our strengths and areas for development. These actions are aimed at reducing First Time Entrants, supporting early intervention, and enhancing safety for children, victims, and communities.*

EDUCATION



% in Suitable ETE at the end of the intervention		Outcome	
Q4 2024 -25		54.6%	
Q3 2024 -25		57.4%	
Q2 2024 -25		47.1%	
Q1 2024 -25		41.7%	

Child	Q1	Q2	Q3	Q4
SEND	17	19	17	24
EHCP	13	14	11	18

We have liaised with our Speech and Language Therapist and developed a 'communication passport' for our children who are diagnosed neurodiverse. This can be used in Court, so that Judges/Magistrates are aware of communication needs.

Our data tells us that on average 51.55% of our children were in suitable education, training, or employment related activity during 2024- 2025. 'Suitable' is defined as a minimum of 25 hours per week of school or with a training provider for school age or 16 hours minimum of paid employment, training, college or volunteering.

Overall, we have seen an increase in the number of children who have complex support needs and have a statement of education needs and disabilities, and / or an Education Health Care Plan.

Our Rochdale children have access to our education welfare officer who liaises closely with education providers to promote the right opportunities to learn. Bury children do not.

We continue to work closely with Bury Connexion and Rochdale Positive Steps to support our young people into education and training opportunities.

2025 – 2026 – *Our Youth Justice Partnership Board recognises that access to education, training, and employment (ETE) is a critical protective factor that supports children in achieving positive outcomes & reduces the risk of reoffending. We have established a dedicated ETE sub-group to drive strategic direction and operational improvements. This group is focused on increasing the number of children in suitable provision, reducing school absence, and preventing exclusions. Our aspirations include securing access to a dedicated Education Welfare Officer for Bury children, deliver AQA-accredited programmes to foster a sense of achievement, and developing creative and innovative learning opportunities for children who face challenges in traditional academic settings. These efforts are designed to ensure that all children have the opportunity to thrive and succeed in education and beyond.*

Serious violence, exploitation and contextual safeguarding

Data year ending December 2024

There were 48 recorded serious violence offences involving children, representing an increase of 26 compared to the same period the previous year. The rate of serious violence per 10,000 of the general 10–17 population rose to 10.3%, an increase of 5.6%. Robbery, knife-related behaviour, and violence against the person continue to be recurring themes. In response, we have appointed a Serious Violence Project Lead who works across Youth Justice and Community Safety, leading on the delivery of the Virtual Reality Knife Crime Programme and the School Exclusion Prevention initiative. The Youth Justice Partnership Board has acknowledged the rise in serious violence and established a dedicated Serious Violence Sub-Group to provide strategic oversight and drive operational change.

2025–2026, our priorities include: monthly analysis of serious violence cases to better understand the characteristics, demographics & localities, evaluating the effectiveness of our interventions, incorporating feedback from children & their parents/carers to inform continuous improvement, undertaking rapid reviews where appropriate and embedding learning into practice, ensuring our multi-agency decision making & risk management panels consider context, challenge & support partners to ensure resources are targeted effectively and safely, with the overarching aim of reducing serious violence and improving outcomes for children and communities.



Complex Safeguarding

Rochdale Complex Safeguarding Service and Bury and Rochdale Youth Justice share the same Head of Service, while Bury Complex Safeguarding operates under its own leadership. Both services continue to work in close partnership with the Greater Manchester Combined Authority, which brings together statutory safeguarding partners—Social Care, Police, and Health—under a unified regional approach.

Bury and Rochdale Youth Justice are aligned in principle with the Tackling Child Exploitation (TCE) eight principles, as illustrated in the diagram below. These principles underpin our approach to complex safeguarding and reflect our commitment to child-centred, trauma-informed practice. The Greater

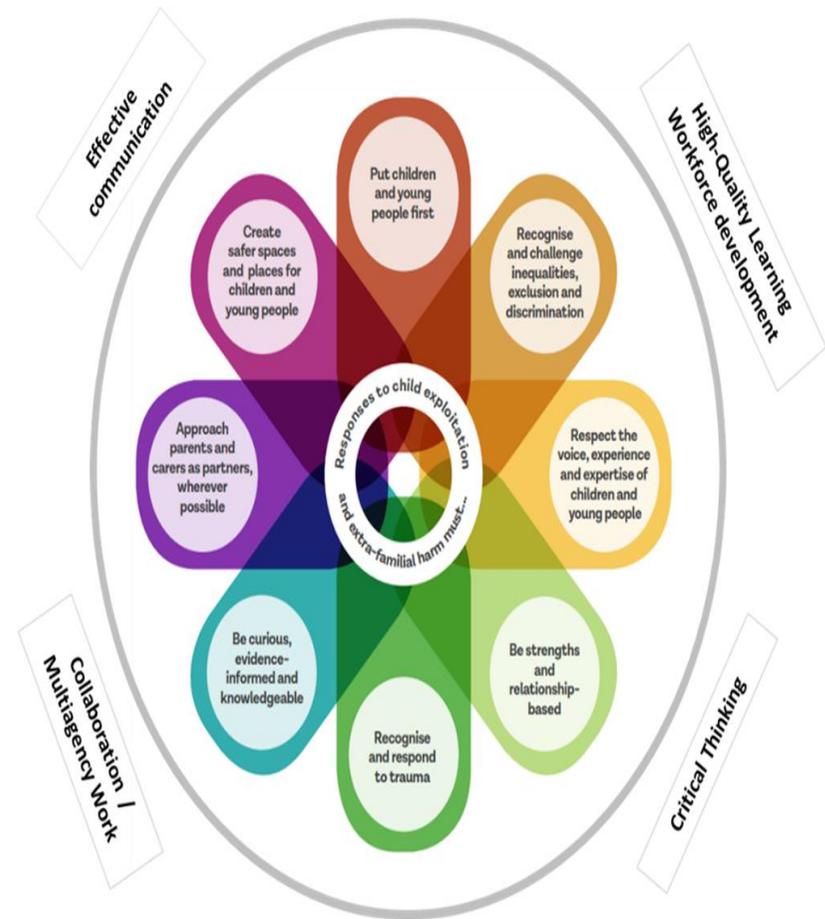
Manchester Complex Safeguarding Strategy 2024–2027 <https://www.greatermanchester-ca.gov.uk/media/2z5p0kqu/greater-manchester-complex-safeguarding-strategy-final-accessible.pdf> is delivered across four strategic pillars: Prevention and Early Intervention, Intervention and Protection, Disruption, and Recovery. These pillars closely align with the core aims of Greater Manchester Youth Justice, demonstrating a shared set of values, priorities, and delivery objectives across both services.

Bury and Rochdale have established information and intelligence-sharing arrangements; however, current data reporting routes through the Complex Safeguarding process—rather than the Youth Justice system—have led to gaps in our understanding of children who are open to both Bury and Rochdale Youth Justice and Bury Complex Safeguarding.

At the end of Quarter 4 (2024–2025), Rochdale’s Complex Safeguarding Team had 72 children open to them. Of these, 19 (26.38%) were also open to Youth Justice, with 14 (19.44%) linked to child criminal exploitation and 5 (6.9%) to child sexual exploitation. Among these children, 11 [57%] had active National Referral Mechanism (NRM) submissions: 4 [21%] with conclusive grounds, 7 [36%] with reasonable grounds, and 8 [42%] assessed as not requiring an NRM. In Quarter 1 of 2025, Greater Manchester Police made 82 child-related referrals under the Modern Slavery framework—2 from Bury and 6 from Rochdale.

Youth Justice are aware of the PREVENT and CHANNEL agenda and the head of service is the Channel Panel co-chair. Staff are expected to complete training as part of their induction.

2025–2026, we will: *Reflect on and strengthen how we report, track, and collaborate with partners on NRM submissions: Establish a clear and consistent mechanism for information exchange between Bury Complex Safeguarding and Youth Justice: and explore and implement effective joint approaches to ensure our most vulnerable children receive coordinated, timely, and trauma-informed support.*



Detention in Police custody



*We receive information daily with regards to stop and search and arrests for children across Bury and Rochdale. However, there is no specific data reporting framework in place that collates and reports on this monthly, so understanding and responding to this data in real time, for **2024 – 2025** is a challenge. [Caution; the data must only be used as a guide]*

Arrests B524 & R 358: of which 52% resulted with no further action; of the remaining children 53% were RUI and 18% bailed, 8% received an OODC, and the rest are referred to under ‘other’.

2025-2026- *we continue to collaborate closely with our police colleagues to develop a monthly data set to capture characteristics and interactions with our children including: the number issued an OODC by the police, compared with those referred into Youth Justice; the number stopped & searched, arrested & detained, outcomes & the rationale behind decision making. Going forward this enhanced data collection will enable us to identify & respond swiftly to any emerging disparities & provide a foundation for constructive challenge to ensure our interventions occur at the earliest opportunity, informed by an understanding of need & demand.*

Remand



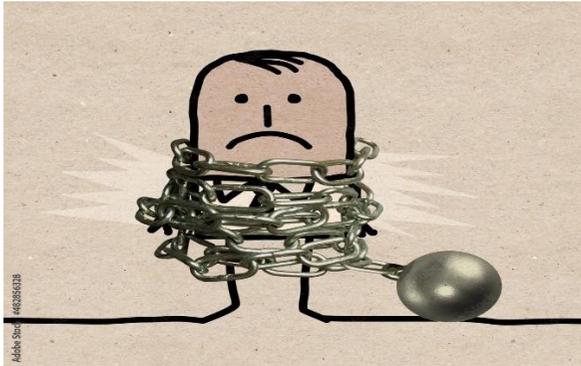
Q4 2024- 2025: *Our data shows that we have low remand rates: Notably both children are ‘non-white’ and have become ‘cared for’ as a result of their remand.*

Young People Custody Caseload Jan - Mar 2025							
Gender	Ethnicity	Area	YOI	C4C Status	Intervention Type	Offence	Outcome
M	Mixed	Bury	Barton Moss	In Care Status Unknown	Remand	False Imprisonment	Ongoing
M	Black	Bury	Wetherby	Remand LAC status	Remand	Robbery	Sentenced to DTO

As part of the Greater Manchester Remand pilot our children have an opportunity to be remanded to accommodation in the community, but we are mindful that this ‘placement’ meets the needs of a selected few, rather than the majority. Whilst our remand rates are low, we continue to reflect on the opportunities to support our children through alternatives to remand, or remand to the care of the local authority where it is safe to do so.

2025- 2026: *and strengthen our collaboration with colleagues in social care to develop joint assessment pathways. The children on remand will follow the same pathway referred to below.*

CUSTODY

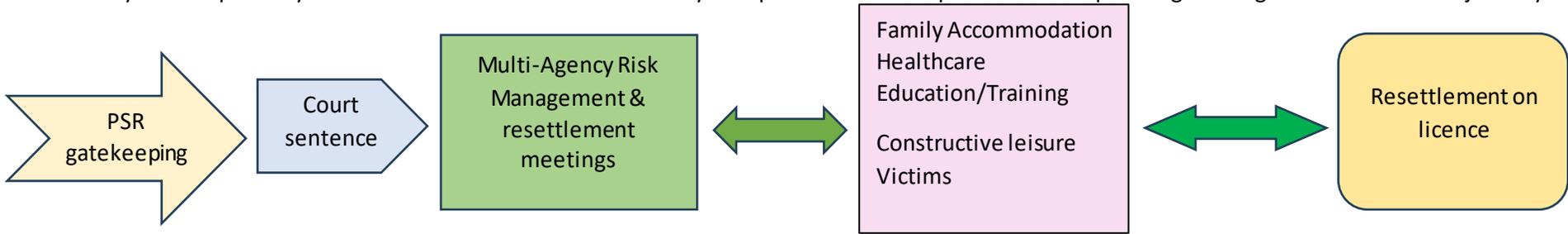


Our current rate of 0.09 is lower than the same time last year at 0.13, and is lower than the Northwest, Greater Manchester, and our Youth Justice family.

Custody rate per 1,000 per 10-17 population. Good performance is low percentage	Bury & Rochdale	Northwest	Greater Manchester	YJ Family	England
Jan - Dec 2024	0.09	0.12	0.12	0.11	0.10
Oct - Sep 2024	0.06	0.11	0.10	0.13	0.10
Jul - Jun 24	0.06	0.11	0.10	0.12	0.10
Apr - Mar 24	0.09	0.12	0.11	0.14	0.11

Between January- March 2025 we had 6 children in custody 4 of whom have been sentenced. It is clear that children are receiving custody for serious offences, however in terms of disproportionality 3 out of the 4 are 'non-white', and 1 became care experienced during their custodial term.

AND.... CONSTRUCTIVE RESETTLEMENT: We know that Children in custody are likely to be amongst the most complex and vulnerable children in society and our pathway will ensure that we work collaboratively with partners from the pre-sentence report stage through to the end of their journey...



2025-2026: we will review our pathway and develop our Multi- agency Risk & Resettlement Management meeting to include a focus on constructive resettlement so that all our children have an opportunity for individually tailored support at the outset.

Reviews are in collaboration with children and families.

WORKING WITH FAMILIES

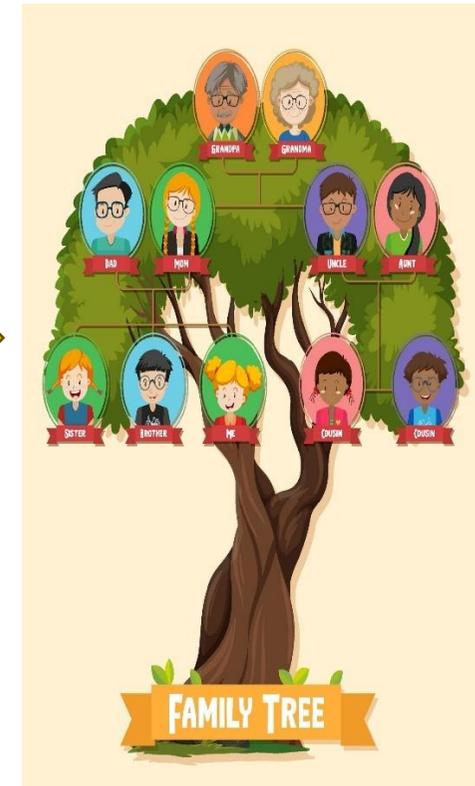
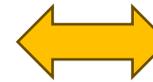
We work collaboratively with children, parents / carers and other family members to support our children to achieve positive change, and importantly to sustain that change. Bury and Rochdale work separately to deliver prevention and Turnaround, using whole family approaches. [Turnaround Programme - GOV.UK](#)

We are active members of the Early Help Panel, which provides us with valuable insight into the challenges and barriers faced by families. This engagement enables us to better target support to those most in need.

We aspire for all of our assessments and intervention plans to be developed in collaboration with parents and carers, whose feedback is actively sought during reviews and panel discussions.

Additionally, we have commissioned SHOUT to conduct three surveys to gather meaningful feedback from children, young people, and their families. We are in the analysing the information from two of the surveys, and plan to deliver the third survey imminently. This will inform continuous improvement and ensure that our services remain responsive to their needs and experiences.

2025 – 2026 - To further strengthen communication and transparency, we will develop accessible leaflets for children, young people, and their families that clearly outline our services and support offer. The feedback provided through the 'SHOUT' surveys will inform our activity in the coming year.



Sign off, submission and approval

Youth justice plans, in England only, must be signed off by the full council in accordance with 'Regulation 4 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000'.

Jeanette Richards
Director Children Services Bury
Chair Youth Justice Management Board

Signature

Abu Siddique
Assistant Director Children Services Rochdale
Co- Chair Youth Justice Management Board
Signature
Date

Appendix 1: Staff & social graces

Gender	Number	Ethnicity	Number	Disability	Number
Male	10	White	21	Yes	-
Female	16	Asian	3	No	19
Other	-	Black	-	No answered	7
Not answered	-	Dual Heritage	2		
		Other	-		

Appendix 2: Funding

Expenditure	Salaries	Activity cost	Overheads	Total Expenditure
YJB Grant Rochdale	£629,295.00			£629,295.00
Bury Contribution	£833,788.47			
LA Rochdale	£717,042.90	£90,224.00	£416,216.44	£1,233,483.34
Police	£35,000.00			£35,000.00
Probation	£3,500.00			£3,500.00
Health	£15,000.00			£15,000.00
Total	£2,233,626.37	£90,224.00	£416,216.44	£1,916,278.34



Classification	Item No.
Open	

Meeting/Dates:	Employment Panel – 3 February 2026
Title of report:	Pay Policy Statement 2026-27
Report by:	Cabinet Member for Customer Service, Communications and Corporate Affairs
Decision Type:	Council
Ward(s) to which report relates	All

Executive Summary:

Section 38 (1) of the Localism Act 2011 has required English and Welsh local authorities to produce a Pay Policy Statement for each financial year since 2012/13.

The purpose of the Pay Policy Statement is to provide transparency in respect of the Council's approach to setting the pay of its employees (excluding teaching staff working in local authority schools) by identifying; the methods by which salaries of all employees are determined; the detail and level of remuneration of its most senior staff; and the agreed decision making arrangements for ensuring the provisions set out in this statement are applied consistently throughout the Council.

The Localism Act requires that pay policy statements and any amendments to them are considered by a meeting of full Council.

Recommendation(s)

The Employment Panel is asked to:

1. Commend the proposed Pay Policy Statement for 2026-27 for approval by full Council.
2. Agree the Council's proposed pay structure for 2026-27 as set out within the statement and inclusive of revised non-consolidated pay supplements to retain compliance with the Real Living Wage rate of pay.

3. Also, to agree ongoing uplifts to retain compliance with the Real Living Wage if required.

Key considerations

1. Background:

- 1.1 Section 38 (1) of the Localism Act 2011 required English and Welsh local authorities to produce a Pay Policy Statement for 2012/13 and for each subsequent financial year.
- 1.2 Guidance issued by the former Department for Communities and Local Government states that the purpose of the Pay Policy Statement is to address the Government's issues with "top end pay" and some of the recommendations set out in the "Hutton review of Fair Pay in the Public Sector Report".
- 1.3 The Act requires Councils to prepare Pay Policy Statements which detail their policy on a range of issues relating to the pay of its employees; in particular, its senior staff ("Chief Officers") and its lowest paid employees.
- 1.4 The provisions do not apply to local authority school employees and neither do they change any existing responsibilities or duties under relevant Employment Legislation. However, all non-schools employees are included within the pay ratio calculations.
- 1.5 The Pay Policy Statement must be approved by full Council and then published on the Council's website. This is to ensure transparency, so that local taxpayers can take an informed view of whether local decisions and all aspects of remuneration are fair.
- 1.6 Matters that must be included in the Pay Policy Statement are:
 - The local authority's policy on the level and elements of remuneration for each chief officer;
 - The local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
 - The local authority's policy on the relationship between the remuneration of its chief officers and other officers;
 - The local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

- 1.7 The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.
- 1.8 The purpose of the statement is to provide transparency with regard to the Council's approach to setting the remuneration of its employees (excluding teaching staff working in local authority schools) by identifying;
- The methods by which salaries of all employees are determined;
 - The detail and level of remuneration of its most senior staff i.e. 'Chief Officers', as defined by the relevant legislation;
 - The Committee(s) responsible for ensuring the provisions set out in the Pay Policy Statement are applied consistently throughout the Council and recommending any amendments to the full Council.

2. Pay Structure:

- 2.1 As set out within the Pay Policy Statement the Council pays its staff in-line with nationally negotiated pay spines. The majority of staff (those paid up to circa. £63K) are paid in accordance with the National Joint Council (NJC) for Local Government Services pay scale. For these staff, the national pay award due to be applied from 1st April 2026 is not yet agreed. The proposed pay structure for 2026-27 appended (Appendix 1 of the document) will therefore be updated to reflect the pay award for 2026-27 as and when it is agreed.
- 2.2 The Council has been formally accredited by the Real Living Wage Foundation as a Real Living Wage employer. The Real Living Wage rate as of 1 April 2025 was £12.60 and the Council's pay structure included a number of non-consolidated supplements paid at Spinal Column Points 2 to 4 to both apply the Real Living Wage rate of pay and maintain appropriate differentials to other pay points. Following agreement of the 2025/26 Pay Award, the lowest spinal column point rose to £12.65, above £12.60, and the non-consolidated supplements were removed. The Real Living Wage rose to £13.45 on 22nd October 2025 and employers have until 1st May 2026 to implement this. To maintain its commitment to the Real Living Wage, non-consolidated supplements will be reintroduced with effect from 1st April 2024 and paid on spinal column points 3 to 7. Once the 2026-27 Pay Award is agreed and implemented, the level of non-consolidated supplements will reduce so that, as a minimum, the overall level of hourly pay is retained.
- 2.3 For more senior staff, those paid in accordance with the Joint Negotiating Committee (JNC) for Chief Officers and Joint Negotiating Committee (JNC) for Chief Executives terms and conditions, the pay award for 2025-26 is reflected in the pay structure appended. The pay award for 2026-27 has not yet been agreed and will be applied as and when national agreement is reached.

3. Chief Officer Remuneration:

3.1 The Pay Policy Statement sets out the Council’s arrangements for the remuneration of Chief Officers, including arrangements for agreeing the establishment of new posts. Appendix 2 of the documents includes the Council’s current pay scales for Chief Officers.

4. Pay Multiple:

- 4.1 The current pay levels (as at 31 December 2025) within the Council define the multiple between:
- The median (the halfway point between the lowest and highest earner) full time equivalent (FTE) earnings for the whole of the workforce and the Chief Executive (top of pay spine) as 1:6.23. The difference in pay is lower than last years reported figure of 1:6.37.
 - The lowest paid earner full time equivalent (FTE) and the Chief Executive (top of pay spine) as 1:8.28. The difference in pay is lower than last years reported figure of 1:8.76
- 4.2 The pay multiple has been calculated in accordance with the LGA Local Transparency Guidance. Data relates to the 1st January 2025 – 31st December 2025.

5. Gender Pay Gap:

- 5.1 The Council is required to take a ‘snapshot of data’ as at the 31 March 2025 and analyse this to calculate our gender pay gap. We are required to publish the data on the Council website (to remain for at least 3 years) and also on a government site, by 31st March 2026 at the latest.
- 5.2 The Council’s Gender Pay Gap for 2024-2025 compared with 2022-2023 and 2023-2024 is shown below:

Women’s Hourly Rate:

	Mean	Median
2022/23	6.83% Lower	3.60% Lower
2023/24	4.06% Lower	0.00%
2024/25	2.36% Lower	0.00%

- 5.3 Figures from the Office of National Statistics taken from the annual survey of hours and earnings (ASHE) cites the median gender pay gap for full time employees to be 6.9% nationally and 7.6% in the Northwest.
- 5.4 The council’s gender pay gap for 2025 represents the lowest recorded by the council since reporting began and a decrease for the second year. The full

statement sets out further analysis and actions being taken to continue to address equity in the workforce, including pay differentials.

Community impact/links with Community Strategy

The provision of a fair and transparent pay structure supports the Council to attract and retain a skilled and competent workforce to deliver on the Authority’s contribution to the LET’S Do It Strategy!

Equality Impact and considerations:

Equality Analysis

Equality analysis has been undertaken and identifies a positive impact in that the pay structure, commitment to the real living wage and the non-consolidated supplements at the lower end of the pay spine supports those who are more socio-economically vulnerable. It also helps to mitigate the pay related consequences of any elements of race and gender based occupational segregation in the workforce.

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
Without an approved Pay Policy Statement the Council cannot legitimately progress future employment decisions	Development and approval of this statement

Consultation:

The statement has been shared with the recognised Trade Unions and their comments incorporated within the final proposed document.

Legal Implications:

Under section 38 of the Localism Act 2011, local authorities are required to publish a ‘Pay Policy Statement’ on an annual basis, focused on senior employees. Approval of the Statement must be made by Council, it cannot be delegated. The Act sets out that a Pay Policy Statement must include:

- A local authority’s policy on the level and elements of remuneration for each chief officer

- A local authority’s policy on the remuneration of its lowest-paid employees (together with its definition of “lowest-paid employees” and its reasons for adopting that definition)
- A local authority’s policy on the relationship between the remuneration of its chief officers and other officers
- A local authority’s policy on other specific aspects of chief officers’ remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

This must then be published as soon as is reasonably practicable following approval.

The Council must comply with all relevant employment legislation. The Council is also bound by collective agreements and contractual arrangements which cannot be unilaterally altered. Relevant legislation includes the Employment Rights Act 1996, Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended), Agency Workers Regulations 2010, and the Children & Families Act 2014.

The Council has taken steps to ensure there is no discrimination within its pay structures and that all pay differentials can be objectively justified, the report does however highlight an increased gender pay differential, the report sets out the steps the Council will take to mitigate/address this.

Where relevant, legislative obligation will supersede the approach and principles outlined in this statement, for example where terms and conditions are preserved as a result of contracts of employment transferring under TUPE.

Financial Implications:

This report outlines the Council’s Pay Policy as required by the Localism Act. The report is a statement of fact. All pay costs are provided for and fully funded within the Council’s approved budget.

Report Author and Contact Details:

Catherine King
HR Business Manager
c.king@bury.gov.uk

Background Papers

Please include a glossary of terms, abbreviations and acronyms used.

Term	Meaning
------	---------

--	--

This page is intentionally left blank

Pay Policy Statement

2026-2027

Contents

Contents.....	2
1. Introduction and purpose	3
2. Context: Legislation relevant to pay and remuneration.....	3
3. Pay structure	4
4. Chief Officer remuneration.....	6
5. Recruitment of Chief Officers	7
6. Additions to the salary of Chief Officers	8
7. Pension contributions	9
8. Payments on termination	10
9. Lowest paid employees	11
10. Pay multiple	11
11. Gender pay gap	12
12. Accountability and decision making	15
13. Re-employment /re-engagement of former Chief Officers.....	15
14. Publication	16
Appendix 1: NJC pay scale – Council employees	17
Appendix 2: Chief Officer pay scale	19

The purpose of the statement is to provide transparency in respect of the Council’s approach to setting the pay of its employees (excluding teaching staff working in local authority schools) by identifying; the methods by which salaries of all employees are determined; the detail and level of remuneration of its most senior staff and the agreed decision-making arrangements for ensuring the provisions set out in this statement are applied consistently throughout the Council.

1. Introduction and purpose

- 1.1 In accordance with section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement sets out the Council’s approach to pay in accordance with the requirements of Section 38 of the Localism Act 2011.
- 1.2 The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees (excluding teaching staff working in local authority schools) by identifying:
- The methods by which salaries of all employees are determined;
 - The detail and level of remuneration of its most senior staff i.e. ‘Chief Officers’, as defined by the relevant legislation;
 - The constitutional arrangements in place for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.
- 1.3 This policy statement will be subject to review on an annual basis.
- 1.4 The previous Pay Policy Statement (2025-26) was agreed at full Council on the 19th February 2025.

2. Context: Legislation relevant to pay and remuneration

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Statutory Guidance on the Making and Disclosure of Special Severance Payments by Local Authorities in England and, where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.
- 2.2 The Council will ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.
- 2.3 As referenced below in paragraphs 3.2, 3.7 and 3.9 there are a small number of limited circumstances in which the basic pay of staff may vary from that set out within the nationally agreed pay scales:
1. Through the application of non-consolidated supplements to increase the lowest point of pay to meet the Council’s commitment to the Real Living

Wage and maintain appropriate pay differentials above that point. – Such payments are made consistently to all staff at a particular Spinal Column Point and do not affect the ranking order of posts as determined through job evaluation.

2. Through the application of the Council's Market Supplement Policy. – Such payments are not made consistently to all staff at a particular Grade or Spinal Column Point and may legitimately affect the remuneration of staff in relation to the ranking order of posts as determined through job evaluation as set out within the Market Supplement Policy.
3. Through the application of the Council's Pay Protection Policy. Such payments are made to staff for a time-limited period to mitigate reduction in salary following redeployment into a lower graded post or organisational change. These payments may legitimately affect the remuneration of staff in relation to the ranking order of posts as determined through job evaluation for a defined period.

The above circumstances are consistent with the assurance in relation to pay discrimination as set out in paragraph 2.2 above.

3. Pay structure

- 3.1 The Council uses the nationally negotiated pay spine(s) (i.e. a defined list of salary points) as the basis for its main local pay structure. These pay spines are used to determine the salaries of the large majority of the Council's non-teaching workforce. Rates of pay are subject to an annual pay award applied from the 1st April. The pay award due to be applied from 1st April 2026 is not yet agreed. Subject to approval of this Statement, the pay structure for 2026/27 is attached at Appendix 1. This will be updated to reflect the relevant national pay award for 2026/27 as and when it is agreed. Staff who transferred to the Council through a TUPE process (including those formerly employed by Six Town Housing) are paid in line with their existing pay structures in accordance with legal TUPE protections.
- 3.2 The Council has been formally accredited by the Real Living Wage Foundation as a Real Living Wage employer. The Real Living Wage rate at 1 April 2025 was £12.60 and the Council's pay structure included a number of non-consolidated supplements paid at Spinal Column Points 2 to 4 to both apply the Real Living Wage rate of pay and maintain appropriate differentials to other pay points. Following agreement of the 2025/26 Pay Award, the lowest spinal column point rose to £12.65, above the £12.60, and the non-consolidated supplements were removed. The Real Living Wage rose to £13.45 on 22nd October 2025 and the Council has until 1st May 2026 to implement this. To maintain its commitment to the Real Living Wage, non-consolidated supplements will be reintroduced with effect from 1st April 2026 and paid on spinal column points 3 to 7. Once the 2026/27 Pay Award is agreed and implemented the level of non-consolidated supplements will

reduce so that, as a minimum, the overall level of hourly pay is retained.

- 3.3 The pay and terms and conditions of employment of the Council's workforce are largely determined by the following negotiating bodies in accordance with the agreed collective bargaining machinery:
- National Joint Council (NJC) for Local Government Services;
 - The Soulbury Committee, (educational advisers/inspectors, other school improvement professionals, educational psychologists)
 - Joint Negotiating Committee (JNC) for Local Authority Craft and Associated Employees;
 - Joint Negotiating Committee for Youth and Community Workers;
 - Joint Negotiating Committee (JNC) for Chief Officers
 - Joint Negotiating Committee (JNC) for Chief Executives
- 3.4 The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spines.
- 3.5 The pay of those employees whose terms and conditions fall within the purview of the Joint Negotiating Committee for Chief Executive's and the Joint Negotiating Committee for Chief Officers are also determined by reference to Joint Secretarial advice issued by the JNC for Chief Officers of Local Authorities in 2002. The Joint Secretarial advice recommended the establishment of local salary structures as a result of a move from benchmark to median salaries, identified through the annual salary and numbers survey conducted by the Local Government Employers' Organisation.
- 3.6 All other pay related allowances are the subject of either nationally or locally negotiated rates.
- 3.7 The Council is committed to the principles of equal pay for all its employees, and to ensuring that there is consistency and fairness in the approach to starting salaries and has guidance for managers in this area. All new appointments (whether new recruits to the Council or an internal candidate) will ordinarily commence at the minimum spinal column point (SCP) of the relevant grade. Appointments will not be made higher up the grade in order to preserve salary, although pay protection arrangements are available in relevant situations.
- 3.8 In exceptional circumstances and following the completion and documentation by the senior recruiting manager of an equal pay risk assessment, an appointment may be made with a starting salary higher than the minimum point. In these exceptional circumstances where the appointment salary is above the minimum point of the pay scale and is not affected by other council policies, for example redeployment or flexible retirement, this is approved by the Assistant Director of People and Inclusion.

- 3.9 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capability. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate. Any temporary supplement to the salary scale for the grade is approved in accordance with the Council's Market Supplement Policy.
- 3.10 The Council has a number of salary sacrifice schemes in place. These include the cycle to work scheme, the AVC scheme, car lease scheme and Vivup home and electronics scheme. These schemes and their operation are regulated by Her Majesty's Customs and Excise and there are strict rules around the management of the schemes. The schemes permit employees to "sacrifice" part of their salary in exchange for a benefit; this means that Tax and National Insurance are not paid on the amount sacrificed effectively reducing the cost of the benefit to the employee. These schemes are open to all employees at the Council with the proviso that their salary exceeds the National Minimum Wage after the deduction. In addition to these schemes the Council has a number of other employee benefits.
- 3.11 On occasion, where an employee is no longer able to meet regulatory requirements for their role, for example if a mandatory registration expires, the council may reduce salary and responsibility to the next highest level within the structure where they do meet the role requirements.

4. Chief Officer remuneration

- 4.1 For the purposes of this statement, chief officers are as defined within the Localism Act; i.e.
- i. The head of the paid service designated under section 4(1) of the [Local Government and Housing Act 1989](#);
 - ii. The monitoring officer designated under section 5(1) of that Act;
 - iii. A statutory chief officer mentioned in section 2(6) of that Act;
 - iv. A non-statutory chief officer mentioned in section 2(7) of that Act;
 - v. A deputy chief officer mentioned in section 2(8) of that Act.
- 4.2 The Council's pay structure in relation to these posts is appended below and details of the Council's current Chief Officer Structure and pay rates are [published on the Council's website](#). Rates of pay are subject to an annual pay award applied from the 1st April (The pay scales appended take into account the pay award for 2025-26 but not the award for 2026-27, which has not yet been agreed).
- 4.3 When establishing or reviewing the senior management salary structure the Council uses an analytical job evaluation scheme to determine grades. The

broad advice issued by the Joint Negotiating Committees for Chief Executives and Chief Officers, on the establishment of a local salary structure based on median salary levels as identified through the annual salary survey is taken into account. This advice states that when deciding at what level these posts should be remunerated the following factors are to be considered:

- a. The Authority's policy in respect of the pay of its JNC officers and any relationship to the median salary levels for similar Authorities;
 - b. The chief executive's salary;
 - c. The relationship of current salary to the appropriate illustrative national median salary (salaries may be above, around, or below the median);
 - d. Any special market considerations;
 - e. Any substantial local factors not common to authorities of similar type and size, e.g. London weighting;
 - f. Comparative information to be supplied on request by the Joint Secretaries on salaries in other similar authorities;
 - g. Top management structures and the size of the management team compared to those of other authorities of similar type and size, and;
 - h. The relative job size of each post, as objectively assessed through job evaluation or otherwise.
- 4.4 Changes to the Chief Officer establishment are approved by the Cabinet Member for Customer Service, Communications and Corporate Affairs. The establishment of Chief Officer and Deputy Chief Officer posts are subject to approval by the Employment Panel (or Cabinet when linked to an organisational structure change).
- 4.5 The establishment of posts with salary levels at £100K or greater are ultimately subject to approval by full Council in accordance with the Localism Act (2011). This requirement only applies to new positions established and not to the filling of existing roles on the Council's establishment.
- 4.6 Where the Council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the Council will, where necessary, consider engaging individuals under a 'contract for service'. These will be sourced through a relevant procurement process ensuring the council is able to demonstrate the maximum value for money.

5. Recruitment of Chief Officers

- 5.1 The Council's policy and procedures with regard to recruitment of Chief Officers are set out as Guidance for the Recruitment of Chief Officers, which is within the overall framework of the existing recruitment and selection policy.

- 5.2 Accordingly the recruitment of Chief Officers is delegated to the Employment Panel whose functions include:
- The shortlisting and appointment of Chief Officers and Deputy Chief Officers (as defined by the Local Government and Housing Act 1989). The confirmation of appointment of all Chief Officers (with the exception of the Chief Executive/Head of Paid Service) is carried out in accordance with the [Council Constitution](#) – Officer Employment Procedure Rules and [The Local Authorities \(Standing Order\) \(England\) Regulations 2001](#)
 - The shortlisting and appointment of the Chief Executive / Head of Paid Service is carried out in accordance with the [Council Constitution](#) for submission to the Council.
- 5.3 When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own Equality, Recruitment and Selection and Redeployment Policies.
- 5.4 The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

6. Additions to the salary of Chief Officers

- 6.1 The level of chief officer remuneration is not variable dependent upon the achievement of defined targets.
- 6.2 To meet specific operational requirements it may be necessary for an individual to temporarily take on additional duties to their identified role. The Council's arrangements for authorising any additional remuneration [e.g. honoraria, ex gratia, 'acting up' payments] relating to temporary additional duties are set out in the [Council's Constitution](#) and supplementary conditions of service.
- 6.3 The Chief Executive (Head of Paid Service), also carries out the duties of the Returning Officer in accordance with the Representation of The People Act 1983. The duties of the Returning Officer are separate from the duties undertaken as a local government officer; the office of Returning Officer is totally distinct from the office of Chief Executive and Head of Paid Service.
- 6.3.1 Payments due to the post holder in respect of the conduct of local municipal elections are consolidated within the salary.
- 6.3.2 Payments in respect of the conduct of National Government Elections, any National Referenda and Greater Manchester Mayoral elections are paid in addition to salary. These payments are pensionable and subject to deductions for tax and National Insurance.

- 6.4 Set out in the table below are details of other elements of ‘additional pay’ currently payable to Chief Officers (as defined by the Local Government and Housing Act 1989) which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of their duties;

Payment details	Paid to
Fees paid for returning officer duties where identified and paid separately	Chief Executive (see 6.3.2)
Salary supplements payable for fulfilling statutory officer duties (e.g. S151 / Monitoring Officer) where identified and paid separately	None payable
Salary supplements payable for statutory duties carried out by The Director of Public Health where identified and paid separately	None payable
Market forces supplements in addition to basic salary where identified and paid separately	Director of Community Commissioning & Adult Social Services (DASS)
Priority Car User Allowance Lump Sums	None payable
Salary supplements or additional payments for undertaking additional responsibilities e.g. shared service provision with another local authority or in respect of joint bodies, where identified and paid separately	None payable
Any arrangements for payment of untaken annual leave falling outside the requirements of relevant legislation	None payable

7. Pension contributions

- 7.1 Where employees have exercised their statutory right to become members of the Local Government Pension Scheme, the Council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee.
- 7.2 The Employer’s rate of contribution is set by Actuaries advising the Greater Manchester Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The triennial valuation covers the period 1 April 2023 to 31 March 2026 following which the rate will be set for a further 3 years. The employer’s contribution rate from 1st April 2025 is 19.5%.
- 7.3 Pension contributions are based on actual [pensionable pay and](#) there are 9 different contribution banding rates between 2.75% and 12.50%. The bandings as at 1st April 2025 are:

Band	Salary	Main section	50/50 section
-------------	---------------	---------------------	----------------------

		contribution %	contribution %
1	Up to £17,800	5.5%	2.75%
2	£17,801 to £28,000	5.8%	2.9%
3	£28,001 to £45,600	6.5%	3.25%
4	£45,601 to £57,700	6.8%	3.4%
5	£57,701 to £81,000	8.5%	4.25%
6	£81,001 to £114,800	9.9%	4.95%
7	£114,801 to £135,300	10.5%	5.25%
8	£135,301 to £203,000	11.4%	5.7%
9	£203,001 or more	12.5%	6.25%

The Council will be advised of any changes to contribution pay bands for 2026/27 in March 2026.

8. Payments on termination

- 8.1 The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is in accordance with [The Local Government Pension Scheme Regulations 2013](#), Regulations 5 and 6 of the [Local Government \(Early Termination of Employment\) \(Discretionary Compensation\) Regulations 2006](#) and the [Statutory Guidance on the making and disclosure of Special Severance Payments \(SSP's\) by Local Authorities in England](#), published on 12th May 2022.
- 8.2 Any payments made will be in accordance with relevant employment legislation and the criteria set by the appropriate pension scheme (normally the Local Government Pension Scheme). Decisions will be made in line with the arrangements set out in the Council constitution.
- 8.3 Following the introduction of the Statutory Guidance on the making and disclosure of Special Severance Payments (SSP's) by Local Authorities in England, a section around Special Severance Payments (SSP's) has been added to the Officer Employment Procedure Rules outlining the revised arrangements for the approval of SSP's:
- 8.3.1 Any payments made in relation to the termination of employment which are in excess of £100k continue to require approval by full Council.

- 8.3.2 All payments of £30k and over in value, up to £100k, require approval from the Monitoring Officer, Section 151 Officer, Chief Executive and Leader, in Consultation with the Chair of Overview and Scrutiny.
- 8.3.3 Any payments under £30k can be approved by the Monitoring Officer.
- 8.3.4 Where the proposed payment is to the Head of Paid Service, to avoid a conflict of interest, the Employment Panel will oversee this and will appoint an independent panel comprising of 3 independent people (or at least 2) to approve the payment to the Chief Executive. The Independent Panel will make recommendations to the Employment Panel and the decision will then go to Council for approval.
- 8.4 All payments will only be agreed in accordance with the [Statutory Guidance on the making and disclosure of Special Severance Payments \(SSP's\) by Local Authorities in England](#).

9. Lowest paid employees

- 9.1 The lowest paid persons employed under a contract of employment with the Council are employed on full time [37 hours per week] equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure.
- 9.2 The National Living Wage for people aged 21 and over is currently £12.21 per hour and it is estimated that it will rise to £12.71 per hour with effect from 1st April 2026. The Real Living Wage rose to £13.45 per hour in October 2025 and the Council's Real Living Wage supplements will be reintroduced to reflect this from 1st April 2026 making our lowest pay rate with effect from 1st April 2026, including this supplement for the Real Living Wage £13.45 (£25,949).
- 9.3 The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.

10. Pay multiple

- 10.1 The current pay levels (as at 31 December 2025) within the Council define the multiple between:
- The median (the halfway point between the lowest and highest earner) full time equivalent (FTE) earnings for the whole of the workforce and the Chief Executive (top of pay spine) as 1:6.23. The difference in pay is lower than last years reported figure of 1:6.37.

- The lowest paid earner full time equivalent (FTE) and the Chief Executive (top of pay spine) as 1:8.28. The difference in pay is lower than last years reported figure of 1:8.76.

10.2 The pay multiple has been calculated in accordance with the LGA Local Transparency Guidance. Data relates to the 1st January 2025 – 31st December 2025.

10.3 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate. In addition, upon the annual review of this statement, the Council will also monitor any changes in the relevant 'pay multiple' and benchmark against other comparable local Authorities.

11. Gender pay gap

11.1 The Council is required to take a 'snapshot of data' as at the 31 March 2025 and analyse this to calculate our gender pay gap. We are required to publish the data on the Council website (to remain for at least 3 years) and also on a government site, by 31st March 2026 at the latest. The Gender Pay Gap is published annually.

11.2 The gender pay gap reporting measures are:

Mean gender pay gap - The difference between the mean (average) hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees

Median gender pay gap - The difference between the median (mid-point) hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees

Mean bonus gap - The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees

Median bonus gap - The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees

Bonus proportions - The proportions of male and female relevant employees who were paid bonus pay during the relevant period

Quartile pay bands - The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

11.3 The Council's Gender Pay Gap for 2024-2025 compared with 2022-2023 and 2023-24 is shown below:

Women's Hourly Rate:

	Mean	Median
2022/23	6.83% Lower	3.60% Lower
2023/24	4.09% Lower	0.00%
2024/25	2.36% Lower	0.00%

11.4 Bury Council does not pay any bonuses.

11.5 Quartile Pay Bands:

The following information shows the percentage of male employees and female in each quarter of the payroll for 2022/23, 2023/24 and 2024/25:

	2022/23		2023/24		2024/25	
	% Of Men	% Of Women	% Of Men	% Of Women	% Of Men	% Of Women
Top	31.32%	68.68%	31.42%	68.58%	28.40%	71.60%
Upper Middle	33.10%	66.90%	31.90%	66.10%	30.31%	69.69%
Lower Middle	37.26%	62.74%	39.07%	60.93%	38.39%	61.61%
Lower	16.29%	83.71%	20.43%	79.57%	20.28%	79.72%

11.6 Comparison summary:

The gender pay gap has continued a decreasing trend for a second year and represents the lowest pay gap recorded by the council since pay gap reporting began. With the mean gap decreasing by 1.73% against last year. Overall, there is a closing of the mean pay gap of 6.44% since the Council first reported on its gender pay gap in 2016/17.

The council's median gender pay gap has remained at 0.00%. Overall there has been a 7.77% improvement since the Council first reported its gender pay gap in 2016/1.

The quartile data shows that the proportion of women in the three highest quartiles has increased since 2023/2024 where the lowest quartile has remained static. This is likely to have contributed to the reduction in the council's gender pay gap.

Further analysis of our workforce demographics data shows that the proportion of female colleagues being part time compared to the proportion of male colleagues has reduced from 31% in 2023/2024 to 24% in 2024/2025. This is likely to have contributed to the reduction in the council's gender pay gap.

National comparisons of the median gender pay gap for full time employees (Office of National Statistics) show Bury to be performing better than regional and national comparators:

Region	% Gender Pay Gap
National	6.90%
North West	7.60%
Bury	0.00%

It is important to point out that the National and Northwest figures reported in the table above are for full time employees only (staff working over 30 hours). Nationally the Gender Pay gap for all employees is 12.8% and is higher due to women making up a significant majority of part time employments across the country.

11.7 Progress to date and future actions

Over the past 12 months the Council has implemented several changes and initiatives that support all staff across characteristics and promote diversity and development within the workforce which, in turn, will support us in reducing our pay gaps. This work includes:

- Work to improve Council recruitment processes and remove potential barriers to employment, including adopting flexible approaches to application and assessments
- Developing business intelligence tools and data sets which allow more frequent exploration and monitoring employee data that affects pay gaps
- Further promotion of the Council's leadership development offer which reflects our commitment to supporting staff development and progression
- Becoming a White Ribbon accredited organisation and employer, confirming our commitment to advancing gender equality and women's safety.
- The establishment and development of a Women's Employee Group to provide a focus on women in the workplace, be a critical friend to the organisation and support the advancement of gender equality at the Council.
- Delivering our equality strategy with a focus on representation and reducing barriers that affect our female employees in the workplace
- The development of a women and girls commission, demonstrating the council's commitment to gender parity and highlighting the council as an attractive and inclusive employer.

11.8 The Council is committed to continuing to introduce measures to reduce the gender pay gap further over the next 12 months and will be continuing to build on the work noted above as well as progressing a number of further activities including:

- Delivering inclusive recruitment training to recruiting managers that will include a focus on advancing gender equality and removing gender bias in our recruitments

- Widening the authority's approach to Workplace Adjustments so that these apply to all employees who need adjustments to support them to succeed in work
- Continued promotion of flexible working and the options available to employees to help them find a healthy work/life balance
- Review and promotion of the council's colleague wellbeing offer, specifically where this is gender and characteristic based
- Having an intersectional approach to gender inclusion in recognition that multiple characteristics can amplify barriers and challenges for our female employees

11.9 Whilst there is no legal obligation to do so, the Council also publishes information in relation to its Disability and Ethnicity pay gaps. This information is available on the Council website and updated annually alongside our gender pay gaps [Pay Gap Reporting - Bury Council](#)

12.Accountability and decision making

12.1 In accordance with the Constitution of the Council, the Employment Panel is responsible for being a consultee on all terms and conditions including policies, and for the recruitment selection and appointment of Chief Officers; (see Section 5.0 above).

13.Re-employment/re-engagement of former Chief Officers

13.1 The Council's Policy is that former employees (including Chief Officers) who leave the Council through any form of enhanced severance package, including but not exclusive to voluntary early retirement or flexible retirement will not be re-engaged in normal circumstances at any point and without the approval of the Assistant Director of People and Inclusion and Cabinet Member for Customer Service, Communication and Corporate Affairs. This includes engagement via Agency or a contract for services. However, this provision excludes engagement to support the Local Authority's role in relation to Elections.

13.2 As a general principle the Council is opposed to re-employing retired employees. However, in exceptional circumstances, where it is considered necessary to re-employ or re-engage a former employee who is in receipt of a pension from the Local Government Pension Scheme:

- (a) There should be clear evidence that the work cannot be undertaken by someone else, either internal, external or through agency staff.
- (b) If the individual is engaged under the terms of a contract for services and claims to be self-employed or a consultant, the Executive Director of Finance must be satisfied that they meet the criteria laid down by HMRC.

(c) A former employee should not be re-engaged unless agreement has been given by the Cabinet Member for Customer Service, Communication and Corporate Affairs.

13.3 The proposal to require high earners to repay exit payments if they return to the public sector has previously been consulted on but there has been no further indication of if and when this proposal will be implemented.

14. Publication

This statement will be published on the Council's Website under our Local Government Transparency Section.

Appendix 1: NJC pay scale – Council employees

The salary scales below reflect the pay rates with effect from 1 April 2025 and the additional non-consolidated supplements to be applied from 1 April 2026. The pay scale will be revised to reflect the 2026/27 NJC Pay Award once agreed.

SCP Values wef 010426 to include RLW supplement.
2026-27 pay award not yet agreed.

Grade	SCP	Annual Salary 010425	Hourly rate 010425	Revised rate inclusive of Real Living Wage supplement wef 010426		
				Value	Hourly rate	RLW supple ment
Grade 3	3	£24,796	£12.85	£25,949	£13.45	£0.60
Grade 4	4	£25,185	£13.05	£26,142	£13.55	£0.50
Grade 5	5	£25,583	£13.26	£26,335	£13.65	£0.36
Grade 6	6	£25,989	£13.47	£26,528	£13.75	£0.28
Grade 7	7	£26,403	£13.68	£26,721	£13.85	£0.17
	8	£26,824	£13.90			
	9	£27,254	£14.13			
	NOT IN USE					
	11	£28,142	£14.58			
Grade 8	12	£28,598	£14.82			
	NOT IN USE					
	14	£29,540	£15.31			
	15	£30,024	£15.56			
	NOT IN USE					
Grade 9	17	£31,022	£16.08			
	18	£31,537	£16.35			
	19	£32,061	£16.62			
	20	£32,597	£16.89			
	NOT IN USE					
Grade 10	22	£33,699	£17.47			
	23	£34,434	£17.84			
	24	£35,412	£18.36			
	25	£36,363	£18.84			
Grade 11	26	£37,280	£19.32			
	27	£38,220	£19.81			
	28	£39,152	£20.29			
Grade 11	29	£39,862	£20.66			
	30	£40,777	£21.14			
Grade 12	31	£41,771	£21.65			
	32	£42,839	£22.21			

	33	£44,075	£22.85			
Grade 13	34	£45,091	£23.37			
	35	£46,142	£23.91			
	36	£47,181	£24.46			
Grade 14	37	£48,226	£25.00			
	38	£49,282	£25.54			
Grade 15	39	£50,269	£26.06			
	40	£51,356	£26.62			
Grade 16	41	£52,413	£27.16			
	42	£53,460	£27.71			
Grade 17	43	£54,495	£28.25			
	44	£55,602	£28.82			
SM1	45	£56,723	£29.40			
	46	£57,870	£30.00			
	47	£58,883	£30.52			
SM2	48	£59,981	£31.09			
	49	£61,082	£31.66			
	50	£63,246	£32.78			

Appendix 2: Chief Officer pay scale

The salary scales below reflect the pay rates with effect from 1 April 2025. The pay scale will be revised to reflect the 2026/27 Pay Award once agreed

	SCP	Salary 010426
CEX	861	£209,996
	860	£206,102
	859	£202,208
Band E (formerly H)	846	£147,105
	845	£143,397
	844	£140,500
	843	£137,161
	842	£134,740
Band D (formerly F)	835	£119,146
	834	£116,744
	833	£114,382
	832	£112,066
	831	£109,765
Band C (formerly D)	825	£96,251
	824	£94,027
	823	£91,993
	822	£90,349
	821	£88,712
Band B	815	£78,932
	814	£77,289
	813	£75,765
	812	£74,221
	811	£72,685
Band A	810	£71,150
	809	£69,615
	808	£68,096
	807	£66,555
	806	£65,016

Equality Impact Analysis

This equality impact analysis establishes the likely effects and unintended consequences that decisions, policies, projects and practices can have on people at risk of discrimination, harassment and victimisation. The analysis considers documentary evidence, data and information from stakeholder engagement/consultation to manage risk and to understand the actual or potential effect of activity, including both positive and adverse impacts, on those affected by the activity being considered.

To support completion of this analysis tool, please refer to the equality impact analysis guidance.

Section 1 – Analysis Details (Page 5 of the guidance document)

Name of Policy/Project/Decision	Pay Policy Statement
Lead Officer/SRO/Project Manager	Catherine King
Department/Team	HR, Corporate Core
Proposed Implementation Date	April 2026
Author of the EqIA	Catherine King
Date of the EqIA	7 th January 2026

1.1 What is the main purpose of the proposed policy/project/decision and intended outcomes?
<p>In accordance with section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.</p> <p>The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees (excluding teaching staff working in local authority schools) by identifying:</p> <ul style="list-style-type: none"> • the methods by which salaries of all employees are determined; • the detail and level of remuneration of its most senior staff i.e. ‘Chief Officers’, as defined by the relevant legislation; • the constitutional arrangements in place for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Section 2 – Impact Assessment (Pages 6 to 9 of the guidance document)

<p>2.1 Who could the proposed policy/project/decision likely have an impact on?</p>
<p>Employees: Yes/No Community/Residents: Yes/No 3rd parties such as suppliers, providers and voluntary organisations: Yes/No If there is no likely impact on any of these, a full equality impact analysis is not required</p>
<p>2.2 Evidence to support the analysis. Include documentary evidence, data and stakeholder information/consultation</p>
<p>Documentary Evidence:</p>
<p>Data: Employment Equality Report 2024 https://www.bury.gov.uk/asset-library/employment-equality-report-2024-v2-002.pdf Gender Pay Gap data within the Pay Policy Statement</p>
<p>Stakeholder information/consultation: UNISON</p>
<p>2.3 Consider the following questions in terms of who the policy/project/decision could likely have an impact on. Detail these in the impact assessment table (2.4) and the likely impact this would have.</p>
<ul style="list-style-type: none"> • Could the proposal prevent the promotion of equality of opportunity or good relations between different equality groups? No • Could the proposal create barriers to accessing a service or obtaining employment with us for people from an equality group? No • Could the proposal affect the usage or experience of a service by people from an equality group? No • Could people from an equality group be disproportionately advantaged or disadvantaged by the proposal? Yes – Occupational segregation means some equality groups may benefit more from the additional supplements to pay at the bottom of the Council's pay scale. • Could the proposal make it more or less likely that people from an equality group will be at risk of harassment or victimisation? No • Could the proposal affect public attitudes towards people from an equality group (e.g. by increasing or reducing their presence in the community)? No

- Could the proposal prevent or limit people from an equality group contributing to the democratic running of the council? **No**

2.4 Characteristic	Potential Impacts	Evidence (from 2.2) to demonstrate this impact	Mitigations to reduce negative impact	Impact level with mitigations Positive, Neutral, Negative
Age	Neutral			Positive
Disability	Neutral			
Gender Reassignment	Neutral			
Marriage and Civil Partnership	Neutral			
Pregnancy and Maternity	Neutral			
Race	Positive	Occupational segregation sees a higher proportion of people identifying with this characteristic in lower graded roles. They will be positively impacted by the proposed addition of non-consolidated supplements to the lower points of pay and the Council's continued commitment to the Living Wage		
Religion and Belief	Neutral			
Sex	Positive	Occupational segregation sees a higher proportion of women in lower graded roles. They will be positively impacted by the proposed addition of non-consolidated supplements to the lower points of pay and the		

		Council's continued commitment to the Living Wage		
Sexual Orientation	Neutral			
Carers	Neutral			
Looked After Children and Care Leavers	Neutral			
Socio-economically vulnerable	Positive	People experiencing socio-economic vulnerability will be positively impacted by the proposed addition of non-consolidated supplements to the lower points of pay and the Council's continued commitment to the Living Wage		
Veterans	Neutral			

Actions required to mitigate/reduce/eliminate negative impacts or to complete the analysis

2.5 Characteristic	Action	Action Owner	Completion Date

Section 3 - Impact Risk (Pages 9 and 10 of the guidance document)

Establish the level of risk to people and organisations arising from identified impacts, with additional actions completed to mitigate/reduce/eliminate negative impacts.

3.1 Level of impact / Likelihood	Unlikely (U)	Possible (P)	Likely (L)	Very Likely (V)
High Impact (H)	4	8	12	16
Medium Impact (M)	3	6	9	12
Low Impact (L)	2	4	6	8
Positive or No Impact (N)	1	1	1	1
Risk Level	No Risk = 1	Low Risk = 2 - 4	Medium Risk = 6 – 9	High Risk = 12 - 16

3.2 Level of risk identified	1 – positive/no impact
3.3 Reasons for risk level calculation	

Section 4 - Analysis Decision (Page 11 of the guidance document)

4.1 Analysis Decision		Reasons for This Decision
There is no impact therefore the activity will proceed	X	The Pay Policy Statement has a positive impact in that the pay structure, commitment to the real living wage and the non-consolidated settlements at the lower end of the pay spine support those who are more socio-economically vulnerable. It also helps to tackle any elements of race and gender based occupational segregation in the workforce.
There are low impacts or risks identified which can be mitigated or managed to reduce the risks and activity will proceed		
There are medium to high risks identified which cannot be mitigated following careful and thorough consideration. The activity will proceed		

with caution and this risk recorded on the risk register, ensuring continual review		
---	--	--

Section 5 – Sign Off and Revisions (Page 11 of the guidance document)

5.1 Sign Off	Name	Date	Comments
Lead Officer/SRO/Project Manager	Catherine King	07/01/26	
EDI	L. Cawley	08/01/26	QA Completed. The equality analysis has identified the characteristics likely impacted by the actions and work carried out as part of the council’s pay policy analysis and reporting. All impacts are likely to be positive in reducing inequality and disadvantage.

EqIA Revision Log

5.2 Revision Date	Revision By	Revision Details

**Unis
Classification**

Item No.

Open

Meeting:	Employment Panel
Meeting date:	03/02/26
Title of report:	Recruitment to Assistant Director – People & Inclusion
Report by:	Kate Waterhouse – Executive Director Strategy & Transformation
Decision Type:	Non-key
Ward(s) to which report relates	All

Executive Summary:

The role of Assistant Director – People and Inclusion was established following the departure of the former Director of People and Inclusion, and the retirement of the Head of Human resources in spring/summer 2025. The role was advertised in September 2025, three candidates were interviewed by Employment Panel in October 2025, however, it was determined that none were appointable.

Recommendation(s)

That the Employment Panel agrees:

1. To apply a Market Supplement of £5k (total maximum remuneration of £101,251)
2. To the proposed redesign of the People Service to present a more attractive management structure to the market
3. To undertake an external recruitment process
4. Selection process with a panel interview scheduled

KEY CONSIDERATIONS

1. Market supplement

The current AD People and Inclusion role is graded Chief Officer Band C (new JNC pay spine WEF November 2025) with pay range of £88,712 - £96,251. Following a review of

market data provided by Hays, details at Appendix 1, it is recommended that a market supplement of £5k is added to the remuneration in order to take the salary over £100k and appeal to a broader range of applicants. NB – if agreed, Employment Panel will need to recommend this remuneration package to full council for approval, in line with Pay Policy –

The establishment of posts with salary levels at £100K or greater are ultimately subject to approval by full Council in accordance with the Localism Act (2011).

2. People Services structure

A new People and Inclusion Services structure is being prepared to move from 10 direct reports (Appendix 2) to 4 direct reports for the AD position. The new structure (pending funding agreement and formal consultation) proposes new senior management roles to consolidate reporting lines with an indicative additional cost of £150k.

These roles would oversee key elements of service provision – Operational and transactional activities which are valued by customers and Advisory services which ensure a strategic approach to managing and mitigating workforce risks – driving culture change and ensuring effective policy that delivers improved workforce experience and productivity. In addition, following the departure of the Head of OD and Culture Change, other roles will be reviewed with a greater focus on Organisational Development delivered across advisory services.

3. Recruitment process

In line with constitution - Appointment of Chief Officers and Deputy Chief Officers – it is recommended that a sub-group of the Employment Panel of the Council will appoint to this Deputy Chief Officer role. NB – it is expected that the pre-election period will commence in the last week of March.

The following process is recommended –

- 1) Advertisement via Hays/People Management (the website of the CIPD – the professional body for HR/OD) websites (Cost TBC), with executive search support from Hays (Cost £8k) with a four-week application window W/C 09/02/26
- 2) Officer shortlist W/C 09/03/26
- 3) Employment Panel Interview W/C 23/03/26

Community impact/links with Community Strategy

Appointment to this key role is essential to ensuring the effective operation of the organisation and, in turn the delivery of our commitment to the Community Strategy.

Equality Impact and considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Equality Analysis Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.

No negative impact identified.

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
Vacant AD People post impacts on delivery of People Strategy, with additional costs associated with interim management cover	Prompt recruitment process

Consultation:

N/A

Legal Implications:

There are no immediate legal implications

Financial Implications:

Financial implications of fully funding this post are set out in the report

Report Author and Contact Details:

Kate Waterhouse
Kate Waterhouse – Executive Director
Strategy & Transformation
k.waterhouse@bury.gov.uk

Tim Normanton
interim Assistant Director of People
& Inclusion
t.normanton@bury.gov.uk

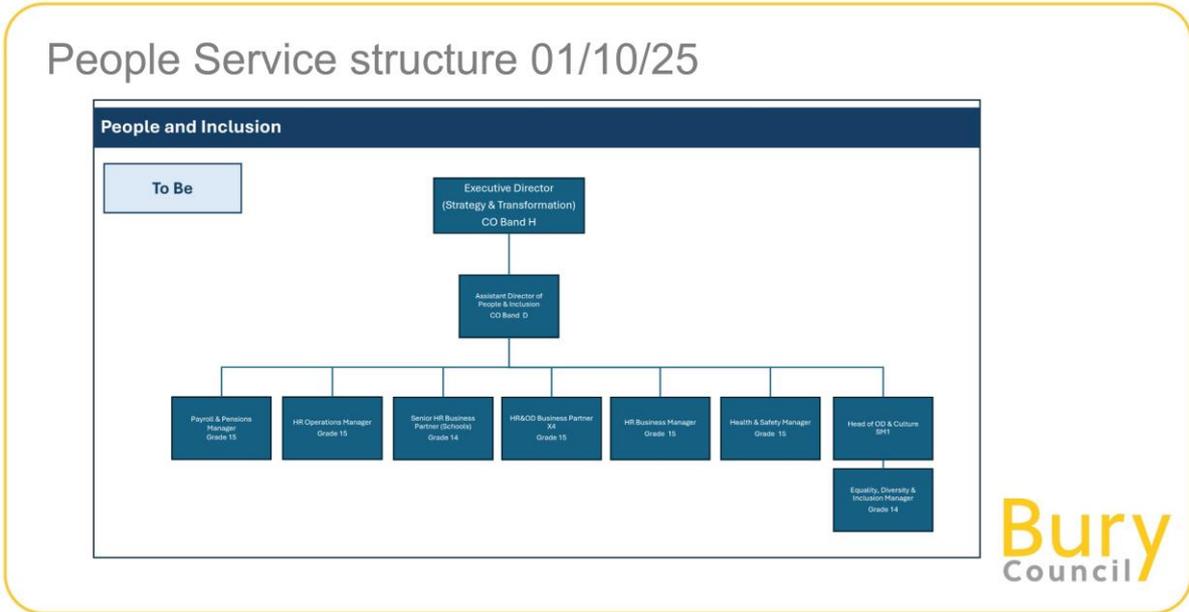
Background papers:

Appendix 1 – Hays – Senior HR role market data
Appendix 2 - People & Inclusion structure September 2025
Appendix 3 – proposed People Service structure April 2026

Appendix 1 – Hays – Local Government Senior HR role market data

Organisation	Job	Salary	Date of ad
Tameside Metropolitan Borough Council	Assistant Director – People, Workforce Development & Communications	£104,187	Feb-25
North East Combined Authority	Assistant Director of People and Transformation	£103,286	Jul-25
Southend-on-Sea City Council	Executive Director (HR/People oversight)	£134,813	Mar-25
Southend-on-Sea City Council	Director of People and Transformation	£110,000	Dec-24
Thurrock Council	Assistant Director HR and OD	£106,430	Dec-24
Lincolnshire County Council	Assistant Director of People and Organisational Support	£95,241	Apr 2025 (salary list)
Northumberland County Council	Director of People and Culture	£109,999	Apr 2025 (salary list)
Horsham District Council	Head of Human Resources and Organisational Development	£59,136 – £66,265	May-25
Southwark Council	Head of Organisational Development	£65,726 – £82,023	Nov-23
Richmond & Wandsworth Councils	Head of Organisational Development & Internal Communications	£110,000	Jan-24
Cambridgeshire County Council	Service Director – People & Culture	£114,988	Jun-25
East Lindsey District Council	Assistant Director – People	£61,470	Jun-25
Derbyshire County Council	Assistant Director HR	£77,495	Dec-25
Liverpool City Council	Head of HR Operations	£78297 - £83919	Oct-25
City of Edinburgh Council	Head of HR Operations	£77,845 – £93,154	Dec-25
Horsham District Council	Head of Human Resources and Organisational Development	£59,136 – £66,265	May-25
Tameside Metropolitan Borough Council	Assistant Director – People, Workforce Development & Communications	£104,187	Feb-25
Oldham Council	Assistant Director of Workforce & Organisational Culture	£90,057	Feb-25
Teignbridge	Head of HR and Organisational Development	£71,953–£75,807	
Exeter City Council	Head of HR service - HR workforce & OD	£72,775	Nov-24
Great Yarmouth	Head of Transformation and Digital	upto £76221	Sep-25
Great Yarmouth	Head of Transformation and Digital	upto £76221	Sep-25
Essex County Council	Assistant Director, People	£104,843	Nov-25
South Derbyshire District Council	Head of Transformation	£75388 - £77753	Dec-25
Lancashire County Council	Director of People and Culture	£117,000	Oct / Nov 25
North Yorkshire Council	Assistant Director Transformation	Up to £108,000	
Derbyshire County Council	Director of People and Organisational Change	£111,491	Feb-25
LB Lambeth	Director of Human Resources & Organisational Development	£132,000	Feb / March 25
	AVERAGE	£105,924	

Appendix 2 - People & Inclusion structure WEF September 2025



Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Overview & Scrutiny Committee	Date: 10 February 2026
	Cabinet	11 February 2026
	Council	25 February 2026
Subject:	Annual HRA Budget 2026/27 & Rent Setting	
Report of	Cabinet Member for Finance and Transformation	

Summary

1. In this report Cabinet is being asked to approve the Housing Revenue Account (HRA) Budget for the financial year 2026/27, including all relevant decisions affecting housing funding. This includes key decisions such as setting the housing rent and service charge increases for our Council tenants, which is critical as it effectively determines the financial envelope within which the HRA Business Plan is set, and against which we assess the costs of delivering Cabinet and Council's priorities within our operational plans.
2. Part of the main considerations for the housing service is to ensure that a focus is maintained on housing quality and compliance, within what is becoming an increasingly challenging regulatory environment, to maintain the existing stock to an acceptable standard, whilst seeking to decarbonise the stock wherever possible, and also ensuring the best use of those homes for some of the most vulnerable residents in the Borough.
3. This report seeks to update Members on the proposed Housing Revenue Account (HRA) Annual Revenue Budget and Capital Investment Plan Programme for 2026-27, including the proposed increases in rents, garage rents, service charges and any other relevant charges within the HRA for 2026/27. The recommendations included in this report will enable Cabinet and Council to set a balanced budget for the HRA for 2026/27 which is essential to lay the foundations for the HRA moving forward.
4. To ensure consistency with the General Fund Medium-Term Financial Strategy (MTFS), a three-year Medium-Term Financial Plan (MTFP) has been produced for the HRA. Similarly, the HRA elements of the Council's Capital Investment Plan also span an initial three-year period, in line with the Authority's overall Capital Investment Strategy. Although this report forms part of the overall budget report process for the Council, it has been kept separate from the General Fund to provide Members with an informed and transparent view of the

HRA's current state and challenges, which are different but no less than those for the General Fund.

5. In addition, this report also sets out the position in relation to the refresh of the HRA 30-year Business Plan, to inform Members of the severe long-term pressures facing the Housing Service, which are interpreted within the Business Plan. It highlights that actions are required now to start addressing some of those financial challenges, to lessen the financial and operational challenges that will be faced further down the line if appropriate action is not taken now.

Recommendation(s)

6. **Overview and Scrutiny Committee** is asked to note the report and consider whether they wish to make any recommendations to Cabinet on the content of this report.
7. **Cabinet** is asked to approve the following and commend to the Council:
 - Approve the 2026/27 budget for the Housing Revenue Account
 - Agree and approve the proposed HRA Capital Investment Plan for 2026/27.
 - Approve the setting of individual social formula rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026 (being September 2025 CPI (Consumer Price Index) 3.8% plus 1%).
 - Approve the setting of individual actual affordable rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026.
 - Approve shared ownership rents to be increased by RPI (as at February 2026) plus 0.5% in line with provisions set out within shared ownership agreements with effect from 1st April 2026.
 - Approve an increase in Garage rents of 4.8% with effect from 1st April 2026.
 - Approve an increase in Sheltered Management and Support Charges of 4.8% from 1st April 2026.
 - Approve an increase in Service and Amenity Charges of 4.8% from 1st April 2026.
 - Approve an increase in Support and Heating charges of 4.8% from 1st April 2026.
 - Approve an increase in Furnished Tenancy charges of 4.8% from 1st April 2026.
 - Approve continuation of the policy that when a social rent property is re-let to a new or transferring tenant the rent level will be revised to match the formula rent (target rent) for that property.
 - Note in accordance with the Rent Standard, that where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent (including service charges where applicable) for a similar property at the time of letting or the formula rent for the property, whichever is the greater.
 - Approve in principle in line with Government's commitment confirmed in January 2026, the re-introduction of Rent Convergence for Bury's HRA stock, which will come into effect from April 2027, with an additional rent charge of £1 per week in

2027-28, and £2 per week from 2028-29 onwards until Rent Convergence is achieved.

- Note that Government has confirmed its commitment to the re-introduction of rent convergence from April 2027, with a proposed additional £1 per week charge from April 2027 and £2 per week from April 2028. Until the changes are finally confirmed the additional income has not been assumed in the revenue plan.
- Note that following the Cabinet decision to wind down and close Six Town Housing (STH), a working group has been set up to oversee this process, led by Management Consultants Campbell-Tickell. This process will take at least 12-18 months, and at this stage it is not possible to state what implications if any there will be for the Council's General Fund and HRA. The options as to what will happen to the remaining assets currently held by STH will be presented to Cabinet at the appropriate time for any decisions to be made.
- To note and approve the revisions made to the HRA 30-Year Business Plan.

Reasons for recommendation(s)

8. Initially to ensure that there is a balanced budget in place for the HRA, covering both revenue and capital requirements for 2026/27. The approval of these budget plans for 2026/27 will mean that Bury Council can continue to provide critical housing services to our current tenants and invest in maintaining and improving their homes. This sits within a core set of key policy principles for the housing service: -

- Ensure the application of the principles of economy, efficiency and effectiveness.
- Continue to invest in the existing stock to maintain the Decent Homes Standard.
- Maintain and develop effective engagement with tenants.
- Continually monitor the impact of welfare changes such as Universal Credit on tenants and ensure that they have the appropriate support.
- Work with private landlords to improve their stock where appropriate.
- Undertake environmental improvements to estates if and when possible, acknowledging the impact that this can have in creating safe and clean estates.
- Support the delivery of Affordable Homes across the Borough.
- Undertake direct development, acquisition and refurbishment to bring properties back into use if appropriate and affordable.
- Create sustainable tenancies and maximise rental income collection.
- Undertake sustainability measures across the housing stock as appropriate and affordable to help address the Climate Change Emergency.

Report Author and Contact Details:

Name: Neil Kissock
Position: Director of Finance
Department: Corporate Core Department
E-mail: n.kissock@bury.gov.uk

Relevance to the Council and HRA Business Plan.

9. Balancing the HRA, the Capital Investment Plan, and reviewing the 30-year business plan is critical for effective decision-making and aligning resources with the Council's priorities. While the plan currently includes the ambition to deliver affordable homes, the extent of this has been assessed in light of an increasing cost base and business plan sustainability. There is greater financial pressure being experienced by the business plan due to a greater shift towards maintaining the existing stock, ensuring compliance, and meeting higher regulatory standards, while trying to keep the HRA affordable.
10. The vision of the Council's Let's Do It! Strategy set out in 2020 is to be a resilient, inclusive and sustainable borough that empowers local communities through working together. Provision of social and affordable housing and support to tenants leans into all of the key guiding principles of the Council's strategy and informs the development of the business plan. As the Strategy states "it is not just a strategy for service improvement; it is a radical new proposition for community power, putting relationships first and creating a borough in which every single person plays their part." The ambitious vision for Bury is built upon community conversations and is simply put to achieve greater than national average growth, whilst having lower than national average levels of deprivation. Decent quality, affordable social housing is key to achieving these ambitions.

Background and Policy Context

11. The Authority is responsible for managing just over 7,500 properties. Rents and service charges provide most of the resources available to the HRA, which is then used to fund the management and maintenance of the housing stock. This income and expenditure are accounted for in a ring-fenced account as required by law under the Local Government and Housing Act 1989. The authority does not have any discretion to transfer sums between the HRA and the General Fund, except in very limited and prescribed circumstances. Although accounted for separately, the HRA forms an intrinsic part of the Authority's overall vision and Council Plan, and this report sets the context within which the HRA Financial Plan and Budget proposals are set.
12. In April 2012, in accordance with the Localism Act 2011, the HRA (under the Administration of Bury Council) transitioned from a national subsidy system where it had to make an annual payment to Central Government, to become "self-financing". This change allowed the Council to keep all rental income which was then used to cover the costs of managing and maintaining the housing stock, including expenses for repairs, improvements, as well as interest and debt repayments (if and where applicable). As part of the self-financing agreement, the Government received a one-time capital payment of £78.253m from the Council which was funded from borrowing.
13. In April 2022, following Cabinet approval, Springs became a Self-Financing Tenant Management Organisation, the first in the Northwest. Owing to loss of stock through the Right to Buy sales (1), Springs TMO are currently managing 284 properties. Springs Tenant Management Organisation was formed to manage council homes on a self-financing arrangement. This means that the TMO retains the rents collected from the homes and uses this to pay for the management and maintenance of their properties under local arrangements. The value of the rents collected and passed over to Springs TMO is shown as a management fee cost to the HRA (neutral effect on the HRA).

14. To effectively utilise the autonomy of the HRA under the self-financing system, a comprehensive 30-year Business Plan is used. This plan outlines the Council's overarching goals and objectives for the Housing Service, providing a roadmap for addressing both risks and opportunities. This plan should be updated on an annual basis. The 30-year HRA Business Plan has been reviewed as part of the 2026/27 budget setting process. This has been achieved with the help of our Business Plan provider and advisor (Abovo-Consult), and a fully refreshed and improved business plan model has been developed.
15. The updated 30-year HRA Business Plan sets out how the Council will maintain, improve and invest in its services to tenants and housing stock while ensuring the long-term financial sustainability of the HRA. It reflects rising cost pressures, changing regulatory requirements and the revised scale of the development programme, and shows how borrowing, reserves and rental income will be managed to keep the plan affordable over the long-term. A more detailed overview of the Business Plan, its assumptions and financial impact is provided in a separate section below.
16. The HRA continues to face significant risks and uncertainties that could materially impact the business plan. These include inflation and construction cost volatility, interest rate changes beyond the current Public Works Loan Board (PWLB) concessionary rate period, and the potential outcomes from the Government's rent convergence consultation, which are also discussed further later in this report. Further regulatory requirements, such as building safety and tenant standards, are also increasing costs. These risks are amplified by the Council's substantial investment plan, which includes some acquisition and refurbishment plans, as well as major works to existing stock, and a decarbonisation programme. While the ambition remains to deliver new homes, affordability pressures and borrowing requirements mean the scale and timing of any future schemes has had to be re-assessed, and there is currently limited new development that can be afforded within the business plan as it stands.

Updates on Legislation, Government Policy and Consultations affecting the HRA

Rent Convergence

17. A national consultation on Social Rent convergence was carried out by Central Government in 2025, which sought views on how to phase in rent increases for tenancies that were still below their formula rent, on top of the current national policy of CPI + 1%. Rent convergence refers to the process of gradually increasing rents for properties that are currently below the Government's calculated "formula rent" so that, over time, they align with national standard levels. The formula rent is based on factors such as property size, location, and affordability, and is intended to ensure consistency across social housing providers. The outcome of the consultation was finally announced towards the end of January 2026, and will not be implemented until April 2027, with a CPI + 1% + £1 per week increase from April 2027, and a CPI + 1% + £2 per week increase to be implemented from April 2028 onwards until rent convergence is achieved, and all rents are at formula rent. These proposals have been modelled through the revised budget and business plan for the HRA.

Impact: Uplift in rental income assumptions from April 2027 onwards, supporting

long-term financial sustainability.

Risk: Increased affordability pressures for tenants not on full benefit support.

Benefit: Strengthens HRA income base, enabling investment in compliance and stock improvement.

Decent Homes Standard (DHS) Reform – Consultation (launched July 2025)

18. Government launched a consultation on a redesigned Decent Homes Standard, proposing clearer criteria, stronger safety rules, higher thermal comfort expectations, and a new mandatory standard for damp and mould. For the first time, the Standard would apply to both Social and private rented homes, aligning with reforms in the Renters' Rights Bill. However, as it stands the new standards would not apply until 2035.

Impact: Likely to increase capital investment requirements for compliance and influence future maintenance programmes. Delivery of this target will be challenging both operationally and financially.

Risk: Significant cost implications for planned works and potential strain on Capital budgets.

Benefit: Improved housing quality and tenant health outcomes and alignment with national standards.

Minimum Energy Efficiency Standards (MEES) – from November 2025

19. New minimum energy efficiency requirements took effect in November 2025, raising expectations for insulation, heating efficiency, and overall building performance. This includes the proposal to formally raise the minimum energy efficiency standard for social housing to EPC band C by 2030. The Council has begun investing in homes to move towards this outcome for some time. Although targeted mainly at new build and funded programmes, these changes set the direction of travel for future national policy, including expected uplifts to EPC requirements for all social housing.

Impact: Reinforces the need for significant investment in energy efficiency works, reflected in the Housing Carbon Reduction Programme.

Risk: Escalating retrofit costs and operational challenges in delivery.

Benefit: Reduced tenant energy costs, progress towards net-zero targets, and long-term asset resilience.

Awaab's Law – October 2025 – Phase 1

20. From October 2025, social landlords must meet new legal response times:

- Emergency hazards to be made safe within 24 hours.
- All significant damp and mould to be inspected and fixed within 10 working days.

21. The next phases of the requirements will be rolled out during 2026/27 and will extend these deadlines to all major Health and Safety Rating System hazard (apart from overcrowding).

At this stage no new funding has been provided to enable the authority to meet the additional burden placed on it because of these changes.

Impact: Requires prioritisation of damp and mould works within the capital Programme and additional compliance monitoring.

Risk: Failure to comply may result in court orders, tenant compensation, or regulatory sanctions, creating financial and reputational exposure.

Benefit: Improved tenant health and safety, reduced risk of litigation, and stronger Regulatory compliance.

Right to Buy (RTB) Reforms – November 2024

22. In the Chancellor's Autumn Budget Statement in November 2024, RTB discounts were reduced to pre-2012 levels and the cost floor extended to 30 years. Under the first of the new rules, discounts still start at 35% of valuations after three years, increasing by 1% per additional year up to a maximum of 70%, but are limited to a regional maximum, which in Bury is £26,000 (previously up to £102,400 nationally). Applications submitted up to 21 November 2024 are still eligible for the higher discount regardless of when the sale completes. This led to a large influx of applications prior to the November 2024 deadline, causing a backlog which is still being worked through now. The costs floor rule means that the discounts cannot reduce the price below the build or refurbishment costs.

23. Further consultation has provided for more changes to be enacted at some stage, which will make further changes to eligibility, exemptions for new build homes and tougher post-sale rules on the use of the receipts. Once legislation is passed, the number of years of required tenancy will increase from 3 to 10 years before an application can be made, discounts at 10 years will start at 5% rising annually by 1% to a maximum of 15% and still be capped at £26,000.

Impact: Expected to significantly reduce RTB sales, lowering receipts but helping maintain rental income levels. This will have a direct impact on future resources for development.

Risk: Short-term surge in applications has impacted stock levels, but longer-term the anticipated reduction in RTB sales means RTB receipts which can be used to fund the development programme are likely to drop dramatically.

Benefit: Longer-term retention of rental income supports HRA sustainability.

Social Housing Regulation – Stronger Consumer Standards

24. Implementation of the Social Housing (Regulation) Act continues, with new Competence and Conduct Standards applying from October 2026. Senior housing managers will need formal qualifications, and landlords must meet strengthened standards on safety, tenant engagement, and transparency, including new Social Tenant Access to Information Requirements (STAIRS) from 2026/27.

Impact: Increased compliance costs and workforce training requirements.

Risk: Additional resource and training costs; risk of regulatory action if standards are not met.

Benefit: Improved governance, tenant engagement, and service quality.

Renters' Rights Bill – Wider Regulatory Alignment

25. As the Bill progresses through parliament, it will end Section 21 evictions, extend the Decent Homes Standard to the private rented sector, and strengthen tenant rights.

- **Impact:** Creates closer regulatory alignment across housing sectors and raises expectations for social landlords.
- **Risk:** Increased scrutiny and potential legal challenges during implementation.
- **Benefit:** Greater consistency in housing standards and improved tenant protections.

National Housing Strategy and 2025 Spending Review

26. Government confirmed a £39bn Social and Affordable Homes Programme over 10 years, alongside national priorities for improving safety, quality and decarbonisation.

- **Impact:** Shapes the broader financial environment for HRAs and influences future capital and revenue planning.
- **Risk:** Funding allocations may not fully offset cost pressures, requiring reprioritisation of investment plans.
- **Benefit:** Opportunity to access grant funding and align local programmes with national priorities.

HRA Capital Programme 2026/27

27. Appendix 1 provides an overview of the proposed capital programme for 2026/27, and for the three years covering the period of the Council's Medium Term Financial Strategy (MTFS). The budget for maintenance of existing homes is higher than in previous years due to a range of factors and is informed by new stock condition data arising from surveys undertaken in 25/26. Some of the new issues included in this budget are discussed below, along with the normal programmes of decent homes component replacement (kitchens, bathrooms, roofs, windows etc).

Planned Refurbishment of Council Stock

28. The planned maintenance programme for the housing stock (kitchen, bathroom, roof, window replacement) continues to be delivered, but recent stock condition surveys have highlighted additional works that have not previously been budgeted for. These include long-standing issues which are symptomatic of an ageing asset base and estates, (for example essential tree works, external paths etc) that cannot be delayed further, alongside inflationary pressures in the repairs sector. Since the last report, the service has undertaken a detailed data-driven review of budget requirements, drawing on findings from the new stock condition survey, which is now nearing completion. This review has identified a substantial volume of capital and revenue works required to maintain compliance and asset integrity. As a result, the planned refurbishment capital programme has increased

considerably for 2026/27 and the period covering the MTFS. Over the next three years a total of £42.036m will be spent on maintaining the existing stock, out of a total Capital spend over the 3-year period of £70.866m.

Housing Energy Efficiency Programme

29. The service is continuing to progress the Housing Energy Efficiency Programme (HEEP), which aims to improve energy efficiency and reduce carbon emissions across the housing stock. Current priorities include measures to move towards achieve EPC Band C compliance across the stock. Planned works include loft insulation, installation of photovoltaic (PV) panels, smart hot water cylinders, and a number of cavity wall insulation projects are planned. A number of these initiatives will help with some of the root causes of a high number of damp and mould cases and will help reduce energy costs for our tenants. The programme continues to support the Council’s climate objectives and will contribute to reducing fuel poverty and improving health outcomes for our residents. The programme will see a total of £17.100m spent on various carbon reduction initiatives over the next 3 years.

Potential Household Savings from Energy Efficiency Measures

Energy Efficiency Measure	Estimated Saving
Loft Insulation	5%-10%
Cavity Wall Insulation	10%-15%
Solid Wall Insulation	3%-5%
Floor Insulation	5%-10%
Windows and Doors	1%-5%
LED Lighting	0.50%
*Hot Water	30%
Replacement of storage heaters with high heat retention storage heaters	20%-25%
Solar PV (on suitable properties only)	10%-30%

**Installation of smart hot water cylinders to be used in conjunction with solar divertors attached to solar PV (on suitable properties)*

Awaab’s Law

30. Awaab’s Law came into effect in October 2025, introducing strict requirements for social landlords to address hazards that pose health risks to tenants. The first phase requires emergency hazards to be made safe within 24 hours and significant damp and mould issues to be inspected and resolved within 10 working days, with remedial works completed promptly. Further phases will follow in October 2026 and 2027, extending these obligations to additional Health and Safety Rating System Hazards, including excess cold, fire safety and structural risks. These requirements have potentially significant implications for the Planned Refurbishment programme, as investment in ventilation, insulation and other remedial works will be essential to ensure compliance. Failure to meet these standards can result in enforcement action, including court orders, compensation claims, and regulatory sanctions. The capital programme must therefore prioritise works that address damp and mould and improve energy efficiency to protect tenant health and avoid financial and reputational risks.

New Build, Acquisition and Refurbishment Programme

31. To date the development programme in the HRA at Bury has been minimal. Development was concentrated in Six Town Housing, and these properties are not owned by the Council directly and are not part of the HRA. They were financed by separate borrowing by STH. Until 2023/24, the Council's HRA had not generated any 1-4-1 RTB receipts from its sales and did not borrow to build (or finance the Capital Programme). From 2023/24 onwards, the Government has allowed HRAs to keep the proportion of the RTB receipts that would have been HM Treasury's share, but these receipts must be used on replacement homes within 5 years of being generated. As a result of receiving these receipts, the development programme includes 12 new build homes that will be acquired from a developer at a cost of £3.18 million. In addition, the developer as part of the land deal agreements is gifting a total of 15 properties to the Council, which will be used to house families on the waiting list.
32. The acquired and gifted properties should all come into stock and become lettable by the end of 2026-27. The plan also includes provision for a project to build 16 new homes on the site of The Elms at an estimated cost of circa £4 million which would come into stock by the end of 2027/28. Funding is assumed to be from RTB receipts, Homes England Grant and commuted sums from S106 developers. Potential provision has also been made over the next two years, to carry out a project to resolve issues around Eton Hill Flats, which have continued to deteriorate and become a blight. Favoured options at this stage involve a major refurbishment of the site, but several options are being looked at.
33. Overall, currently over the next 3 years there is the potential for a total of £10.870m to be spent on new build, acquisition and refurbishment of existing stock to either add to the existing stock or bring empty properties back into use.

Information and Communication Technology

34. It has long been recognised that the various Housing-related IT management systems currently being operated to support the Housing service are in serious need of upgrading, to bring them anywhere close to being fit for purpose. Options for upgrading and enhancing current systems, or potentially ultimately replacing those systems will be brought to Cabinet in due course. However, it should be noted that provision has been made within the current refresh of the HRA Business Plan, in terms of both Capital and Revenue resources to enable systems to be upgraded over the next three years.

Resourcing the Capital Programme

Useable RTB Receipts and Retained (1-4-1) Receipts.

35. The rules governing the distribution and use of RTB capital receipts are complex. However, the Government has introduced changes that provide greater flexibility in the use of 1-4-1 receipts. Since April 2023, councils with HRAs have been allowed to retain RTB receipts in full, removing the previous requirement to return a proportion to Government. Flexibilities introduced in July 2024 (which become permanent from 2026/27) now allow councils to fund up to 100% of development costs using retained receipts, combine 1-4-1

receipts with Section 106 contributions and affordable housing grants, and remove the previous cap on acquisitions (which was limited to 50% of scheme cost).

36. From 2026/27, the Local Authority Share and RTB buyback allowance will also be included within retained receipts and subject to the same restrictions and time limits. This means they will no longer be freely usable for other capital purposes (e.g. General Fund projects) and must be applied exclusively to development within the HRA. In addition, the repayment deadline for unused 1-4-1 receipts will be extended to 10 years for receipts generated from 2027/28 onwards, providing greater certainty for long-term planning. These measures enhance the ability of local authorities to deliver new social and affordable housing and reduce the risk of losing receipts due to delays in construction or planning.
37. However, it should be noted that changes to RTB discount rates as described above, are expected to substantially reduce the number of RTB sales. This in turn will lead to a sharp decline in 1-4-1 receipts, meaning that the development programme would need to rely on alternative funding sources if it is to continue future development.

Grant Income

38. Grant from the Affordable Homes Programme has been approved in principle for the Elms scheme in discussion with Homes England. The authority was also successful in obtaining grant from the Greater Manchester Combined Authority's Social Housing Fund in 2025/26 of £2.300m for various carbon reduction and other energy related works,
39. Other Receipts includes any other HRA (non-schedule) receipts or non HRA receipts available to support capital expenditure, for example from and developer contributions, commuted sums.
40. Major Repairs Reserve the HRA makes a provision by way of a credit to a MRR of an amount in respect of depreciation applied to the stock. This MRR is used to fund capital investment in refurbishment components such as kitchens, roofs etc.
41. Revenue Contribution to Capital Outlay (RCCO) The HRA Business Plan aims to ensure that revenue balances remain at a minimum of £2.000m throughout the life of the plan. Where affordable, Revenue Contributions to Capital Outlay (RCCO) will be made, provided this does not reduce the balance below this threshold. This approach helps minimise borrowing and associated interest costs, while also maximising the interest cover ratio.
42. Borrowing the Council borrowed £78.253m in 2012 in addition to its existing HRA debt, to meet the self-financing settlement with phased maturity dates continuing until 2041/42. The opening balance of the HRA debt in 2025/26 was £119.012m, which includes £14.6m borrowed internally from the General Fund. Most of the HRA loans are Public Works Loan Board (PWLB) fixed maturity loans with interest charged based on each specific loan. Around £6m of loans are classed as market loans from banks / funding institutions.
43. During the 2025/26 financial year, the Council has undertaken a major refinancing exercise of a number of its individual debts, including those affecting the HRA. On the advice of its Treasury Advisers, £42.169m of the HRA proportion of loans has been paid off and refinanced with seven new PWLB loans. These loans are "EIB loans" which means the

Council makes a repayment of the debt every year and interest is reduced. A discount on interest will also be received in relation to the old loans over 10 years.

44. The Business Plan assumes that these loans will be refinanced when they reach maturity and as repayments are due each year. The HRA balances are not sufficient to make repayments every year and finance the latest capital programme. Any shortfalls in capital financing are assumed to be met from Revenue Contributions to Capital Outlay (RCCO), where this is affordable, or from additional borrowing using long term PWLB fixed maturity loans. Any new borrowing has been assumed as having an interest rate of 4.98% rising to 5.18% by April 2027 onwards.
45. When a loan matures, it is assumed that the loan will be refinanced internally with the General Fund at 5%, until there are sufficient resources available in the plan to provide for repayment. The balance of debt on the HRA at 1 April 2026 is expected to be £129.624m as a result of the requirement to borrow around £10.715m for the capital programme in 2025/26.

Revenue Budget Estimates for 2026/27

46. Appendix 2 provides an overview of the proposed revenue budget for 2026/27, as well as for the full three years covering the Council's Medium Term Financial Strategy (2026-29).

Key Changes to the Revenue Budget

47. Interest Receivable The budget for interest receivable has been reduced by £0.286m to reflect lower cash balances and a reduction in interest rates. This adjustment ensures that income projections remain realistic given current market conditions.
48. Sheltered Housing Service Charges - Service charges for sheltered housing have been reviewed and for 2026/27 it has been recommended that they are increased in line with the rent increase at 4.8%. However, alongside this it is recognised that there is a need for a fuller of service charges, as some budgets were clearly inaccurate historically. These charges typically cover the upkeep of communal areas and facilities, such as cleaning, grounds maintenance, lighting, and equipment like lifts and door-entry systems. The service has identified that some chargeable items, including communal lighting, gardening and cleaning, are not currently recovered. A full review will be undertaken to look at this, but any changes will not affect tenant charges in 2026/27.
49. Depreciation The budget for depreciation is changing significantly for 2026/27. The Authority has engaged new valuers, and this has led to a review of the principles for calculating the depreciation charges attributable to the Council's assets. This revised approach has seen a significant increase in the value attributed to the HRA's asset base of over £60.000m for 2025/26. This results in an increased depreciation charge to the HRA of just over £1.650m above budget for 2025/26, increasing from the £7.300m budgeted for to over £8.950m. The treatment of Depreciation is markedly different between the General Fund and the HRA, as for the HRA, the charge is a direct charge to the bottom line of the budget and has to be transferred to the Major Repairs Reserve (MRR) to fund the Capital Plan, hence squeezing revenue resources much earlier in the business plan than would otherwise have been the case. It has been assumed that this trend will continue and so the

budget has been increased to £9.137m for 2026/27, which also includes an inflationary element.

50. Revenue Contribution to Capital Outlay (RCCO) The new HRA Business Plan includes an estimated RCCO of £8.000m for 2026/27. These types of contributions are made each year where affordable. Using revenue to support capital investment helps minimise and delay borrowing and associated interest costs, supporting long-term financial sustainability.
51. Interest Payable The interest payable budget has reduced in 2025/26 following the debt restructuring exercise referred to earlier as discounts have been allocated over the first ten years. However, these costs start to rise significantly year on year as the projection from the new HRA Business Plan are applied. This reflects the additional borrowing required to fund the Council's capital programme, including works to maintain and improve the existing stock, supporting essential compliance works, energy efficiency upgrades addressing other issues across the estate, all of which are key priorities in the 30-year Business Plan.
52. EPC and Stock Condition Surveys The importance of constantly updating stock condition survey data and carrying out EPCs where required is noted. As part of the restructure of the housing property services function this was recognised by creating a number of internal surveyor posts, which will provide a constant rolling update of stock condition data across the stock. Both EPC and stock condition surveys are critical for meeting regulatory requirements, supporting decarbonisation plans, and informing long-term investment priorities within the HRA Business Plan.
53. Compensation and Legal Advice The budget recognises the pressures brought about by an increasing blame and claim culture, and so increased provision has been made to cover compensation payments and specialist legal advice. This reflects the need to manage claims and regulatory compliance effectively, with options for developing in-house provision currently under review.

HRA Rent Setting

National Social Rent Policy

54. In accordance with the Government's National Social Rent Policy, which came into effect from 1st April 2020, rents could increase by up to CPI plus 1%, until 1 April 2024. In April 2024, the previous Government confirmed that this policy would be extended for 2025/26, or until 1 April 2026. Following a consultation in November / December 2024 on the future of social rents, the Government confirmed that this policy would be extended for the next 10 years or until 2036/37. This was reconfirmed in the Autumn Budget Statement on 26th November 2025.
55. This policy is also confirmed in the Regulator of Social Housing's (RSH) Rent Standard, which applies to **all** social housing providers.
56. Where a property is or becomes void during 2026/27, social rent properties can be increased to the social formula rent on re-let. The formula for social rent has been provided for all social housing providers since 2001 and is designed to give standardised

rents in England based on location, affordability and the number of bedrooms. Social housing providers are allowed to set the target rent at up to 5% above the formula rent for General Needs properties and up to 10% above for Sheltered properties and be within the Rent Standard.

2026/27 and future rent setting

57. In line with the Government's National Social Rent Policy and the RSH Rent Standard, it is recommended that for 2026/27 all Bury Council rents (social and affordable) will increase by CPI plus 1%. This is a real increase of 4.8% in 2026/27 based on CPI in September 2025 of 3.8%.
58. Affordable rents are set at a maximum of 80% of the market rent for a similar property in the area, including service charges, and capped by the relevant Local Housing Allowance if lower. On a change of tenancy, the rent is recalculated using the same rule, which may result in a decrease if market rents fall. The initial affordable rent figure must always be higher than the social formula rent plus any service charges for that property.
59. Shared Ownership rents are calculated based on the value of equity in the property that the Council holds. This will be different for every property that is partially sold under the scheme. The legal agreement determines the rent increase allowed and these properties are not covered by the Rent Standard. The rent increase for Shared Ownership properties is February RPI + 0.5%. February's rate of RPI will not be known until mid-March 2026. As a guide, December's RPI figure recently announced was 4.1%, which if this remained the same would mean Shared Ownership rents rise by 4.6%.
60. Therefore, the impact of these increases across all existing properties in the housing stock is an average actual increase for 2026/27 of 4.8% for social rented properties – General Needs and Sheltered in total (£4.65 per week on a 50-week basis) and 4.8% for affordable rent properties - General Needs and Sheltered in total (£9.71 including services per week on a 50-week basis).
61. This is only an average actual monetary increase and because rents will be calculated for each individual address, some rents will increase by more than the monetary value based average but conversely some rents will increase by a lower amount. The lowest change is an increase of £1.47 per week and the highest of £6.51 per week, both based on a 50-week basis for social rents. The lowest increase for affordable rents is £5.28 per week and the highest is £11.46 per week.
62. This gives an average social rent in 2026/27 of £101.43 per week and an average affordable rent of £211.87 including services per week.
63. Based on actual stock mid-January 2026, the average rents by type and bedroom size in 2025/26 and 2026/27 based on a 4.8% increase are shown below. There are 50 rent collection weeks in each year:

Social Rents

Analysis Categories:		SR Bedsit	SR One Bed	SR Two Bed	SR Three Bed	SR Four Bed	SR Five Bed
Stock Numbers							
Current	2025.26	156	3,035	2,391	1,843	101	2
Average Actual Rents							
Year	Year						
Current	2025.26	£80.98	£89.44	£98.02	£107.50	£116.24	£131.30
1	2026.27	£84.87	£93.73	£102.72	£112.66	£121.81	£137.60
Average Formula Rents							
Year	Year						
Current	2025.26	£84.30	£95.50	£106.60	£117.90	£127.01	£135.79
1	2026.27	£88.35	£100.08	£111.71	£123.56	£133.11	£142.31

Affordable Rents

Analysis Categories:		AR Two Bed	AR Three Bed
Stock Numbers			
Current	2025.26	57	2
Average Actual Rents			
Year	Year		
Current	2025.26	£217.29	£172.74
1	2026.27	£227.72	£181.03

64. In June 2025, as part of its Spending Review the Government announced a 10-year social housing rent settlement from 2026 at CPI plus 1%, alongside a consultation to follow on how to implement rent convergence. As part of the consultation on the rent settlement, there was clear feedback that the level of investment in new and existing social housing, needed to deliver the Government's ambitions would not be unlocked unless social housing was considered. Convergence would allow rents for social rent properties only that are currently below the 'formula rent' to increase by an additional amount each year, over and above the CPI plus 1% limit, until the rent 'converges' with formula rent. Formula rents refer to the formula that is used to calculate the social rent that may be charged for a given property. A convergence mechanism was originally introduced in 2002 but was abandoned in 2015.

65. The consultation on how to implement Social Rent Convergence ran between July and August 2025 with the Government seeking views on:

- I. The rate of convergence; whether weekly rents should be allowed to increase each year by either £1, or £2 over and above the CPI plus 1% limit) until they converge with formula rent.
- II. The timing of convergence: whether convergence should be available to Registered Providers of Social Housing for the full period of the rent settlement, or only for part of

it (i.e. by being implemented after 2026 and / or terminated before 2036), and when it should be first implemented from.

66. As part of the Government's Autumn Budget on 26 November 2025, the Government delayed a decision on this policy until January 2026. This implied that convergence is unlikely to be allowed from April 2026 given the timescales that would be needed for approval and implementation. This was confirmed late in January 2026, with the Government announcing that rent convergence would be re-introduced from April 2027. Given the length of time between now and next April it is recommended that we don't make any assumptions around the impact on business plans and budgets, until details are confirmed prior to setting the 2027/28 budget.

Rent Setting 2026/27–Options, Risks and Reasons for Recommendations

67. The Government's Spring Budget of March 2025 has allowed rents to increase by up to CPI + 1% in 2026/27 and agreed to maintain that increase for a minimum of ten years from April 2026. This provides certainty for long-term financial planning and supports the sustainability of the HRA Business Plan, enabling continued investment in compliance works, energy efficiency improvements, and new affordable homes.

68. The Government's budget in October 2024 resulted in increased levels of employer national insurance costs going forwards and also additional costs on contractors that may be passed on. Inflation in the repairs and maintenance industry is running at higher rates than the standard average inflation level. Wage increases for the year on average have risen by 4.1% in the UK. This has resulted in inflation in September 2025 of 3.8% compared to previous estimates of 2.5%.

69. Borrowing costs, even with an extension (to 31 March 2026) of the interest rate cut for PWLB borrowing is still at its highest level for years. Long-term borrowing rates remain at over 6% for PWLB. This means the cost of borrowing to support increased costs of capital works / development aspirations is higher and will continue to be for some period of time. Interest rates are predicted to be higher than rent increases going forwards. Changes in the Right to Buy (RTB) discounts and expected changes in eligibility will drastically reduce the number of sales of social properties. Whilst this maintains the rental income to the HRA, it will mean that there are fewer capital receipts than in previous years to contribute to the cost of maintaining current stock and developing new homes.

70. Whilst the Government have announced that welfare benefits will increase in line with inflation in 2026/27, Government intervention in rent setting (such as in 2023/24) remains a risk to future rental income. Therefore, in order to set a balanced HRA revenue budget it is advisable to increase rents whilst this opportunity is still available. This is to ensure that the Council, as a landlord, is adopting and implementing an appropriate approach that first and foremost manages risk to residents and secondly meets its statutory and regulatory obligations. Many of the new obligations were not part of the 2012 self-financing debt allocation and these together with previous years' rent reductions (2016-2020) or limits (2023/24), have put pressure on HRAs to achieve the expectations of 2012, let alone the current requirements.

71. The HRA business plan does not assume at this stage that rent convergence at CPI + 1% + £1/£2 per week will commence from April 2027. Should the future inflation rate not drop

towards 2% next year, then the opportunity to recover rent lost in previous years, may still not be offered by the government. The majority of the cost of the additional rent will be borne by the government in terms of the benefit bill.

Service User Implications

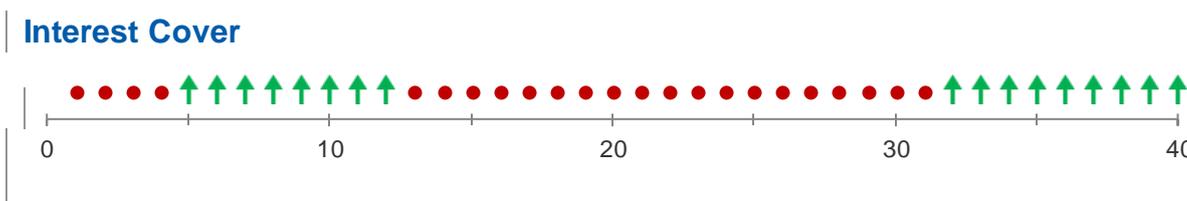
72. In the Government's Autumn Budget (26 November 2025) it was announced that for 2026/27 tenants in receipt of income related benefits, including Universal Credit and Housing Benefit will see their benefits increase in line with inflation. In addition, the National Minimum Wage will increase by 4.1% to £12.71 per hour from April 2026, which will help mitigate the cost-of-living pressures for working households.
73. Approximately 60% of tenants in Bury receive Housing Benefit or Universal Credit and will therefore fully or partially be mitigated against the impact of the rent increase. For those not in receipt of full benefit support, the increase may represent a greater challenge, particularly for households on partial benefits or low incomes. Over the last 12 months we have seen a sustained level of requests for support from tenants seeking assistance with their housing costs and who may be financially vulnerable.
74. The service has an extensive variety of support options in place to assist these tenants. Our Tenancy Sustainment professionals help tenants to manage their finances and optimise available income, such as access to benefits, benefit reviews, and supporting benefit appeals and backdates. We will utilise sources of government funding such as Discretionary Housing Payments (DHP) and we have successfully bid for Housing Support Fund monies to help with fuel and food poverty amongst vulnerable tenants. Income Officers actively monitor arrears and maintain regular engagement with tenants, ensuring early intervention for those who are facing financial challenge and are a frequent source of referral to our support team to improve financial wellbeing and sustain tenancies.
75. All additional income from increased rents and / or other service charges will support future investment both in the Housing Service and the housing stock. This will fund essential compliance works, energy efficiency improvements, and estate enhancements, delivering long-term benefits for tenants through safer, warmer and more sustainable homes.

HRA 30-Year Business Plan Review

76. The Council uses Fortress HRA Business Planning tools supplied by Abovo-Consult. Each year this is reviewed and updated in line with current legislation and requirements of the stock profile. This model incorporates the latest capital and revenue budget estimates for 2026/27, current economic assumptions, and updates for recent Government policy changes, including Right to Buy reforms. As stated above it also does not at this stage assume rent convergence from April 2027. The new model offers enhanced financial planning functionality and, together with external advisors, provides robust support in what is a challenging period for the social housing sector and providers' business plans.

Key outcomes of the review

- 77. Peak debt under the latest version of the HRA Business Plan is £447m, compared to £242m in a previous iteration of the plan.
- 78. The revised development programme now assumes 41 new homes or acquisitions over the next three years, with total capital spend of £10.870, funded by a combination of grants, commuted sums, shared ownership receipts, revenue contributions (RCCO) and borrowing. There is no assumption at this stage of further development beyond the first three years, as resources are increasingly having to be directed towards increased compliance, safety and regulatory risk in relation to the existing stock. With the envisaged reductions in future RTB sales and resulting capital receipts, the options for further development are significantly curtailed unless other resource streams are made available.
- 79. Unfortunately, the implication of continued low levels of current and future development, is that the plan becomes more and more reliant in the medium to long-term on borrowing to fund essential decent homes delivery, which then leads to higher peak debt (£441m) and weaker interest cover.
- 80. The table in appendix 3 to this report gives a detailed breakdown of capital spend and financing over the 30-years of the business plan. The table in appendix 4 to this report gives a summary breakdown of revenue expenditure over the total 30-years of the business plan.
- 81. The model assumes that existing loans are refinanced as they fall due, on long-term loans of 40 years, rather than being repaid early. Because the HRA no longer generates enough spare cash to pay down debt, available balances are instead used within the capital programme to reduce the level of new borrowing. This approach helps to contain debt growth in the early years of the plan. However, during the medium-term years of the plan, without other sources of income or significant reductions in costs, which risks reduced levels of service, and the level of borrowing will become unsustainable.
- 82. The key parameter of Interest cover ratio is consistently broken across the current version of the 30-year plan and will only improve if more income streams come online, or if costs can be driven down. If rent convergence is implemented from April 2027 there will be some additional income potentially feeding the plan which would help. The visual below highlights the years in which the interest cover target is breached (red dots). It can be seen that there are significant periods of the current plan where interest cover is breached.

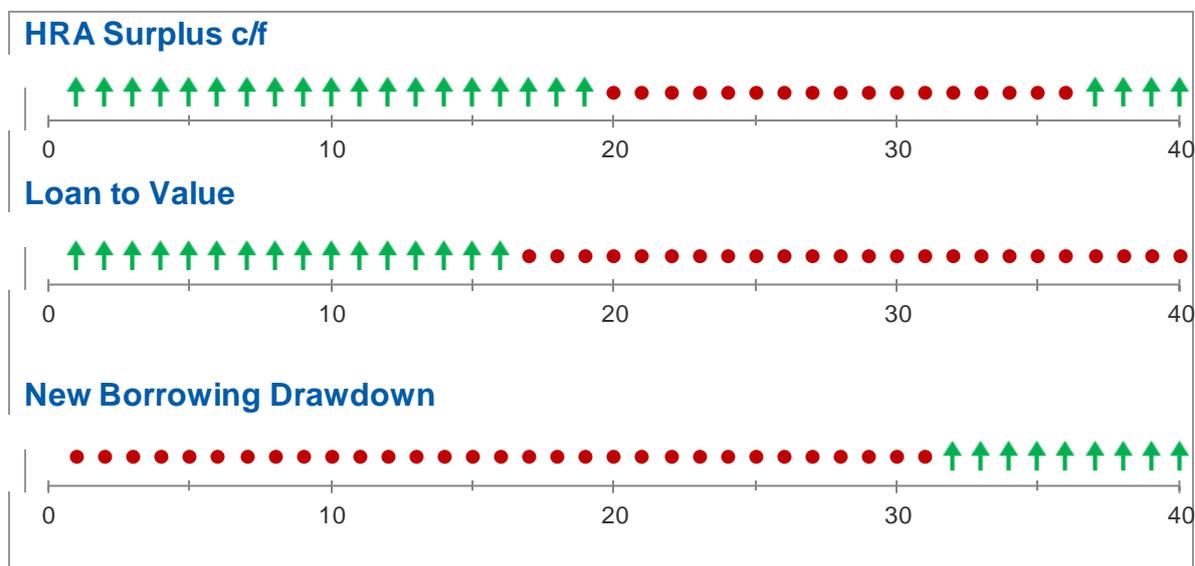


- 83. Interest cover is a measure of the HRA’s ability to pay the interest on its debt. It compares the surplus earnings to the interest costs of borrowing. A higher interest cover means that the HRA is more easily able to meet its interest payments and there is more headroom

to address shocks for example, if income drops or costs increase. A lower interest cover means that the organisation is more likely to struggle to meet its interest costs and lenders and auditors will see this as a risk.

84. The plan assumes refinancing of debt on a long-term 40-year revolver basis when loans mature. Borrowing remains significant, but the use of Revenue Contributions to Capital Outlay (RCCO) in years where affordable, and careful profiling, would help reduce exposure.

85. The visual below shows years when new borrowing is drawn down (red dots). The Plan shows that the HRA relies more and more on borrowing to fund the Capital Plan over the next 30 years. The only ways to start addressing this position is by driving down costs within the plan. An initial savings target of £0.500m per annum for the first 4 years of the plan has been assumed, which would represent a £2.000m reduction in the cost base after 4 years, which would then need to be reviewed again, considering any significant changes in the Treasury Management position for the HRA.



HRA Debt vs. HRA Surplus

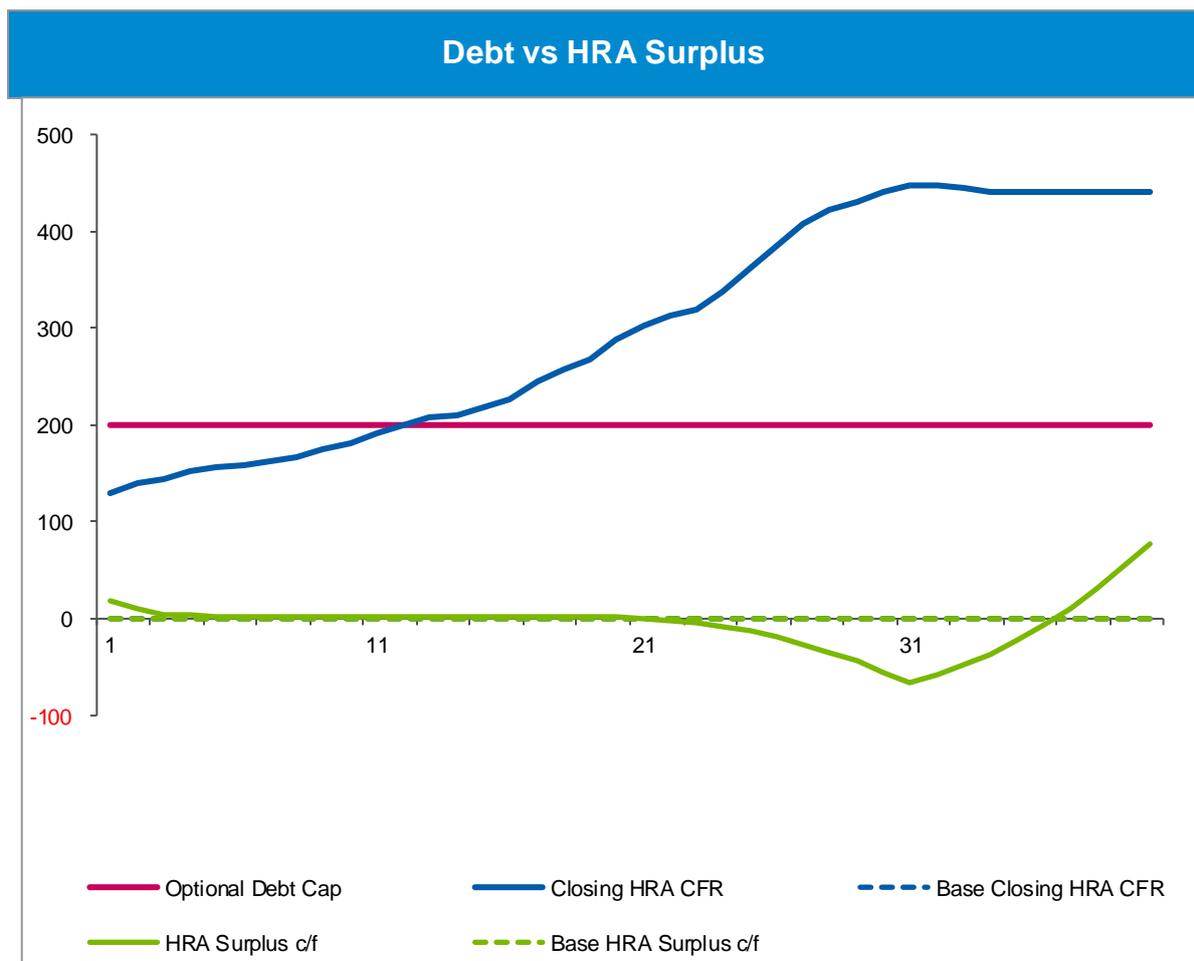
86. The chart below illustrates the relationship between the HRA debt and HRA surplus over the 30-year life of the Business Plan.

87. The Blue line (Closing HRA CFR): This represents the closing Capital Financing Requirement (CFR), which is effectively the level of outstanding debt. The chart shows debt rising significantly throughout the life of the plan as increasing levels of borrowing are required to fund the capital programme, peaking after 30 years at an estimated debt level of £441m at in year 2054/55. This reflects the revised and limited amount of development that is currently affordable in the plan and the assumption that debt is refinanced on a long-term basis rather than any more being repaid early.

88. The Green line (HRA Surplus c/f): This shows the cumulative HRA surplus (cash reserves) over time. The surplus remains very low for most of the plan due to heavy investment in compliance, decarbonisation and development, and effectively the HRA

goes into a negative cash position in year 21, 2045-46, which statutorily the HRA is not allowed to do.

89. The chart demonstrates that the HRA carries high debt throughout the plan, this is partially managed through refinancing rather than early repayment, but as already stated is not currently an adequate solution to keep the 30-year plan in balance. The position will only improve if costs can be driven down, longer-term interest rates start to come down, and other resources can be identified and maximised, such as grant income. But it should be noted that the current picture presents a very challenging set of circumstances for the HRA.



90. The Table below summarises some of the key metrics in the plan:

	Base	Live	Movement
Peak Debt £'000	0	447,408	▲ 447,408
Peak Debt Yr	1	31	
Repay Yr	1	40+	
Net Peak Debt £'000	0	513,484	▲ 513,484
Net Peak Debt Yr	1	31	
Net Repay Yr	1	40+	
Min HRA Surplus c/f	0	-66,076	▼ -66,076
Min HRA Surplus c/f Yr	1	31	

Min Interest Cover	0.00	0.60	▲	0.60
Min Interest Cover Yr	1	31		

91. The table shows that the Business Plan reaches a peak debt position of £441m at the end of the 30-year period in year 2054/55 (up from £242m in a previous iteration of the Business Plan). The opening HRA surplus at April 2026 is projected to be £18.386m. As described above, the minimum interest cover ratio level, 0.60 occurs in year 30 (54/55) of the plan (against a target ratio level of 1.25).

HRA Business Plan next steps

92. In order to improve the long term outlook for the HRA a number of areas will be explored with the aim of reducing costs within the HRA and increasing income including;

- Improving the collection of rent and service charges. Rent arrears are currently very high and improved rent collection would increase the income available to the HRA. Reviewing service charges to ensure they are fair and the tenants and leaseholders pay for the service chargeable services they receive will also increase income into the HRA
- Reviewing all services to ensure they are as efficient and effective as possible to deliver increased efficiency savings and reduce management costs.
- Improving procurement practice and contract management within the service will lead to savings and reduce management costs in the repairs service.
- A full review of the 30 year capital programme to remove any unnecessary expenditure and duplication.
- More strategic procurement of the capital programme to reduce costs and increase efficiencies.
- Carry out an assessment of all housing assets to ensure they remain viable and dispose of those where the costs outweigh the benefits or that cannot be improved to decent homes or EPCC standards.

Rent Setting – Implications of not approving the Rent Increase

Immediate Financial Impact

93. The proposed 4.8% rent increase (CPI + 1%) would generate c.£1.75m additional rental income in 2026/27, based on the same level of stock as in January 2026. Refusal would create a shortfall, within an even shorter period than already outlined in the current 30-year plan, it would still be possible to set a balanced budget for the first few years, but it will be virtually impossible to set a balanced HRA budget long-term, when it would go into deficit about two-thirds of the way through the Business Plan's life. Addressing the deficit will require:

- Efficiencies in service delivery including potential service reduction
- Improvements in rent and income collection
- Potential reductions in the capital programme including more effective procurement

- Additional borrowing, which would lead to higher interest costs and long-term financial pressure.

Impact on the HRA Business Plan

94. The plan assumes CPI + 1% rent increases for the next decade. Removing the 2026/27 increase will:

- Reduce projected income across the life of the plan.
- Compromise funding for compliance works, energy efficiency upgrades (initial target of EPC Band C by 2030),
- Increase reliance on borrowing, which is already forecast to grow from £130m to as much as £441m over the next 30 years.

Impact on the Capital Programme

95. The 2026/27 capital programme totals £31.261m, including:

- £3.120m for new Council homes.
- £26.731mm for necessary planned refurbishment of existing stock.

96. Without the rent increase, likely consequences include:

- Deferral of essential works, risking (but not restricted to) non-compliance with Awaab's Law and Decent Homes Standard.
- Slower progress on decarbonisation targets (e.g. target of EPC Band C by 2030).
- Increased regulatory and reputational risks.

Regulatory and Legal Risks

97. Reduced income will hinder meeting obligations under:

- Awaab's Law (damp and mould remediation within strict timeframes).
- Decent Homes Standard Revisions.
- Energy efficiency requirements.

98. Failure to maintain compliance could trigger intervention by the Regulator of Social Housing.

Impact on Tenants

99. Bury Council manages approximately 7,500 properties, with over 60% of tenants receiving Housing Benefit or Universal Credit, indicating high vulnerability. While refusal avoids an average increase of £4.65 per week for social rents and £9.71 for affordable rents, it limits the ability to fund:

- Compliance works (damp and mould remediation).
- Energy efficiency upgrades to reduce fuel poverty.
- Estate improvements and safety works.
- Tenant Support services

100. Delays in these programmes disproportionately affects vulnerable tenants, who are more likely to experience poor housing conditions and health risks. Reductions in tenancy sustainment and hardship support could lead to increased arrears, tenancy failures, and homelessness.

Strategic Consequences

101. Refusal to implement the rent increase would undermine the Council's ability to deliver Bury's Let's Do It! Council Plan priorities (resilient, inclusive, sustainable communities). Long-term viability of the HRA would be further compromised, forcing a review of development ambitions and compliance programmes.

Safeguarding Implications

102. The HRA has an ongoing responsibility for the safeguarding of vulnerable people within its communities. There are no changes to current levels of support provided proposed within this report.

Public Health Implications

103. The links between adequate housing and health is well documented. The provision of social housing targets the most vulnerable people in society, who often face health challenges due to their circumstances. Secure, good-quality housing has a substantial positive impact on the quality of people's lives.
104. The recommendations in this report are considered to have positive public health implications by the management of a sustainable social housing service that incorporates investment in existing homes and the delivery of new homes. In addition to this, the report addresses critical health-related issues such as compliance with Awaab's Law, which requires timely action to tackle damp and mould hazards, and the implementation of measures to move towards meeting the target of achieving EPC Band C standards by 2030, improving thermal efficiency and reducing fuel poverty. These actions will help prevent respiratory illnesses, reduce excess winter deaths, and support overall wellbeing of tenants.

Equalities Impact of the Proposal

105. The council's budget planning framework is supported by the development of Equality Impact Assessments (EIAs) for the budget proposals, identifying possible disproportionate impact in relation to the protected characteristics as described within the Equality Act 2010. The EIAs also identify potential mitigation where applicable.
106. The provision of social housing is by its nature supportive of the most vulnerable people in society in particular with regard to economic status and age. The key proposal within the report that will have the most significant impact on residents is the rent increase. As set out in the report full consideration has been given to the financial circumstances of our tenants in relation to income and the cost-of-living pressures. Consequently, the service provides a wide range of support and assistance for our tenants in times of hardship as described in the report.

107. The increase to rent and services charges will be applied across the housing stock. The outcome of our EIA is that the increase in rent will have a neutral effect on protected groups.
108. To help support tenants on low incomes the housing service will continue to provide a number of initiatives to enable them to manage their finances and maximise their income:
- Publish clear information on rent which helps tenants to manage their own finances;
 - Signpost tenants to a relevant benefit agency to help ensure they are maximising their income to meet their living costs;
 - Take action to raise the awareness of accessing a range of welfare benefits; and
 - Provide the opportunity to access direct, in-house, support in checking they are in receipt of the welfare benefits they are entitled to claim.

Environmental and Climate Change Considerations

109. As part of the Major Works capital programme, the HRA will be looking to replace components in a thermally efficient way where possible, for example installing air source heat pumps, external wall insulation and thermally efficient windows. However, these ambitions must be balanced against longer-term financial pressures on the HRA Business Plan. The scale of investment required for decarbonisation and compliance adds significant cost pressures, alongside the need to manage overall debt.

Legal Implications:

Housing Revenue Account and Rents - The Local Government & Housing Act 1989 Part VI sets a statutory regime for housing finance. The Council must formulate proposals in respect of HRA income and expenditure for the financial year which on the best assumptions and estimates that the Council is able to make at the time to ensure that the HRA does not show a debit balance.

The Council is required to keep the HRA in accordance with proper practice. The Council has a general duty to review the rents of its houses from time to time and in fixing rents the Council must have regard, in particular, to the principle that the rents of dwellings of any class or description should bear broadly the same proportion to private sector market rents as the rents of dwellings of any other class or description.

The review of the rents is a Cabinet function and is undertaken with regard to the provisions of Part VI of the 1989 Act which governs housing finance and housing subsidy. Rents for council houses are a credit to the HRA and outgoings a debit. The HRA continues to be a ring-fenced account, this means that it must, in general, balance on a year-to-year basis, so that the costs of running the Housing Service, which include debt charges, administration costs and maintenance expenditure must be met from HRA income. The Council has the responsibility to determine a strategy that is designed to ensure that the HRA is balanced.

Financial Implications: Section 151 Officer Commentary

110. The HRA budget proposed for 2026/27 is balanced, however, the current 30-year HRA Business Plan is not balanced and is currently estimated to go into deficit in 2046/47. The Interest Cover ratio compares the net cost of services to the interest payable. Ideally this would exceed 1.00 and be closer to 1.25. Unfortunately, this is not achieved in most years of the plan, as greater reliance is placed on borrowing to fund the required level of capital investment. Due to the significant pressures on the HRA (in line with pressures affecting all HRAs nationally), a radical approach is needed from the start of the plan to try and drive down the cost base, whilst maintaining as efficient and effective a service as possible.
111. The recommendation that all Bury Council rents (social and affordable) will increase by 4.8% - based on the current stock of 7,600 properties for 2026/27 as per the HRA Business Plan - will result in an additional £1.75m of rental income (before void loss and bad debt) in 2026/27 compared to 2025/26.
112. At the time of the Government's consultation on future national social rent policy they set out that it will expect the following areas for expenditure to be covered by allowing rents to increase:
- Additional new housing to address homelessness.
 - Meeting the requirements of the new proposed Decent Homes Standard
 - Meeting the requirements of Awaab's Law, in respect of investigations and remedies to address damp and mould and other hazards to set timescales.
 - Meeting the requirements of carbon reduction to set timescales.
113. This report has highlighted that these expectations are not currently realistic within the forecast resource envelope and therefore efficiencies and cost reductions will need to be identified as outlined within the report.

Appendices

Appendix	Description
1	Capital Budget 2026/27 – 2028/29
2	Revenue Budget 2026/27 – 2028/29
3	HRA 30-Year Business Plan – Breakdown of Capital Expenditure Capital Financing
4	HRA 30-Year Business Plan – Operating Account Summary

Background Papers used in preparation of this report

National Social Rent Policy 2019/20 to 2023/24
 The RSH (Homes England) Rent Standard
 Bury Council Plan 2020-30
 HRA Business Plan Model -

Appendix 1

Proposed HRA Capital Investment Plan 2026-29-29 Programme Title	2025-26	2026-27	2027-28	2028-29	TOTAL
	FORECAST	BUDGET	BUDGET	BUDGET	2026-29
	OUTTURN				
	£000	£000	£000	£000	£000
HRA Schemes	25,000	31,261	23,056	16,549	70,866
Made up of:					
Disabled Adaptations	1,892	1,200	1,200	1,200	3,600
Externals - Windows & Doors, re-pointing, Lintels etc (Re-programming and Re-provision)	954	1,885	0	0	1,885
Externals - Roofing etc - (Re-programming and Re-provision)	4,394	595	0	0	595
Internals - Kitchens & Bathrooms, Heating etc (Re-Programming & Re-provision)	1,291	1,395	0	0	1,395
Garage Colonies (Re-programming & Re-provision)	103	2	0	0	2
Communal Areas (Re-Programming, Re-provision & New Provision)	1,523	974	73	200	1,247
Garage Sites	0	100	100	100	300
Major Refurbishment Works - Sheltered Estate	0	2,000	2,000	2,000	6,000
Major Refurbishment Works - Bathrooms, WCS, Showers etc	0	775	40	924	1,739
Major Refurbishment Works - Kitchen & Kitchen Extraction	0	2,799	317	59	3,175
Major Refurbishment Works - Heating and Hot Water	0	2,015	223	33	2,271
Major Refurbishment Works - Cladding, External Decoration, Lintels, Porches etc	0	353	1,000	1,000	2,353
Major Refurbishment Works - Doors, Front Door, Rear Doors, Flat Entrance Doors	0	364	39	272	675
Major Refurbishment Works - Windows	0	969	100	224	1,293
Major Refurbishment Works - Roofing, including rainwater goods, soffits, loft insulation etc	0	420	79	152	651
Carbon Reduction Schemes - Sustainability Improvement Measures	9,338	5,600	6,000	5,500	17,100
Compliance Measures:-					
Asbestos Removal	30	250	250	250	750
Fire Risk Assessment (FRA) Type 3 Remediation Works	1,263	1,500	1,000	1,000	3,500
Boiler Replacements	140	140	140	140	420
Ad Hoc Renewals raised by Compliance Team	1,005	800	800	800	2,400
Capital Works delivered by Responsive Repairs Team:-					
Ad Hoc Renewals raised by Repairs Team	374	600	600	600	1,800
Drainage & Guttering	0	200	200	200	600
Stairlift Renewals	0	20	20	20	60
Structural Works - Various Properties	475	300	300	300	900
Asset Management Team Measures:-					
Advanced Design (Planning & Delivery)	100	125	125	125	375
Miscellaneous Renewals raised by Asset Management Team (AMT)	500	250	250	250	750

Stock Condition Surveys	200	0	0	0	0
Capitalised Salaries	858	1,100	1,100	1,100	3,300
Other Capital Elements:-					
IT Strategy - Housing Systems Upgrade/Enhancement/Replacement	0	660	100	100	860
Development:-					
New Build (The Elms)	0	500	3,500	0	4,000
Acquisitions (School Street/Seedfield)	560	2,620	0	0	2,620
Refurbishment - bringing properties back into use (Eton Hill Flats & Bronte Ave)	0	750	3,500	0	4,250
TOTAL: HRA INVESTMENT PLAN 2026-29	£25,000	£31,261	£23,056	£16,549	£70,866
FINANCING:-					
RTB Capital Receipts - Retained	560	3,120	1,260	0	4,380
Commuted Sums (S106)	0	0	800		800
RTB Capital Receipts - Other	2,407	0	0	0	0
Revenue Contributions	0	8,500	5,250	0	13,750
Grant Income	2,330	0	1,440	0	1,440
Depreciation/Major Repairs Reserve	8,988	9,167	9,442	9,725	28,334
Borrowing	10,715	10,474	4,864	6,824	22,162
TOTAL:FINANCING	£25,000	£31,261	£23,056	£16,549	£70,866

Appendix 2

HOUSING REVENUE ACCOUNT(HRA) - HRA BUSINESS PLAN 2026-29	2025/26	2026/27	2027/28	2028/29
	Forecast	Draft	Draft	Draft
	Outturn	Budget	Budget	Budget
	£m	£m	£m	£m
INCOME				
Rental Income - Dwellings	(37.103)	(38.633)	(40.516)	(42.347)
Convergence Impact	0.000	0.000	0.000	0.000
Charges for Services and Facilities	(1.067)	(1.126)	(1.160)	(1.194)
Non-Dwelling Rents	(0.181)	(0.219)	(0.219)	(0.219)
Interest and Investment Income	(0.810)	(0.664)	(0.434)	(0.395)
Contributions Towards Expenditure	(0.005)	(0.005)	(0.005)	(0.005)
Contribution from Balances	0.000	(9.081)	(5.517)	0.000
Total Income	(39.166)	(49.728)	(47.850)	(44.160)
EXPENDITURE				
Supervision and Management	12.271	12.665	12.811	12.963
Special Services	1.660	1.333	1.359	1.387
Repairs and Maintenance	9.157	11.409	11.412	11.426
Revenue Support to Strategic Investment	0.000	8.500	5.250	0.000
Depreciation/Major Repairs Reserve(MRR)	8.988	9.167	9.442	9.725
Debt Interest and Debt Management Expenses	4.179	5.293	5.875	6.153
Debt Repayment / Debt Set Aside	0.105	0.000	0.000	0.000
Bad Debt Provision	0.567	0.565	0.593	0.619
HRA Share of Corporate and Democratic Core Costs	0.400	0.418	0.426	0.435
Empty Homes Council Tax Costs	0.200	0.200	0.200	0.200
Impact of RTB changes on Allowable Debt	0.000	0.178	0.481	0.482
Contribution to Balances	1.639	0.000	0.000	0.770
Total Expenditure	39.166	49.728	47.850	44.160
Net Expenditure	0.00	(0.000)	(0.000)	0.00
HRA Reserves				
Balances Brought Forward	(16.747)	(18.386)	(9.305)	(3.788)
In-Year	(1.639)	9.081	5.517	(0.770)
Balances Carried Forward	(18.386)	(9.305)	(3.788)	(4.558)

HRA 30 Year Business Plan – Breakdown of Capital Expenditure

Appendix 3

Year		Capital Expenditure						Financing									
Year	Year	Major Works & Imps	Other Capital Spend	New Build Development Costs	Demolition Costs	Other Fixed Assets	Total Capital Expenditure	External Grant	Homes England Grant	RTB 141 Receipts	Arranged Borrowing	Other RTB Receipts	Other Capital Receipts	MRR	RCCO	Revolver Borrowing	Total Financing
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1	2025/26	24,438	0	560	0	0	24,998	0	0	560	0	2,405	2,330	8,988	0	10,715	24,998
2	2026/27	27,230	660	3,120	250	0	31,261	0	0	3,120	0	0	0	9,167	8,500	10,473	31,261
3	2027/28	19,455	100	3,500	0	0	23,055	800	1,440	1,260	0	0	0	9,442	5,250	4,863	23,055
4	2028/29	16,448	100	0	0	0	16,548	0	0	0	0	0	0	9,725	0	6,823	16,548
5	2029/30	18,054	51	0	0	0	18,105	0	0	0	0	0	0	10,017	3,963	4,125	18,105
6	2030/31	16,772	52	0	0	0	16,824	0	0	0	0	0	0	10,318	2,909	3,598	16,824
7	2031/32	16,111	53	0	0	0	16,164	0	0	0	0	0	0	10,627	2,526	3,011	16,164
8	2032/33	18,331	54	0	0	0	18,386	0	0	0	0	0	0	10,946	2,529	4,910	18,386
9	2033/34	20,869	55	0	0	0	20,924	0	0	0	0	0	0	11,274	2,819	6,831	20,924
10	2034/35	21,289	56	0	0	0	21,345	0	0	0	0	0	0	11,612	2,967	6,766	21,345
11	2035/36	26,832	57	0	0	0	26,890	0	0	0	0	0	0	11,961	4,131	10,798	26,890
12	2036/37	23,712	59	0	0	0	23,771	0	0	0	0	0	0	12,320	2,648	8,803	23,771
13	2037/38	21,228	60	0	0	0	21,288	0	0	0	0	0	0	12,689	1,857	6,742	21,288
14	2038/39	18,132	61	0	0	0	18,193	0	0	0	0	0	0	13,070	1,590	3,533	18,193
15	2039/40	22,023	62	0	0	0	22,085	0	0	0	0	0	0	13,462	1,461	7,162	22,085
16	2040/41	22,986	63	0	0	0	23,050	0	0	0	0	0	0	13,866	1,135	8,049	23,050
17	2041/42	34,528	65	0	0	0	34,593	0	0	0	0	0	0	14,282	1,903	18,408	34,593
18	2042/43	27,951	66	0	0	0	28,017	0	0	0	0	0	0	14,710	331	12,975	28,017
19	2043/44	24,797	67	0	0	0	24,864	0	0	0	0	0	0	15,152	0	9,712	24,864
20	2044/45	36,429	69	0	0	0	36,497	0	0	0	0	0	0	15,606	0	20,891	36,497
21	2045/46	31,623	70	0	0	0	31,693	0	0	0	0	0	0	16,074	0	15,618	31,693
22	2046/47	26,172	71	0	0	0	26,244	0	0	0	0	0	0	16,557	0	9,687	26,244
23	2047/48	23,605	73	0	0	0	23,677	0	0	0	0	0	0	17,053	0	6,624	23,677
24	2048/49	34,860	74	0	0	0	34,934	0	0	0	0	0	0	17,565	0	17,369	34,934
25	2049/50	43,109	76	0	0	0	43,184	0	0	0	0	0	0	18,092	0	25,093	43,184
26	2050/51	40,941	77	0	0	0	41,019	0	0	0	0	0	0	18,635	0	22,384	41,019
27	2051/52	41,166	79	0	0	0	41,245	0	0	0	0	0	0	19,194	0	22,051	41,245
28	2052/53	34,641	80	0	0	0	34,722	0	0	0	0	0	0	19,769	0	14,952	34,722
29	2053/54	29,181	82	0	0	0	29,263	0	0	0	0	0	0	20,363	0	8,900	29,263
30	2054/55	31,374	84	0	0	0	31,458	0	0	0	0	0	0	20,973	0	10,484	31,458
31	2055/56	27,664	85	0	0	0	27,750	0	0	0	0	0	0	21,603	0	6,147	27,750
32	2056/57	0	87	0	0	0	87	0	0	0	0	0	0	87	0	0	87
33	2057/58	0	89	0	0	0	89	0	0	0	0	0	0	89	0	0	89
34	2058/59	0	91	0	0	0	91	0	0	0	0	0	0	91	0	0	91
35	2059/60	0	92	0	0	0	92	0	0	0	0	0	0	92	0	0	92
36	2060/61	0	94	0	0	0	94	0	0	0	0	0	0	94	0	0	94
37	2061/62	0	96	0	0	0	96	0	0	0	0	0	0	96	0	0	96
38	2062/63	0	98	0	0	0	98	0	0	0	0	0	0	98	0	0	98
39	2063/64	0	100	0	0	0	100	0	0	0	0	0	0	100	0	0	100
40	2064/65	0	102	0	0	0	102	0	0	0	0	0	0	102	0	0	102

HRA 30-Year Business Plan – Operating Account Summary

Appendix 4

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	37,349	39,022	40,925	42,774	44,471	47,122	47,965	49,715	51,355	52,928	55,572	55,495	56,527	57,577	58,647
Service Charge Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Void Losses	(379)	(390)	(409)	(427)	(444)	(471)	(479)	(497)	(513)	(529)	(555)	(554)	(565)	(575)	(586)
Non-Dwelling Rents	181	219	219	219	219	219	219	219	219	219	219	219	219	219	219
Charges For Services	1,067	1,126	1,160	1,194	1,230	1,267	1,305	1,344	1,385	1,426	1,469	1,513	1,558	1,605	1,653
Cont Towards Exp	7	5	5	5	5	5	5	5	5	5	5	5	5	5	5
SP Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Income	38,225	39,983	41,900	43,766	45,482	48,143	49,015	50,787	52,450	54,050	56,711	56,678	57,745	58,832	59,939
S&M - General	(12,140)	(12,665)	(12,811)	(12,963)	(13,114)	(13,441)	(13,710)	(14,017)	(14,325)	(14,631)	(14,980)	(15,241)	(15,545)	(15,856)	(16,174)
S&M - Special	(1,660)	(1,333)	(1,359)	(1,387)	(1,414)	(1,443)	(1,472)	(1,501)	(1,531)	(1,562)	(1,593)	(1,625)	(1,657)	(1,690)	(1,724)
Other Charges	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Responsive & Cyclical	(9,157)	(11,409)	(11,412)	(11,426)	(11,450)	(11,793)	(12,147)	(12,512)	(12,887)	(13,273)	(13,539)	(13,810)	(14,086)	(14,368)	(14,655)
Depreciation	(8,988)	(9,167)	(9,442)	(9,725)	(10,017)	(10,318)	(10,627)	(10,946)	(11,274)	(11,612)	(11,961)	(12,320)	(12,689)	(13,070)	(13,462)
Debt Mgmt Expenses	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Bad Debts	(567)	(565)	(593)	(619)	(644)	(682)	(694)	(720)	(743)	(766)	(804)	(803)	(818)	(833)	(849)
Total Expenditure	(32,758)	(35,384)	(35,863)	(36,365)	(36,884)	(37,922)	(38,896)	(39,940)	(41,005)	(42,089)	(43,122)	(44,043)	(45,041)	(46,063)	(47,108)
Net Cost of Services I&E	5,467	4,598	6,037	7,400	8,598	10,221	10,120	10,847	11,445	11,961	13,589	12,635	12,704	12,769	12,831
Corp & Demo Core	(400)	(418)	(426)	(435)	(444)	(453)	(462)	(471)	(480)	(490)	(500)	(510)	(520)	(530)	(541)
Continuing Operations (not service specific)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cost of HRA Services	5,067	4,180	5,611	6,965	8,154	9,769	9,658	10,376	10,965	11,471	13,089	12,126	12,184	12,239	12,290
Interest Received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Charges	(4,134)	(5,248)	(5,830)	(6,108)	(6,510)	(6,769)	(7,017)	(7,707)	(8,028)	(8,450)	(8,970)	(9,557)	(10,475)	(10,838)	(11,030)
G/L on Sale of HRA Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) in Year on HRA Services	933	(1,068)	(220)	857	1,644	3,000	2,641	2,669	2,938	3,021	4,119	2,569	1,709	1,401	1,260
Provision for Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Arranged Loans	(104)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to MRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from / (to) Other Revenue Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Other RTB Receipts Reserve	0	(177)	(481)	(482)	(483)	(484)	(485)	(485)	(486)	(486)	(487)	(487)	(487)	(488)	(488)
RCCO	(0)	(8,500)	(5,250)	(0)	(3,963)	(2,909)	(2,526)	(2,529)	(2,819)	(2,967)	(4,131)	(2,648)	(1,857)	(1,590)	(1,461)
Surplus / (Deficit) for the Year	829	(9,745)	(5,951)	375	(2,802)	(393)	(370)	(346)	(368)	(432)	(499)	(566)	(635)	(676)	(689)
HRA Surplus / (Deficit) b/f	16,747	18,386	9,305	3,788	4,558	2,185	2,197	2,210	2,269	2,372	2,477	2,584	2,693	2,775	2,830
Major Repairs Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital Receipts Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Repayment Provision Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RTB Receipts for Repl Homes Interest	209	222	221	258	318	333	309	331	394	459	525	593	632	644	655
Other RTB Receipts Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Account Interest	601	442	214	137	110	72	73	74	76	78	80	83	85	87	89
HRA Surplus / (Deficit) c/f	18,386	9,305	3,788	4,558	2,185	2,197	2,210	2,269	2,372	2,477	2,584	2,693	2,775	2,830	2,885

Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Year	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	59,737	62,064	62,021	63,262	64,528	65,819	67,136	69,849	69,850	71,248	72,674	74,128	77,124	77,125	78,669
Service Charge Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Void Losses	(597)	(620)	(619)	(632)	(644)	(657)	(670)	(697)	(697)	(711)	(726)	(740)	(770)	(770)	(785)
Non-Dwelling Rents	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219
Charges For Services	1,703	1,754	1,807	1,861	1,917	1,974	2,033	2,094	2,157	2,222	2,289	2,357	2,428	2,501	2,576
Total Income	61,067	63,422	63,432	64,715	66,024	67,360	68,723	71,471	71,534	72,983	74,461	75,970	79,006	79,080	80,683
S&M - General	(16,497)	(16,870)	(17,164)	(17,507)	(17,857)	(18,214)	(18,579)	(18,998)	(19,329)	(19,716)	(20,110)	(20,513)	(20,976)	(21,342)	(21,768)
S&M - Special	(1,759)	(1,794)	(1,830)	(1,866)	(1,904)	(1,942)	(1,981)	(2,020)	(2,061)	(2,102)	(2,144)	(2,187)	(2,230)	(2,275)	(2,320)
Other Charges	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Responsive & Cyclical	(14,948)	(15,247)	(15,552)	(15,863)	(16,180)	(16,504)	(16,834)	(17,171)	(17,514)	(17,864)	(18,222)	(18,586)	(18,958)	(19,337)	(19,724)
Depreciation	(13,866)	(14,282)	(14,710)	(15,152)	(15,606)	(16,074)	(16,557)	(17,053)	(17,565)	(18,092)	(18,635)	(19,194)	(19,769)	(20,363)	(20,973)
Debt Mgmt Expenses	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Bad Debts	(864)	(898)	(897)	(915)	(934)	(952)	(971)	(1,011)	(1,011)	(1,031)	(1,051)	(1,073)	(1,116)	(1,116)	(1,138)
Total Expenditure	(48,179)	(49,336)	(50,398)	(51,548)	(52,726)	(53,932)	(55,166)	(56,498)	(57,725)	(59,050)	(60,407)	(61,797)	(63,295)	(64,677)	(66,169)
Net Cost of Services I&E	12,888	14,086	13,034	13,167	13,298	13,428	13,557	14,972	13,810	13,933	14,054	14,173	15,712	14,403	14,514
Corp & Demo Core	(552)	(563)	(574)	(585)	(597)	(609)	(621)	(634)	(646)	(659)	(672)	(686)	(700)	(714)	(728)
Continuing Operations (not service specific)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cost of HRA Services	12,337	13,524	12,460	12,581	12,701	12,819	12,936	14,339	13,163	13,274	13,382	13,487	15,012	13,690	13,786
Interest Received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Charges	(11,415)	(11,848)	(12,831)	(13,522)	(14,038)	(15,149)	(15,980)	(16,495)	(16,847)	(17,770)	(19,104)	(20,294)	(21,466)	(22,261)	(22,734)
G/L on Sale of HRA Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) in Year on HRA Services	921	1,676	(371)	(941)	(1,337)	(2,330)	(3,044)	(2,156)	(3,683)	(4,496)	(5,722)	(6,807)	(6,454)	(8,571)	(8,948)
Provision for Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Arranged Loans	0	0	0	0	0	0	0	(0)	(0)	(0)	0	0	0	0	0
Repayment of Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to MRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from / (to) Other Revenue Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Other RTB Receipts Reserve	(488)	(487)	0	0	0	0	0	0	0	0	0	0	0	0	0
RCCO	(1,135)	(1,903)	(331)	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) for the Year	(701)	(714)	(702)	(941)	(1,337)	(2,330)	(3,044)	(2,156)	(3,683)	(4,496)	(5,722)	(6,807)	(6,454)	(8,571)	(8,948)
HRA Surplus / (Deficit) b/f	2,885	2,942	2,974	2,962	2,643	1,846	(52)	(2,805)	(4,813)	(8,508)	(13,221)	(19,404)	(26,940)	(34,374)	(44,202)
Major Repairs Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital Receipts Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Repayment Provision Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RTB Receipts for Repl Homes Interest	667	655	604	541	476	410	342	274	204	133	61	12	(0)	(0)	(0)
Other RTB Receipts Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Account Interest	90	92	85	81	64	22	(51)	(126)	(216)	(350)	(523)	(741)	(980)	(1,256)	(1,582)
HRA Surplus / (Deficit) c/f	2,942	2,974	2,962	2,643	1,846	(52)	(2,805)	(4,813)	(8,508)	(13,221)	(19,404)	(26,940)	(34,374)	(44,202)	(54,732)



Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Overview & Scrutiny Committee Cabinet Council	Date: 10 February 2026 11 February 2026 25 February 2026
Subject:	The Council's 2026/27 Revenue Budget and Medium-Term Financial Strategy (MTFS) for 2027/28 through to 2028/29	
Report of	Cabinet Member for Finance and Transformation	

Summary

1. This report sets out the key elements of the 2026/27 budget proposals and the framework for the longer-term Medium Term Financial Strategy (MTFS) 2027/28 to 2028/29. It makes available the latest financial information that will underpin the 2026/27 budget and the MTFS. The report also sets out the process that will lead to the agreement of the budget and the setting of the 2026/27 Council Tax at Council on the 25 February 2026.
2. This report reflects the Government's Provisional 2026/27 Local Government Finance Settlement published in December 2025. The financial tables within the report focus on a three-year period.
3. The Housing Revenue Account is a separate report on this agenda, this report is part of the suite of financial reports including: -
 - Council Tax Setting
 - Treasury Management Strategy 2026/27
 - Capital Strategy 2026/27 to 2028/29
 - The Dedicated Schools Grant and the schools' budget 2026/27
4. To present to members the 2026/27 budget and the updated budget position over the three years to 2028/29, comprising:
 - Refreshed budget assumptions and funding movements.
 - Revenue budget proposals.
5. To inform members of the updated budget gap of £22.589m for the three years 2026/27 to 2028/29 before applying any of the offsetting revenue budget proposals, comprising:
 - 2026/27 £4.977m
 - 2027/28 £10.355m
 - 2028/29 £7.257m

6. To present draft budget proposals totalling £1.434m in addition to those presented and agreed at December Cabinet, which are in line with the Council's strategy to close the budget gap over the medium-term.
7. To inform members of the remaining budget gap of £21.155m, comprising:
 - 2026/27 £3.977m
 - 2027/28 £9.921m
 - 2028/29 £7.257m
8. To inform members of the forecast reserves position over the three years 2026/27 to 2028/29. Appendix 6 – Chief Finance Officer Statement includes details on the robustness of the estimates and reserves as required in S25 of the Local Government Act 2003.
9. This report has been updated following the Cabinet meeting on 11 February 26 to include:
 - An additional bullet point on recommendation 22 which has been added re flexible use of capital receipts in 25/26
 - Some additional narrative in paragraph 73 around projects for flexible use of capital receipts for 26/27.

Role of Overview and Scrutiny Committee in the budget process

10. Under the Council's Constitution, the Overview and Scrutiny Committee is required to advise and consider the Cabinet's budget Council Tax proposals and report to Cabinet on the outcome of its deliberations before the matter is referred to Council.
11. In considering the budget proposals, the Committee can challenge how the budget has been constructed. It may wish to probe the assumptions that lie behind the budget strategy, what are the main savings proposals, how will any growth be funded, and has an appropriate level of reserves been set.
12. The Committee will also need to maintain a 'big picture' three-year view of the financial pressures affecting the Council and understand how these might impact on existing budget and budget setting in subsequent years. These issues are set out in the Financial Context and Background section below.

Recommendation(s)

Overview and Scrutiny Committee is asked to:

- Note the report
- Consider whether they wish to make any comments and recommendations to Cabinet on the content of this report.

The Cabinet is asked to approve the recommendations and commend to Council the following:

13. Approve the Medium-Term Financial Strategy to 2028/29 and the assumptions regarding resources and spending requirements.
14. Approve the Council Tax base for Bury Council for 2026/27 of 58,709.94 Band D equivalent dwellings, this is the basis on which the Council Tax funding has been calculated (Appendix 1).
15. Approve the net revenue budget of £252.135m for 2026/27.
16. Approve the Council Tax requirement of £124.224m and the increase in Council Tax in 2026/27 of 2.99% in terms of General Council Tax and a further 2% for the Adult Social Care precept for 2026/27 (Appendix 1).
17. Approve the budget assumptions of £29.364m in 2026/27.
18. Approve new revenue budget proposal relating to additional Place Directorate income to be achieved across 3 areas: car parking, moving vehicle offences and EV cross pavement fees. Delivery plans will be brought forward for consideration by Cabinet in the new financial year, including the detail of any specific consultation exercises that may be required to be undertaken. The consultation outcomes will be considered by Cabinet before implementation along with any financial implications adopted in the 2027/28 budget proposed by Cabinet to Council.
19. Note the remaining budget gap of £21.155m over the medium-term to 2028/29.
20. Approve the use of £3.977m of reserves from the budget stabilisation reserve for 2026/27.
21. Note the forecast position on reserves over the medium-term to 2028/29.
22. Approve the recommendations set out in the Treasury Management Strategy (Appendix 2):
 - To approve the Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy.
 - To approve the Treasury Management Policy Statement.
 - To approve the Minimum Revenue Provision (MRP) Policy Statement.
23. Approve the Capital Strategy and the Programme for 2026/27 – 2028/29 (Appendix 3).
 - Cabinet to recommend and council to approve the use of £2m flexible use of capital receipts in 2026/27.
 - Council to confirm the of £3m flexible use of capital receipts in 2025/26 as included in the February 2025 budget report which has been applied in the following areas:
 - i. As part of the Council's wider savings proposals to close the financial gap a number of service reviews and restructures were undertaken. The costs associated with implementing these

reviews including severance costs, will be funded from capital receipts, up to the value of £1m.

- ii. In order to identify and support the identification and implementation of additional savings in Adult Social Care, a consultancy firm was commissioned to undertake review work with the costs to be funded from capital receipt flexibilities (£382k)
 - iii. Enabling services across the Corporate Core includes costs associated with financial transformation and zero-based budgeting exercises, including identification of additional savings plans as detailed in this report, this will be funded up to £0.418m.
 - iv. Within Children's and Young People department, the Family Safeguarding project and a Family Safeguarding additional team have been working on prevention of costs to deliver long term reductions in revenue requirement. £1.2m
24. Approve the Dedicated Schools Grant budget for 2026/27 at £257.345m and approve the allocations between the four funding blocks as set out in Appendix 4 of this report.
- The Schools and Academies 2026/27 funding unit values as recommended by Schools Forum and detailed at Annex 1 to appendix 4.
 - Approve the 2026/27 hourly rates for all early year's providers as follows:
 - i. £5.77 per hour for 3- and 4-year-olds.
 - ii. £8.35 per hour for 2-year-olds.
 - iii. £11.30 per hour for under 2's.
25. Note the Equality Impact Assessment for the budget report (Appendix 5).
26. Note the Chief Finance Officer (Director of Finance) statement on the robustness of estimates and adequacy of financial reserves in setting the budget (Appendix 6).

Reasons for recommendation(s)

27. The Council has a legal requirement annually to set a balanced budget and Council Tax and where necessary undertake consultation with the public, businesses, stakeholders and internally with staff and through Overview & Scrutiny Committee.

Alternative options considered and rejected

28. The current assumption within the 2026/27 budget and medium term is for an ongoing 4.99% annual Council Tax increase (2.99% general precept and 2% adult social care precept). The government's Core Spending Power calculations include the assumption that Councils will increase the Council Tax by these percentages.

29. An alternative option could be made to increase its 'relevant basic amount of council tax' above the levels set out in the Provisional 2026/27 Local Government Finance Settlement published in December 2025 of 4.99%, but this would require holding a local referendum and a majority vote.
30. A 1% increase or decrease in Council Tax is the equivalent to c.£1.242m

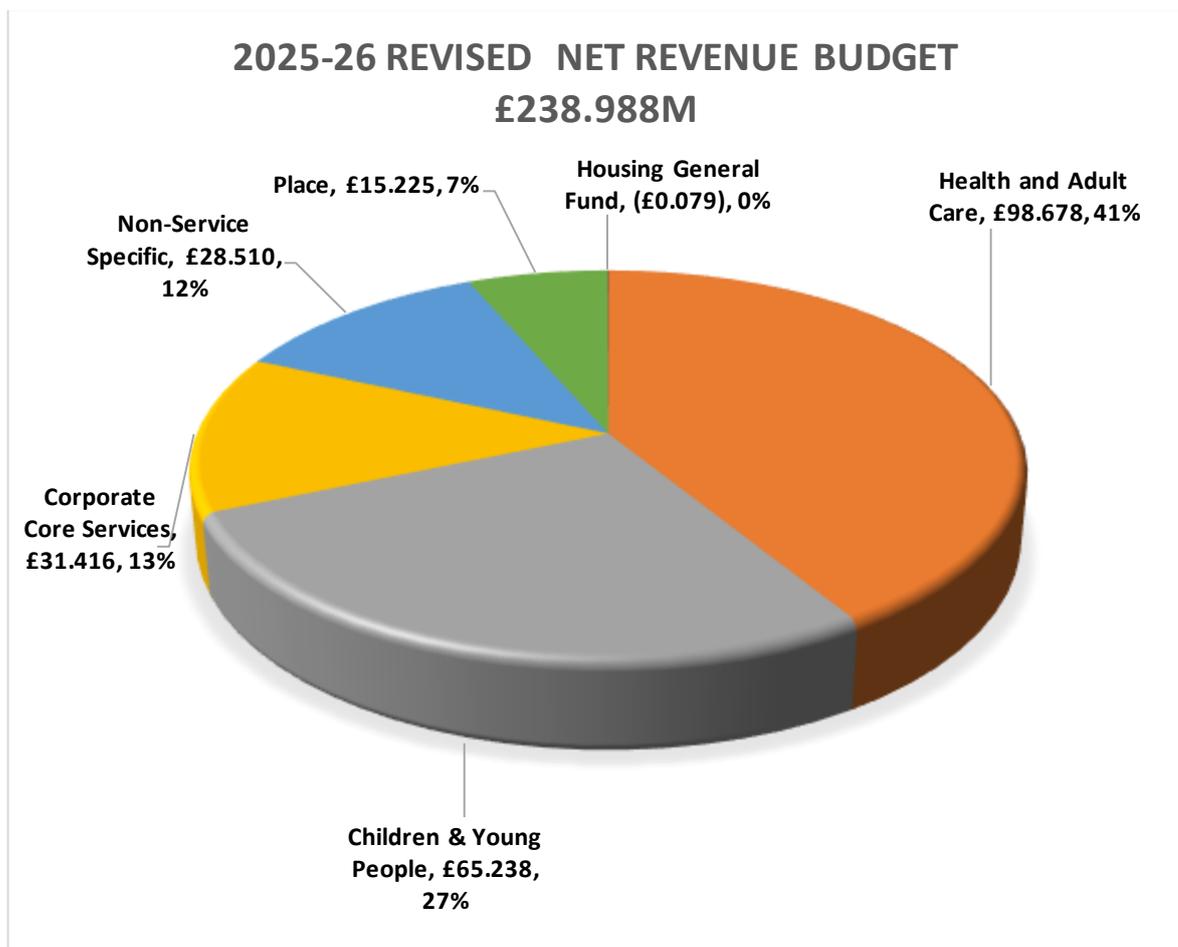
Report Author and Contact Details:

Name: Neil Kissock
Position: Director of Finance
Department: Corporate Core Department
E-mail: n.kissock@bury.gov.uk

Background

2025/26 Base Budget

31. The budget report presented to Budget Council on 19 February 2025 set out the Council's budget requirement for the 2025/26 financial year and provided details on the Council's reserves position. This process is in accordance with statutory requirements and proper accounting practices.
32. Council approved a net revenue budget of £238.257m for 2025/26, which included an approved use of reserves of £5.858m held within the Non-Service Specific Directorate, to address the structural funding deficit and balance the revenue budget.
33. Following updates to the 2025/26 Local Government Finance Settlement, Cabinet on 15 January 2026 approved an updated net revenue budget of £238.988m.
34. The graph below shows the representation of the net revenue budget of £238.988m by Directorate.



35. A further analysis of the net revenue budget by type of expenditure & income shows the main areas of budget spend being staffing, demand & contracts and sales fees & charges, as shown in the table below:

Budget Group	Inc/Exp	Budget Control Group	Revised Budget £m
Net Budget	Exp	Staff & Related Expenses	£111.087
Net Budget	Exp	Demand & Contractual	£175.408
Net Budget	Exp	Other Expenditure	£22.702
SERVICE EXPENDITURE TOTAL			£309.20
Net Budget	Inc	Government Grants	(£6.833)
Net Budget	Inc	Other Grants & Contributions	(£0.963)
Net Budget	Inc	Sales, Fees & Charges	(£42.869)
Net Budget	Inc	Other Income	(£39.271)
SERVICE INCOME TOTAL			(£89.937)
SERVICE RECHARGES TOTAL			(£17.087)
SERVICE RESERVES TOTAL			£0.225
Net Budget		Housing Benefit	(£0.292)
Net Budget		Precepts & Levies	£29.212
Net Budget		Treasury & Capital Financing Costs	£6.813
Net Budget		Provisions & Contingency	£0.815
OTHER EXPENDITURE & INCOME ITEMS TOTAL			£36.548
NET REVENUE BUDGET TOTAL			£238.947
Funding		Council Tax	(£119.350)
Funding		NNDR	(£74.276)
Funding		Funding Grants	(£39.503)
FUNDING TOTAL			(£233.129)
CORPORATE RESERVES TOTAL			(£5.818)
GENERAL FUND TOTAL			£0.00

2025/26 Q2 Forecast Outturn Position

36. Delivery of the 2025/26 budget is critical to maintaining the Council's future MTFS position and budget proposals, as emerging and recurrent additional demand and cost pressures will increase the budget gap position.
37. The 2025/26 quarter 2 position presented to 15 January 2026 Cabinet showed projected forecast £5.861m overspend (2.45%) against the net revenue budget of £238.988m, as shown in the table below.
38. The three main areas contributing to the £5.861m overspend are:
- Adults: the Care in the Community budget is forecast to overspend by £3.422m (5.50%).
 - Children's: The Safeguarding and Social Care service budget is forecast to overspend by £4.492m (9.05%) and Home-to-School Transport is forecast to overspend by £0.440m (9.22%).

- Corporate Core Services: Homelessness overnight accommodation is forecast to overspend by £0.498m (29.37%).
39. However, two main areas are contributing towards reducing the overall forecast overspend:
- Treasury Management: is forecast to underspend by £1.975m (31.17%) mainly in relation to higher than budgeted income from treasury investments alongside reduced borrowing costs reflecting the reprofiled capital programme.
 - Adult Social Care Operations is forecast to underspend by £1.127m (12.01%) mainly due to staffing vacancies across the teams
40. The overspending service areas make-up a significant and increasing proportion of the revenue budget reflecting the additional demand for, and cost of, the services being commissioned, which are national issues and not unique to Bury. As part of the new governance arrangements introduced as part of the council's improvement plan, the S151 officer chairs a monthly finance board with has responsibility for monitoring the in-year revenue budget and updating the medium-term financial strategy, including the development of budget proposals, with onward reporting to the Executive Leadership Team and Member Assurance Group. Whilst the forecast variance remains a relatively small proportion of the budget, officers have been prioritising work on cost control measures targeted at mitigating the impact of increasing demand over the remaining months of the financial year. Any overspend at year-end would necessarily become an additional call on reserves, which in turn impacts on the reserves available for use to support funding gaps and invest in service transformation.

2025/26 Quarter 2 Forecast Outturn	Revised Budget £m	Forecast Outturn £m	Forecast Variance £m	Forecast Variance %
Directorate:				
Health and Adult Care	£98.678	£100.384	£1.706	1.73%
<u>Children & Young People</u>	£65.238	£67.418	£2.181	3.34%
Corporate Core Services	£31.416	£34.510	£3.094	9.85%
Non-Service Specific	£28.510	£26.624	(£1.886)	-6.62%
Place	£15.224	£15.991	£0.766	5.03%
Housing General Fund	(£0.079)	(£0.079)	£0.000	0.00%
NET REVENUE BUDGET	£238.988	£244.848	£5.861	2.45%
Funding:				
Council Tax	(£119.350)	(£110.198)	£0.000	0.00%
Business Rates	(£74.276)	(£74.276)	£0.000	0.00%
Government Funding Grants	(£39.503)	(£39.503)	£0.000	0.00%
FUNDING	(£233.129)	(£233.129)	£0.000	0.00%
Use of Reserves:				
Budget Stabilisation Reserve	(£5.858)	(£5.858)	£0.000	0.00%
USE OF RESERVES	(£5.858)	(£5.858)	£0.000	£0.000
BUDGET POSITION	£0.000	£5.861	£5.861	2.45%

Financial Overview

National Context – Fair Funding Review

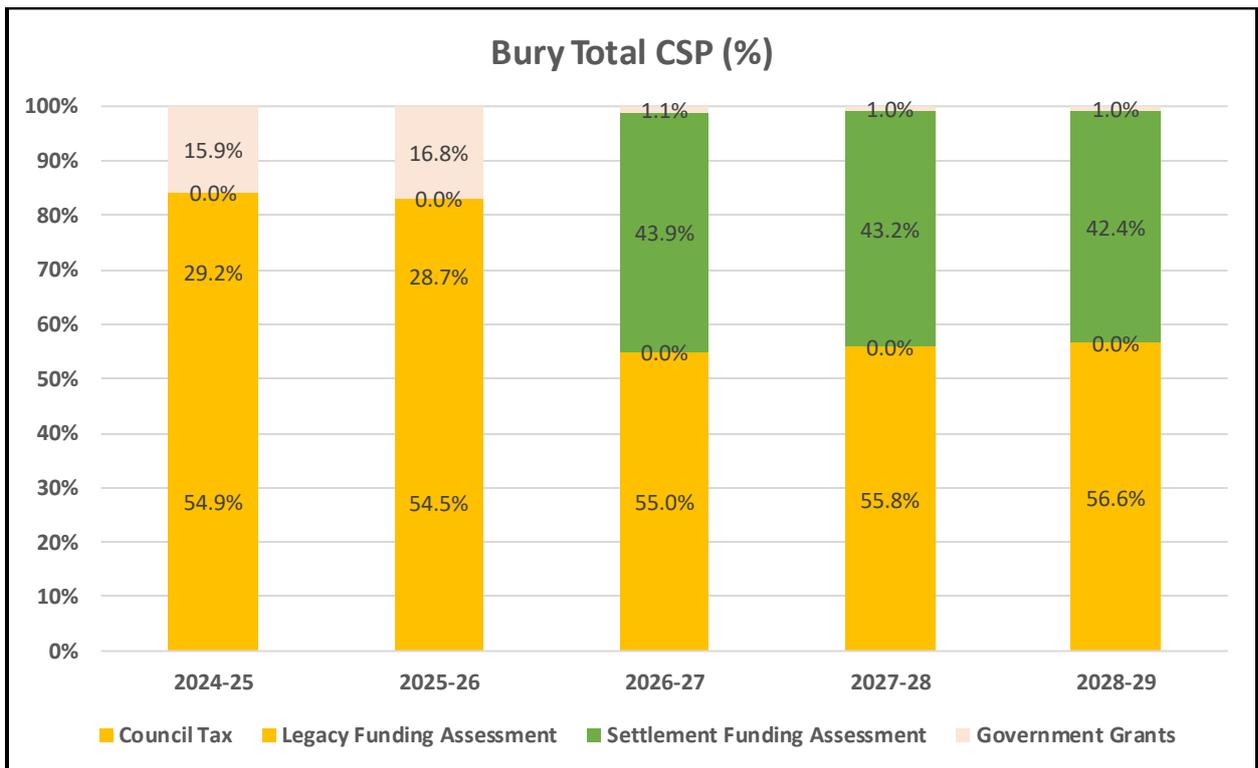
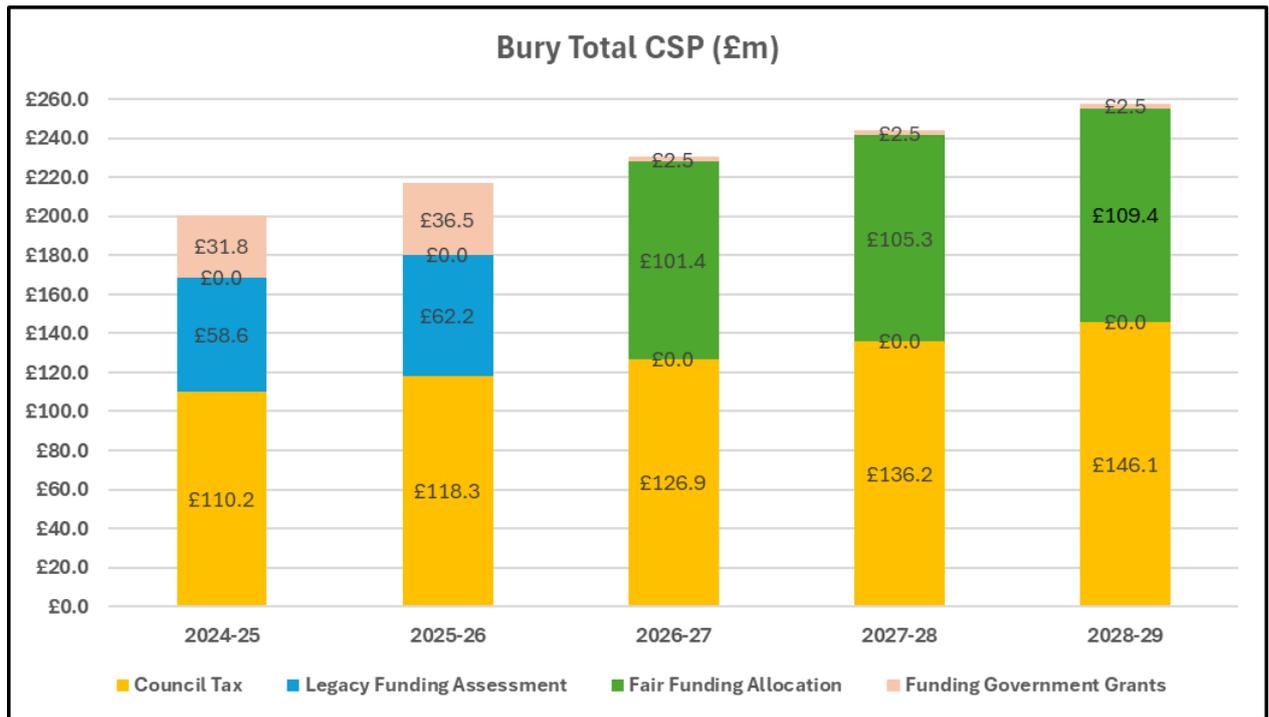
41. It has been widely accepted that the current funding system for local government is out of date and no longer fair. The Fair Funding Review 2.0 (FFR) has updated the methodology for distributing the total quantum of funding between local authorities currently covered by the Local Government Finance Settlement.
42. The underlying data which determines the current distribution method was last updated in 2013, when the Business Rate retention system was introduced and as such the review has been largely welcomed across the sector. As the government have reduced grant funding to councils and council tax income has continued to grow, the proportion of council funding raised by local taxation has increased, which benefits those councils with a greater ability to raise income via Council Tax. This has resulted in a weakening of the relationship between the relative needs and resources and the actual allocations through the Settlement Funding Assessment
43. The government carried out a comprehensive consultation which the Council responded to in line with the deadline of 15 August 2025. The consultation reflected many issues raised previously and recommended incorporating evidence-based factors within the new funding formulas, including deprivation, key demand drivers and updated population levels. An “area cost adjustment” was included which attempts to allow for relative differences in the cost of delivery of services across different areas. Lastly, there was an adjustment for council tax equalisation reflecting the relative ability of local authorities to raise revenues themselves via council tax.
44. In addition to the review of needs and resources, the Government has rolled further grants into the Settlement Funding Assessment, such as approximately £10bn of social care funding. These grants have then been redistributed via the FFR process and Local Government Finance Settlement.
45. Government estimates that there are currently approximately 300 revenue grant streams and has simplified and consolidated these into the four main pillars below:
 - Homelessness and Rough Sleeping
 - Public Health
 - Crisis and Resilience (Household Support Fund and Discretionary Housing Support)
 - Children’s Families and Youth Grants
46. There have been several changes to the Business rates retention system (BRRS) in 2026/27 which will take place concurrently including:
 - The business rates baseline has been reset for 2026/27, with the growth redistributed based on a needs assessment.

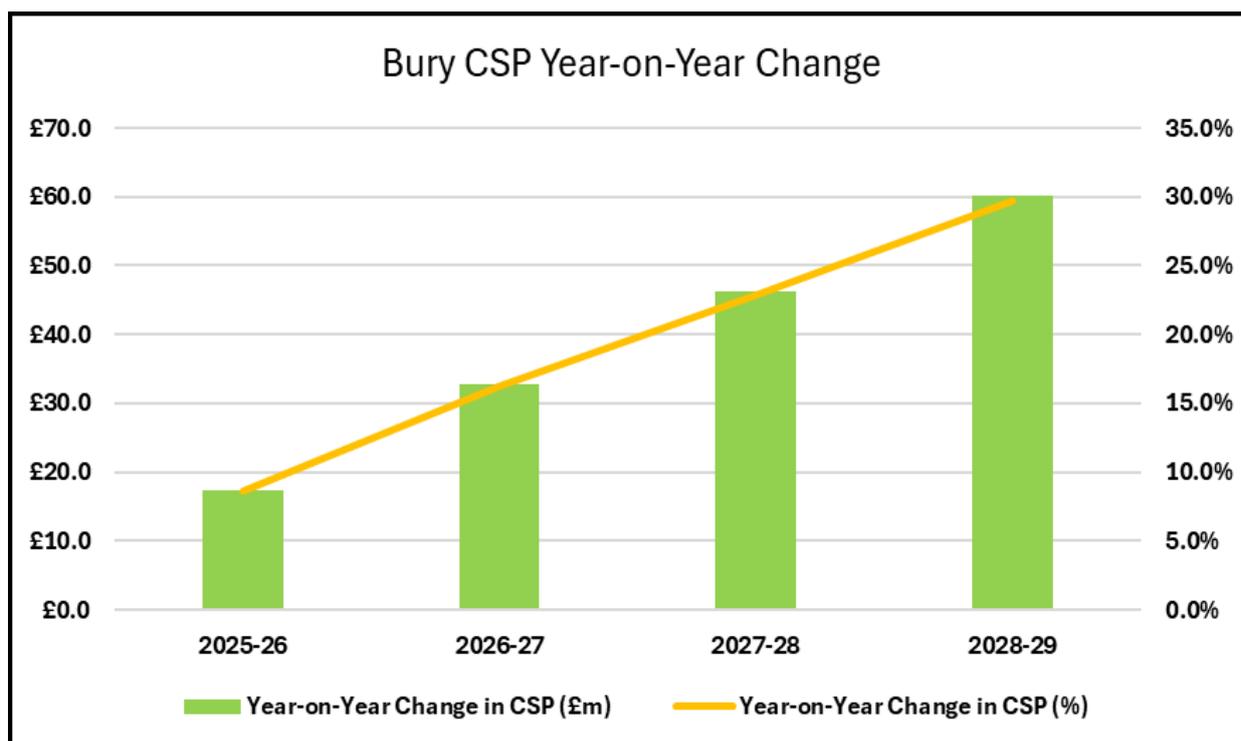
- A revaluation in 2026 will be implemented from 1 April 2026.
- New reduced business rates multipliers will be introduced for Retail, Hospitality and Leisure (RHL hereditaments, paid for by increases in multipliers for large businesses with rateable values over £500,000.
- Existing multipliers have been indexed

47. The forecast impact of the settlement was built into the December 26-27 budget report supported by work undertaken by our advisors LG Futures.
48. There remained a risk that data sets could be updated before the final settlement which would impact on distribution of funding.

Local Government Finance Settlement (LGFS)

49. To provide funding certainty and allow councils to plan ahead, on 17th December 2025 the Government published a provisional three-year funding settlement for councils which has not been done since 2016/17 to 2019/20 and as such the councils ability to forecast future funding levels with a greater degree of certainty and to strategically forward plan has been improved.
50. Core Spending Power (CSP) is a measure of the resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities through the LGFS.
51. The key headlines for Bury are as follows:
- Core Spending power will increase by an average of 6% nationally including council tax increases in 2026-27, for Bury the provisional Core Spending Power increase is 7.01% in 2026/27 inclusive of assumed maximum council tax increases.
 - Council Tax general 'relevant basic amount' limit set at 2.99%
 - Council Tax Adult Social Care Precept set at 2%
 - The Recovery Grant of £600m nationally which was previously assumed to be one-off in 2025-26 has been reinstated for 2026-27 to 2028-29, Bury's allocation in £2.488m.
52. The graph below sets out the figures for local authority Core Spending Power (CSP) from 2024/25 through to 2028/29. [Note figures for 2024/25 and 2025/26 have been adjusted to ensure a consistent measure of local authority income over time].
53. Within the published CSP are 4 consolidated service grants (see para 44.) which are ringfenced to be utilised to fund specific service delivery and as such, they have been excluded from the table below.





Statistics

54. The tables below provide a geographical analysis of both Council Tax & Core Spending Power (CSP) by population & number of dwellings over Greater Manchester authorities.

Council Tax 2025-26						
GM Districts	Council Tax Requirement (CTR) (excl. local precepts) £m	Rank	Council Tax Base (CTB) for Council Tax Setting Purposes	Rank	Ave Band D (2 Adult equivalent) Council Tax (excl. local precepts)	Rank
Bolton	£150.550	5	82,271	4	£1,860.28	7
Bury	£118.296	10	58,698	10	£2,015.33	5
Manchester	£251.235	1	140,844	1	£1,783.78	8
Oldham	£122.581	9	59,501	9	£2,053.75	3
Rochdale	£123.170	8	59,825	8	£2,058.84	2
Salford	£161.401	3	78,626	6	£2,052.77	4
Stockport	£206.235	2	99,340	2	£2,076.06	1
Tameside	£124.513	7	66,773	7	£1,911.99	6
Trafford	£139.288	6	81,602	5	£1,721.59	9
Wigan	£160.918	4	98,600	3	£1,630.90	10

LGFS 2026-27								
GM Districts	2026-27 Core Spending Power (CSP) £m	Rank	Population Mid 2024	Rank	Population Projected 2026	Rank	Dwellings As At Oct 2025	Rank
Bolton	£387.786	4	289,581	4	290,499	4	129,231	5
Bury	£235.545	10	194,807	10	196,008	10	85,593	10
Manchester	£873.435	1	561,482	1	565,332	1	253,776	1
Oldham	£336.122	6	243,395	6	245,551	6	99,072	8
Rochdale	£335.012	7	229,332	9	231,838	9	98,159	9
Salford	£423.923	2	270,691	5	274,756	5	137,468	3
Stockport	£356.102	5	298,649	3	300,585	3	133,650	4
Tameside	£310.494	8	231,592	8	233,316	8	105,874	6
Trafford	£251.271	9	243,386	7	245,192	7	104,404	7
Wigan	£410.391	3	333,209	2	334,901	2	153,853	2

Analysis of CTR & CSP by Population & Dwelling								
GM Districts	2025-26 CTR (per head) £	Rank	2025-26 CTR (per dwelling) £	Rank	2026-27 CSP (per head) £	Rank	2026-27 CSP (per dwelling) £	Rank
Bolton	£519.89	7	£1,164.97	8	£1,339.13	6	£3,000.72	5
Bury	£607.25	2	£1,382.08	2	£1,209.12	8	£2,751.91	7
Manchester	£447.45	10	£989.99	10	£1,555.59	2	£3,441.76	1
Oldham	£503.63	8	£1,237.29	5	£1,380.97	4	£3,392.70	3
Rochdale	£537.08	6	£1,254.80	4	£1,460.82	3	£3,412.95	2
Salford	£596.26	3	£1,174.10	7	£1,566.08	1	£3,083.80	4
Stockport	£690.56	1	£1,543.10	1	£1,192.38	9	£2,664.44	9
Tameside	£537.64	5	£1,176.05	6	£1,340.69	5	£2,932.67	6
Trafford	£572.29	4	£1,334.13	3	£1,032.40	10	£2,406.72	10
Wigan	£482.93	9	£1,045.92	9	£1,231.63	7	£2,667.42	8
Average	£549.50		£1,230.24		£1,330.88		£2,975.51	

55. Core Spending Power (CSP): Bury receives the 8th lowest funding per head of population across the Greater Manchester authorities based on Core Spending Power (CSP) at a rate of £1,209.12 for 2026/27 compared to a GM Average of £1,330.88.
56. When we compare this to the position in 2025/26, we can see that Bury were still the 8th lowest funding per head of population across the Greater Manchester authorities at a rate of £1,067.58 compared to a GM Average of £1,138.00

57. If Bury received the average funding per head as its GM neighbours, it would benefit from an additional £23.720m per annum (this compares to a benefit of an additional £13.766m per annum in 2025/26)

2026/27 LGFS Fair Funding 2:0

58. Core Spending Power is a standardised national data comparator tool which aims to give consistent data for each local authority, and it utilises data from the standard 50% Business Rates Retention scheme where a local authority retains 50% of Business Rates income.
59. The Core Spending Power calculations do not reflect increased business rates retention arrangements to enable the funding allocations to be presented on a consistent basis and to allow, as far as possible, like for like comparisons between authorities.
60. Since April 2017, Bury has been part of an increased Business Rates Retention scheme, which means that 100% of Business Rates income is retained, however the Revenue Support Grant and the Public Health grant are forgone.
61. The Provisional 2026-27 Local Government Finance Settlement included additional funding for Bury with an additional c£12m by the final year of the 3 year settlement on top of existing forecasts with the increase being phased equally over the 3 years at an additional c£4m per year. The improved funding position however assumes that council tax is raised by the maximum levels permissible and has been supplemented by re-introduction of the Recovery Grant in the provisional settlement that was received by most, but not all, councils in 2025/26 but was not originally expected to continue. However, the improved settlement needs to be viewed in the context that the demand and inflationary growth pressures are predicted to exceed these levels, with the HAC provider fee increases alone (inclusive of Real Living Wage costs) forecast to cost an additional £6.7m per year.
62. DEFRA has confirmed the Extended Producer Responsibility Grant indicative funding of £1.935m for 2026/27 Bury. The funding will be provided based on actual income collected net of allowable costs and as such may vary from the indicative value. It is anticipated that the incentivisation to reduce packaging will result in lower values being received via this grant in future years and this has been reflected in the MTFs.
63. The council tax assumptions in the Fair Funding Review are higher than the latest forecast position which has the impact of dampening the available funding to Bury via council tax income. Whilst it is assumed that the council tax is raised by the maximum levels permissible, the growth in the council tax base from new developments being weaker than both previously forecast and the settlement assumed growth which is mainly due to viability issues with planned schemes.

64. The tables below show an analysis across GM authorities & nationally of the Deprivation Indices which the government used as part of the Fair Funding formulas.

Indices of Multiple Deprivation Analysis						
GM Districts	Overall IMD score	GM Rank	National Rank (of 296)	Population	GM Rank	National Rank (of 296)
Bolton	30.3	5	38	299,153	3	48
Bury	23.0	8	104	194,590	10	103
Manchester	38.0	1	3	566,778	1	6
Oldham	34.7	2	14	243,993	6	77
Rochdale	33.2	3	20	226,950	9	83
Salford	31.5	4	27	278,867	5	58
Stockport	17.9	9	164	297,191	4	50
Tameside	29.2	6	45	232,806	8	80
Trafford	14.9	10	201	236,651	7	78
Wigan	25.0	7	80	334,014	2	31
Average	27.76			291,099		

Budget Process

2026/27 Budget Approach

65. The vision for Bury 2030 is built upon conversations with communities and with a simple goal for Bury to:

Stand out as a place that is achieving faster economic growth than the national average, with lower than national average levels of deprivation.

Progress to achieving the ambition for Bury 2030 will be measured by tracking seven core outcome measures of:

- 1) Improved quality of life.
- 2) Improved early years development.
- 3) Improved educational attainment.
- 4) Increased adult skill levels and employability.
- 5) Inclusive economic growth.
- 6) Carbon neutrality by 2038.
- 7) Improved digital connectivity.

66. The Let's Do It! strategy of:

***Let's ... All work together with a common approach.
Do it! ... Deliver on our plans for community and economic development where we all play a part.***

Sets out four clear principles that will drive everything the Council does of

- 1) **Local** neighbourhoods.
- 2) An **Enterprising** spirit.
- 3) Delivering **Together**.
- 4) A **Strengths-based** approach.

67. Rolling two-year delivery plans will be produced with a clear set of priorities to create the conditions for change. The current 2025-26 Corporate Plan sets out the vision for a council that is financially sound, delivers its statutory responsibilities and contributes to the Borough's LET'S Do It! outcomes.

68. The three core overarching priorities remain unchanged for 2025/26 with an additional enabling priority added, delivery of which will also secure financial stability. The priorities overlay the "business as usual" departmental functions which are described separately in service planning documents.

The three core strategic priorities are defined as follows:

- 1) **Sustainable Inclusive Growth** – Further delivery of sustainable housing, the levelling up programmes, strategic regeneration along with the Local Plan, Northern Gateway Masterplan and our continued commitment to carbon neutrality.
- 2) **Improving Children's Lives** – This priority details Educational Improvement including the three A's (Attainment, Attendance and Academisation) and the continued delivery of the SEND and Social Care improvement plans.
- 3) **Tackling Inequalities** – Since the pandemic our inequalities have widened and therefore this continues to be a key priority in 2024/25 including a review of the wider determinants of health: work, housing anti-poverty, tackling behaviours that lead to poor outcomes, system wide prevention and targeted interventions within our neighbourhoods.

69. The connection between these priorities of the Corporate Plan and the MTFS have been illustrated through the increased demand data for Children's Social Care, SEND, Adult Social Care and Housing, all of which have placed in year pressures on the budget as reflected in the current in-year forecast outturn position outlined earlier in the report. As such, further work has been undertaken to look at how work on these areas can be re-focused to reduce in-year pressures and support the budget strategy.

Budget Movements: Assumptions & Funding

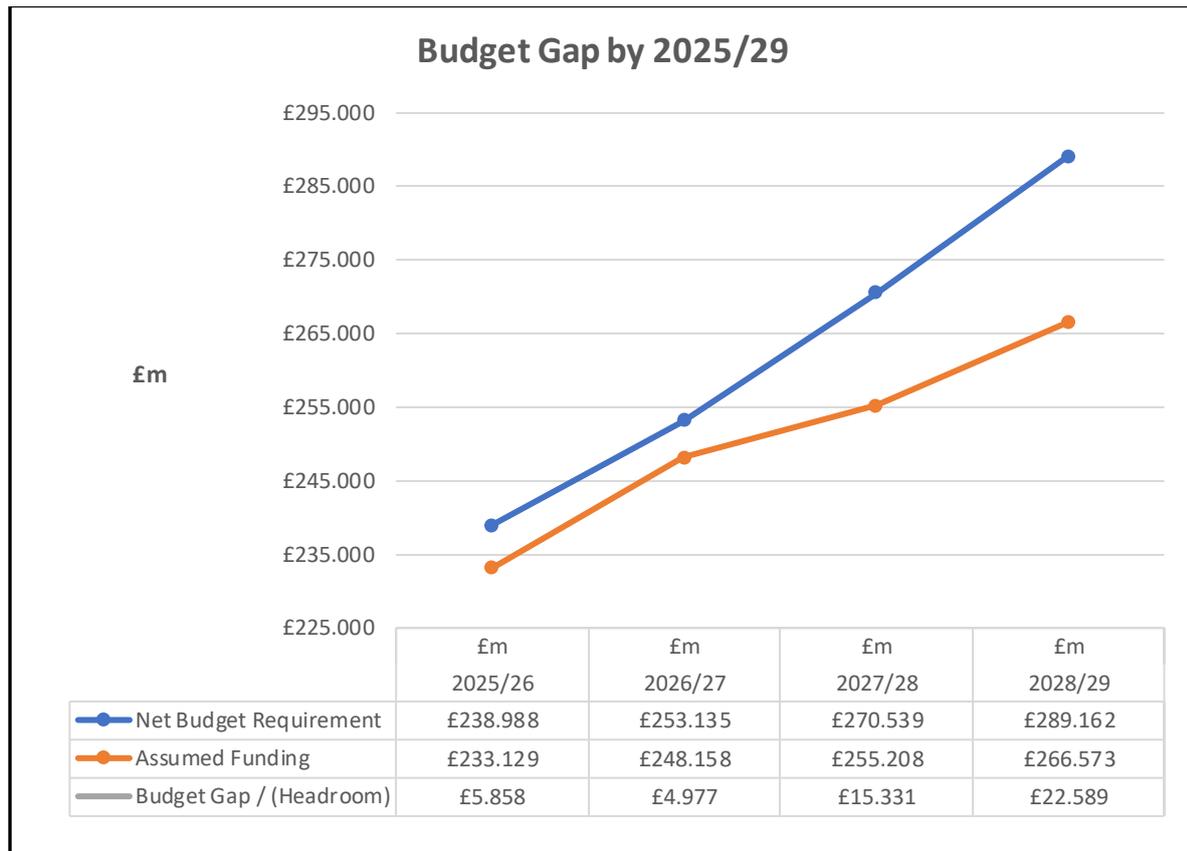
70. The position reported to Cabinet on 6 November 2025 showed an overall budget gap of £16.000m in 2026/27 which reduced to £7.547m after budget proposals. Since December, a review of the MTFS budget assumptions and assumed funding has been undertaken in light of the Provisional Local Government Finance Settlement and the assumptions for 2027/28 and 2028/29 are now included.

71. The table below summarises the budget movements, to show the budget gap position for the three-years 2026/27 to 2028/29 of £22.589m, before new savings proposals are included. As 2028/29 is the year being added onto the MTFs, all changes shown are total values, whereas in 2026/27 and 2027/28 the assumptions shown are adjustments to the values already included in previous MTFs reports.

2026/27 - 2028/29 Budget Movements Summary	2026/27	2027/28	2028/29
	£m	£m	£m
BUDGET GAP [FEBRUARY 2025]	£9.612	£1.960	(£0.100)
<u>Budget Assumptions Movements:</u>			
Revision of Pay Award Assumptions	£1.162	£1.211	£3.371
Revision of Pensions 3-Year Triennial review	(£1.620)	£0.000	£0.000
Contractual Inflation	£0.358	£4.358	£3.536
Addition of ICB joint funding assumptions	£0.130	£0.003	£0.003
Revision of the Corporate Budget Assumptions	£0.830	£0.500	£2.000
Update of levy assumptions	(£2.069)	£2.964	£1.240
GMCA Partial reset share	(£0.503)	£0.000	£0.000
Update Adults Inflation (incl. RLW) & Demand Assumptions	£0.324	(£0.319)	£9.055
Update Children's Inflation (incl. RLW) & Demand Assumptions	£5.927	(£1.922)	£1.864
Update Corporate Core Services pressures including Temporary Accommodation and Insurance	£3.200	(£0.583)	£0.542
Update Place Inflation & Demand Assumptions	£0.850	£0.500	£0.000
NET BUDGET MOVEMENT	£8.588	£6.712	£21.610
<u>Funding Movements:</u>			
Council Tax Base update	£1.792	£0.822	(£7.593)
Business Rates estimated update for FFR2.0 / insertion of 28/29	(£38.417)	(£2.839)	(£4.418)
Revisions of Funding Grants per FFR2.0	£0.000	£0.000	£0.000
Addition of Business Rates Grant per FFR2.0	£0.000	£0.000	£0.000
Update of Collection Fund Prior-Year Estimated Surplus/Deficit	(£2.699)	£3.693	£0.000
Provisional Settlement Grant update	£37.817	£2.987	£0.000
Provisional Settlement Recovery Grant	(£2.488)	£0.000	£0.000
Extended Producer Responsibility Grant	(£0.774)	£0.258	£0.645
ASSUMED FUNDING MOVEMENT	(£4.770)	£4.921	(£11.366)
SAVINGS PROPOSALS APPROVED DECEMBER 2025	(£8.453)	(£3.237)	(£2.887)
UPDATED BUDGET GAP [FEB 2026]	£4.977	£10.355	£7.257
CUMULATIVE BUDGET GAP [FEB 2026]	£4.977	£15.332	£22.589

72. The chart below shows the budget gap of £22.589m over the three years 2025/26 to 2028/29, whilst Council on 19 February 2025 approved a budget, this is supported by £5.858m use of reserves.

73. The chart below excludes the use of reserves, to demonstrate that the net revenue budget and future cost & demand pressures to deliver services exceeds the current level of funding provided by Government to the Council.



Budget Assumptions

74. Budget assumptions increase by £74.759m over the three years 2026/27 to 2028/29, significant items include:

- **Pay Award:** has been increased from 2% to 3% for 2026/27 and 2027/28 and included at 3% for 2028/29, to reflect revised inflation forecasts.
- **Capital Financing:** the re-phasing of the capital programme, agreed at the December Cabinet meeting, has been factored into a revised borrowing profile and impact on forecast revenue capital financing costs.

- **Real Living Wage:** 6.7% uplift for 2026/27 as confirmed by the Living Wage Foundation, and 5% for both 2027/28 & 2028/29.
- **Adults Community Care Budget:** inflation increase of 2% for all three years and demand growth of £0.538m (0.62%) for 2026/27, £1.199m (1.38%) for 2027/28 & £1.980m (2.28%) for 2028/29.
- **Adults Transition Budget:** demand growth of £2.377m (2.26%) for 2026/27, £0.837m (0.80%) for 2027/28 and £1.607m (0.1.49%) for 2028/29.
- **Children Looked After Budgets:** inflation (5%) and demand reduction based on a targeted child-by-child step down plan to reduce the number of residential placements and estimated demand reduction due to additional actions linked to the Families First funding which accelerates in the later years of the MTFS.
- **Homelessness / Temporary Accommodation:** An additional £1.1m has been included as growth in the 2026/27 budget reflecting the increased demand for support.

Flexible Use of Capital Receipts: the flexibility for councils to use capital receipts to be support revenue expenditure that delivers service transformation has been extended and £2m is included for 2026/27. The £2m will be used to support the revenue budget and will be applied to Adults and Children's Social Care Impower consultation work to bring forward savings plans and reduce costs £0.600m, enabling services across the Corporate Core which will include transformational activity linked to the delivery of proposed savings plans including Procurement £0.400m, Finance £0.350m, HR £0.350m and digital £0.300m.

- **Insurance:** an additional £1.144m has been included in the 2026/27 budget reflecting the increase in the cost of the council's insurance cover following the re-tender completed in March 2025.
- A reduction in the employer pension contribution rate from 19.5% to 15.7% for the next 3 years reflecting the outcome of the actuarial triennial review reflecting the continued strong investment performance of Greater Manchester Pension Fund.

Funding

75. Assumed funding increases by £27.586m over the three years 2026/27 to 2028/29, significant items include:

- **Council Tax Base:** 0.02% increase for growth in for 2026/27 and 0.75% growth for 2027/28 and 2028/29 and an increase in the collection rate of 0.5% for 2026/27. The growth assumptions have reduced from 1.46% to 0.2% in

2026/27 due to current prevailing economic conditions impacting the forecast completions resulting either in delays or projects deemed no longer viable. The collection rate increase represents an ambitious improvement target for the service with every additional 1% collected equating to an additional c.£1.2m of income and will therefore be closely monitored.

- **Council Tax Relevant Basic Amount:** on-going assumption that government will keep the referendum limit at the current 2.99% over the three years.
- **Council Tax Social Care Precept:** on-going assumption that government will continue with the social care precept of 2% over the three years.
- **Collection Fund (Surplus)/Deficit:** assumed increase in the collection of arrears and reduction in the arrears provision for 2026/27. The nature of this is that the estimated surplus is reversed in future years. The regulations require that collection fund in year surplus / deficit estimates are produced in the January in advance of the end of the financial year, (i.e. January 2026 for the 2025/26 financial year).

These estimated surplus / deficits are actualised in the following financial year i.e. the 2025/26 surplus will be received in 2026/27. This estimated surplus is then removed from the 2027/28 budget assumptions as any potential surplus / deficit in relation to the financial year 2026/27 will be calculated in January 2027 and received in 2027/28 but cannot be assumed in at this stage.

The estimated surplus has arisen due to the revised calculations of the amount required to be contributed to the allowances for impairment. The improved collection of aged debt has meant that a decrease in the allowance for impairment is estimated for both council tax and business rates, whilst a reduced loss due to checks, challenges and appeals has resulted in a decrease in the allowance for impairment of appeals for business rates.

- **Business Rates including rolled in Government Funding Grants:** the Fair Funding Review has resulted in the majority of funding grants being rolled into the increased Business Rates retention scheme and a c£4m net benefit per year.

Summary

76. A subjective breakdown of the updated £22.589m budget gap is shown in the table below:

Table 2.	Feb-26		
	2026/27	2027/28	2028/29
2026/27 - 2028/29 Budget Estimates			

	£m	£m	£m
Net Budget b/fwd	£238.988	£253.135	£270.541
<u>Budget Assumptions:</u>			
Pay Award	£3.326	£3.311	£3.371
Pay Base Movements	(£2.380)	(£0.174)	(£0.041)
Employee Vacancy/Scale Factor	£0.000	£0.000	£0.000
Agency Staff	(£0.530)	£0.000	£0.000
Contractual Inflation	£7.410	£6.764	£6.861
Real Living Wage	£4.562	£3.847	£3.306
General Inflation	£0.004	£0.000	£0.083
Demand/Volume/Activity Base Movements	£12.229	£2.780	£4.744
Grants, Contributions & Income Recovery	(£0.531)	£0.000	£0.000
Sales, Fees & Charges Levels	£0.075	£0.000	£0.000
Recharges HRA, School, Capital & Internal	£0.140	£0.043	£0.045
Service Reserve Movements	£0.000	£0.000	£0.000
Housing Benefit	£0.000	£0.000	£0.000
Precepts & Levies	£1.296	£2.964	£1.240
Treasury & Capital	(£0.241)	£2.750	£0.500
Provisions & Contingency	£4.004	£1.500	£1.500
Other	£0.000	£0.000	£0.000
Total Budget Assumptions	£29.364	£23.785	£21.608
<u>Approved Budget Proposals:</u>			
Savings Proposals - approved prior years	(£6.763)	(£3.142)	(£0.100)
Savings Proposals approved December Cabinet	(£8.453)	(£3.237)	(£2.887)
Total Approved Budget Proposals	(£15.216)	(£6.379)	(£2.987)
NET BUDGET	£253.135	£270.541	£289.162
<u>Assumed Funding:</u>			
Council Tax	(£124.224)	(£131.408)	(£139.000)
Business Rates	(£115.765)	(£120.022)	(£124.440)
Prior Year Collection Fund (Surplus)/Deficit	(£3.746)	£0.000	£0.000
Government Funding Grants	(£4.423)	(£3.778)	(£3.133)
ASSUMED FUNDING	(£248.158)	(£255.208)	(£266.573)
ANNUAL INCREMENTAL BUDGET GAP	£4.977	£10.355	£7.257
CUMULATIVE BUDGET GAP	£4.977	£15.332	£22.589

Budget Proposals

Budget Proposals

77. Since February 2025 Budget Council as part of the agreed strategy, the Council has undertaken the following activities to identify further budget proposals to close the budget gap:

- Further detailed analysis & review of existing budgets.
- Held service budget review & challenge sessions through the zero based budgeting exercise.
- Implementation of a new gateway process to performance monitor existing budget proposals and the development of new budget proposals.
- Commencement of benchmarking & positioning exercise against Greater Manchester authorities and nearest neighbours.

78. The table below shows a summary of further budget proposals generated through since the December budget Cabinet paper and the impact of reducing the budget gap, a full listing of the draft budget proposals is provided in Appendix 1.

2026/27- 2028/29 Budget Proposals Summary	Feb-26		
	2026/27 £m	2027/28 £m	2028/29 £m
BUDGET GAP [FEB 2026]	£4.977	£10.355	£7.257
<u>Draft Budget Proposals:</u>			
Draft Budget Proposals (Operational Decision)	(£1.000)	£0.000	£0.000
Draft Budget Proposals (Policy Decision)	£0.000	(£0.434)	£0.000
Total Draft Budget Proposals	(£1.000)	(£0.434)	£0.000
ANNUAL INCREMENTAL BUDGET GAP	£3.977	£9.921	£7.257
CUMULATIVE BUDGET GAP	£3.977	£13.897	£21.155

79. The above table shows that by taking forward the further budget proposals the budget gap will reduce by £1.434m, from £22.589m to £21.155m.

Budget & Staff Consultation

80. The December Cabinet 26-27 budget paper identified savings proposals totalling £14.577m over the next 3 years which can be seen included within Appendix 1. These were all been assessed as for management action that are within delegated powers for officer decisions with none of the proposals requiring policy decisions that would require separate specific consultation to be undertaken. All of the budget proposals formed part of the overall budget consultation process which was undertaken.

81. Consultation took place from 4 December 2025 to 19 January 2026 in relation to budget setting principals and savings proposals. 726 responses were received – 86% of these were residents, 4% staff members, 4% Bury businesses, 3% other public sector organisations, and 1% other. The main headlines of the responses are:
- 91% of respondents strongly agreed or agreed with the principal of “using evidence to make sure money is spent where it is needed most”.
 - 86% of respondents strongly agreed or agreed with the principal of “encouraging more people to adopt a healthy lifestyle to reduce the demand for future care”
 - 59% of respondents strongly agreed or agreed with the principal of “changing our fees and charges to encourage people to reduce harm in the environment”
 - 52% of respondents strongly agreed or agreed with the principal of “moving more services online and using more technology in how we do things”
 - 37% of respondents strongly agreed or agreed with the principal of “do more to increase income from business rates”
 - Over half of respondents agreed with the first four budget setting principles, however 57% disagreed about doing more to raise income from council tax.
 - 75% of respondents were aware of the need for the council to change the way it delivers its services
 - 62% understood their role in helping to reduce the demand for services
 - 55% accepted that budget reductions have to be made by the council
 - 59% understood that inflation, the cost-of-living crisis and now significant increased demand have added to the Council’s already difficult financial situation.
 - There were a mixed range of responses to the leisure subsidy questions with the majority not in favour of reducing the overall budget, however accepting that there is an opportunity to modernise and commercialise the service and alongside this increase prices fairly and ensure that they are linked to value improvements. The proposal put forward for consideration is recommending a price increase of 10% for 3 years (6% above inflation), which would equate to an increase of £3.25 per month for 2026/27, and to invest in refurbishment and improvements to the sites.

Following consideration of the budget responses officers are not recommending any amendments to the budget proposals detailed in the December Cabinet report.

Management Actions

82. A total of £1.000m of savings have been identified as management actions rather than policy decisions and are not expected to have a negative impact on service delivery. The £1.000m workforce transformation saving will be achieved via management of vacancies, focussed recruitment and retention resulting in reductions of the premium paid for agency staff and additional use of AI to streamline processes with any resulting staff reductions then achieved through

turnover and reduced use of agency staff. This increases the £2m workforce savings target set out in the proposals agreed at December Cabinet.

Policy Decisions

83. The savings proposal in relation to potential additional income across 3 areas identified to be developed by the Place Directorate; Parking; Moving Vehicle Offences and EV cross pavement fees totalling £0.434m will be subject to a specific consultation process when fully developed proposals are brought forward to Cabinet in the new financial year, with the outcome of the consultation to be presented back to Cabinet once completed. The level of additional income included in the MTFS for 2027/28 is a prudent estimate and further work will be undertaken to produce detailed proposals and delivery plans which will include an updated estimated of the estimated additional income and any upfront or recurrent investment required to support delivery. Should the proposals not proceed following the outcome of the consultation the loss of forecast income would increase the forecast budget gap for 2027/28 and 2028/29.
84. The figures presented within the revised MTFS are on the assumption that the proposal will be agreed.

2026/27 Budget & 2027-29 MTFS Position

Budget Summary

85. A summary of all the movements to the December 2025 budget gap to the updated budget gap of £21.155m, is shown in the table below:

Table 6. 2026/27 - 2028/29 Draft Budget Summary	Feb-26		
	2026/27 £m	2027/28 £m	2028/29 £m
BUDGET GAP [DECEMBER2025]	£7.547	£6.618	(£5.526)
<u>Net Budget:</u>			
Budget Assumption Movements	(£1.279)	(£1.1843)	£9.355
Draft Budget Proposals	(£1.000)	(£0.434)	£0.000
TOTAL NET BUDGET MOVEMENTS	(£2.279)	(£1.618)	£9.355
<u>Assumed Funding:</u>			
Funding Movements	(£1.292)	£4.921	£3.427
TOTAL ASSUMED FUNDING MOVEMENTS	(£1.292)	£4.921	£3.427
ANNUAL INCREMENTAL BUDGET GAP	£3.977	£9.921	£7.257
CUMULATIVE BUDGET GAP	£3.977	£13.897	£21.155

Budget Table

86. Based on the current budget assumptions and proposals and assumed funding, the 2026/27 net revenue budget would increase by £13.148m (5.5%), from £238.988m to £252.135m, as shown in the table below:

Table 7. 2026/27 - 2028/29 MTFS Summary	Feb-26		
	2026/27 £m	2027/28 £m	2028/29 £m
Directorate:			
Health & Adult Care	£104.360	£109.238	£117.240
Children & Young People	£69.558	£73.204	£75.915
Corporate Core Services	£29.007	£28.422	£28.476
Non-Service Specific	£32.522	£41.517	£48.230
Place	£16.769	£16.805	£17.945
Housing General Fund	(£0.079)	(£0.079)	(£0.079)
NET BUDGET	£252.135	£269.106	£287.728
Assumed Funding:			
Council Tax	(£124.224)	(£131.408)	(£139.000)
Business Rates	(£115.765)	(£120.022)	(£124.440)
Prior Year Collection Fund (Surplus)/Deficit	(£3.746)	£0.000	£0.000
Government Funding Grants	(£4.423)	(£3.778)	(£3.133)
ASSUMED FUNDING	(£248.158)	(£255.208)	(£266.573)
ANNUAL INCREMENTAL BUDGET GAP	£3.977	£9.921	£7.257
CUMULATIVE BUDGET GAP	£3.977	£13.898	£21.155

Sensitivities, Risks & OpportunitiesSensitivity

87. A sensitivity of the significant budget assumptions & funding items is shown in the table below:

Sensitivity Analysis	Potential Full Year Impact of 1% Movement £m
Council Tax (level, taxbase and collection rates)	+/- £1.242
Pay Award	+/- £1.046
Real Living Wage	+/- £0.681
Adults Community Care: inflation and demand growth	+/- £1.050
Adults Transition Budget: demand growth	+/- £0.297

Children Looked After Budget: inflation and demand growth	+/- £0.870
Treasury & Capital Financing Costs	+/- £1.383

Risks & Opportunities

88. Legislation requires that annually the Council sets a balanced and robust budget, which is sufficient to meet its legal obligations, and then its aspirations. This requires all plans to be costed, forecasts and estimates to be checked for reasonableness, and risks to be assessed across the many varied services the Council provides. This also includes an assessment for emergencies, severe weather and other service and strategic risks.
89. Robustness does not guarantee that all possible eventualities are identified, or that all budget estimates are precise. Actual income and expenditure will likely vary from the approved budget, but in the round, these will offset one another, and the approved budget will be sufficient to meet overall expenditure requirements.
90. In exercising their statutory duty the Director of Finance, in conjunction with the Executive Leadership Team, will take all matters and issues into consideration and will make a reasoned assessment of whether the budget is sufficient and robust. The Director of Finance will ensure that the minimum reserve level is maintained to ensure the Council can meet its legal obligations.
91. The Council faces various financial risks including:
- The ability to deliver savings at agreed values and within agreed timescales.
 - Potential legal challenges to decisions.
 - Fees & charges income differing to assumptions.
 - Variations to external funding and grant allocations.
 - Demographic pressures.
 - Inflation & interest rates differing to assumptions.
 - Business Rates: potential costs of backdated appeals.
 - Variations to external levies & contracts.
 - Future changes to legislation.
 - Failure of Project Safety Valve to comply with the management plan.
 - Schools academisations deficits.
 - The significant financial challenge currently being faced by the NHS locally.
92. In reviewing its medium-term financial plans, the Council is also guided by its financial advisers, Arlingclose. The following is a summary of their advice for the planning period that have been reflected in the MTFs.
- The Bank rate was cut to 3.75% by the Bank of England's Monetary Policy Committee (MPC) in December 2025, as expected. The vote to cut was 5-4, with the minority instead favouring holding rates at 4.0%. Those members wanting a cut judged that disinflation was established while those preferring to hold Bank Rate argued that inflation risks remained sufficiently material to leave rates untouched at this stage.

- The Office for Budget Responsibility reported that the UK economy expanded by 0.1% in the third quarter of the calendar year, this was unrevised from the initial estimate. The most recent Monetary Policy Report (November) projected modest economic growth, with GDP expected to rise by 0.2% in the final calendar quarter of 2025. Annual growth is forecast to ease from 1.4% before improving again later, reflecting the delayed effects of lower interest rates, looser monetary conditions, stronger global activity, and higher consumer spending. The view of modest economic growth going forward was echoed by the Office for Budget Responsibility in its Economic and fiscal outlook published in line with the Autumn Statement which revised down its estimate of annual real GDP to around 1.5% on average between 2025 and 2030.
 - CPI inflation was 3.2% in November 2025, down from 3.6% in the previous month and below the 3.5% expected but then increased to 3.4% in December. Core CPI eased to 3.2% from 3.4%, contrary to forecasts of remaining at 3.6%. Looking forward, the MPC continues to expect inflation to fall, to around 3% in calendar Q1 2026, before steadily returning to the 2% target by late 2026 or early 2027.
 - The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, higher than the level previously expected by the BoE, while the employment rate slipped to 74.9%. Pay growth for the same period eased modestly, with total earnings (including bonuses) growth at 4.7% and while regular pay was 4.6%.
 - The US Federal Reserve also continued to cut rates, including reducing the target range for the Federal Funds Rate by 0.25% at its December 2025 meeting, to 3.50%-3.75%, in line with expectations. The minutes of the meeting noted that most Fed policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however they were still divided in their assessment of the risks between inflation and unemployment.
93. In addition, the following are forecast future fiscal events that might impact the Council's medium-term financial planning.
- Despite an improved near -term outlook, the MPC is cautious about reducing interest rates further. It intends to wait for stronger evidence that the inflation is firmly under control, recognising that there is a possibility the rates may need to stay high or fall gradually due to the ongoing inflation risk.
 - Medium and long-term gilt yields continue to include premia reflecting concerns over UK government credibility, global uncertainty, and the high volume planned issuance. As these are unlikely to be resolved quickly, yields are expected to remain higher for some time.

Reserves & Balances

Reserve Forecast

94. In accordance with statutory regulations and CIPFA guidance, the levels of balances and reserves are reviewed during the budget process to ensure that they are currently sufficient, and that they will remain adequate over the medium term.
95. The Council's historic & medium-term approach involves using reserves to support the budget position while savings are being realised. The in-year assumption is that £3.977m of reserves will be required to enable the Council to achieve a balanced budget.
96. The table below shows a summary of the reserves following a strategic review with the investment reserves to support the Council deliver future invest-to-save, regeneration & growth and transformation projects that will be required to deliver future budget proposals and close the budget gap of £21.155m.
97. There will be a continuing piece of work undertaken to identify if there are any uncommitted reserves. Any identified reserves would be repurposed to either increase the budget stabilisation reserve or to increase reserves for workforce transformation costs, regeneration & growth and invest to save projects.

GF RESERVES		Balance at 31 March 2025	Actual Transfers (In) / Out 2025/26	Forecast Transfers (In) / Out 2025/26	Balance at 31 March 2026	Forecast Transfers (In) / Out 2026/27	Balance at 31 March 2027	Forecast Transfers (In) / Out 2027/28	Balance at 31 March 2028	Forecast Transfers (In) / Out 2028/29	Balance at 31 March 2029
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund		(£10.000)	£0.000	£0.000	(£10.000)	£0.000	(£10.000)	£0.000	(£10.000)	£0.000	(£10.000)
Directorate Reserves		(£4.013)	£1.073	£0.692	(£2.248)	£0.788	(£1.460)	£0.000	(£1.460)	£0.000	(£1.460)
Corporate Reserves	Investment Reserves	(£2.816)	£0.000	£0.582	(£2.234)	£0.000	(£2.234)	£0.000	(£2.234)	£0.000	(£2.234)
Corporate Reserves	Risk Reserves	(£10.905)	£0.000	£2.000	(£8.905)	£4.000	(£4.905)	£0.000	(£4.905)	£0.000	(£4.905)
Corporate Reserves	Stabilisation Reserves	(£27.180)	(£3.316)	£12.607	(£17.889)	£3.997	(£13.892)	£13.898	£0.006	£21.155	£21.161
External Funding		(£8.701)	£2.482	£2.939	(£3.280)	£3.123	(£0.157)	£0.273	£0.116	£0.000	£0.116
Earmarked Balances Sub Total		(£53.615)	£0.239	£18.820	(£34.556)	£11.908	(£22.648)	£14.171	(£8.477)	£21.155	£12.678
Schools Reserves		(£2.972)	£0.000	£0.000	(£2.972)	£0.000	(£2.972)	£0.000	(£2.972)	£0.000	(£2.972)
Earmarked Reserves Total		(£56.587)	£0.239	£18.820	(£37.528)	£11.908	(£25.620)	£14.171	(£11.449)	£21.155	£9.706
GF RESERVES TOTAL		(£66.587)	£0.239	£18.820	(£47.528)	£11.908	(£35.620)	£14.171	(£21.449)	£21.155	(£0.294)

98. The table below shows an illustration of utilising reserves to fund the remaining budget gap for each of the three years 2026/27 (£3.977m), 2027/28 (£13.898m) & 2028/29 (£21.155m). There are currently insufficient levels of reserves over the medium-term if there are no further efficiencies or savings proposals brought forward. There also remains a risk around any potential unforeseen future events including in-year overspends that would have an adverse impact on the level of reserve balances.

Projected Balance of General Fund Reserves Balances	Balance at 31 March				
	2025	2026	2027	2028	2029
	£m	£m	£m	£m	£m
Projected GF Reserves Balance	(£66.587)	(£47.528)	(£35.620)	(£21.449)	(£0.294)
General Fund	£10.000	£10.000	£10.000	£10.000	£10.000
Schools Reserves	£2.972	£2.972	£2.972	£2.972	£2.972
GF Reserves excl. Statute & Ring-Fenced	(£53.615)	(£34.556)	(£22.648)	(£8.477)	£12.678

99. To continue to reduce the dependence on reserves and address the structural funding shortfall, it is critical that further savings, efficiencies or income generation are identified over the three-year MTF period 2026/27 to 2028/29 to stabilise the Council's finances over the medium-term.

Chief Finance Officer – Assurance Statement

100. Under S25 of the Local Government Act 2003 the S151 officer is required to produce a report for Members that comments on the robustness of the estimates and the adequacy of the reserves that the Council holds:
101. The assurance statement is attached in full as Appendix 6
102. In summary the Chief Finance Officer can give members assurance that the estimates contained within the budget are sufficiently robust and that an adequate level of reserves exist to meet known challenges and commitments.
103. As with most upper tier councils in the country there is considerable uncertainty over future finances given the growing demand for its services in some key areas and this is an area that will require continued focussed attention over the next few years. The Council has set up a strategic finance board with the responsibility of monitoring delivery of the in-year revenue budget and development of the medium-term financial strategy.

Budget Timeline & Workplan

Timelines

104. The current timelines for 2026/27 budget setting is shown in the table below:

Report	Committee Meeting	Date
2026-27 Budget Report	Budget Overview & Scrutiny Committee	11 February 2026
	Budget Cabinet	12 February 2026
	Budget Council	25 February 2026

Future Workplan

105. The work which has taken place over the last few months have reduced the 2026/27 budget gap from £7.547m in the December 2025 budget update to £3.977m currently. As part of the new governance arrangements put in place as part of the council's improvement plan, the S151 officer chairs the monthly finance board which has responsibility for monitoring the in-year revenue budget and updating the medium-term financial strategy, including the development of budget proposals for the 2027/28 budget with onward reporting to the Performance Digital and Transformation Board.

106. There will be a detailed budget timetable agreed setting out the approach, workstreams and timelines supporting production of proposals to address the structural funding gap to enable a balanced budget to be set without recourse to reserves over the current medium-term strategy which is framed over the three themes of:

1) Internal Transformation:

This includes the development of a workforce and digital strategy including looking at the scope for becoming more cost-effective and efficient in our service delivery models including opportunities for automation and process improvement with a good example being the transformation work linked to the upgrade of Unit 4 which has £1.300m of efficiency savings linked to it over the three-year period of 2026/27 to 2028/29. This will underpin and support the ongoing work on service reviews and the right-sizing of staffing budgets.

2) Contain Growth / Demand Pressures:

A significant proportion of the forecast funding gap is the result of ongoing increasing demand and the inflationary costs of meeting that demand, particularly Children's and Adults Social Care. Whilst these are national issues and pressures not unique to Bury, external investment has been commissioned across both Adults and Children's

social care to identify proposals that will help to reduce both demand and the cost of meeting that demand.

3) Income:

Further work will be undertaken to ensure that all current sales, fees and charges are reviewed to ensure they cover the full cost of service delivery, and new avenues of income generation are fully explored.

Links with the Corporate Priorities:

107. The links to the LET's Do It Strategy are included in the body of the report.

Equality Impact and Considerations:

108. In considering the budget for 2026/276 the Council must also consider its ongoing duties under the Equality Act 2010 to have due regard to the need to eliminate discrimination and advance equality of opportunity between all irrespective of whether they fall into a protected category such as race, gender, religion etc. Having due regard to these duties does not mean that the Council has an absolute obligation to eliminate discrimination but that it must consider how its decisions will contribute towards meeting the duties in light of all other relevant considerations such as economic and practical considerations.
109. Beyond the Council's legal obligations, the Authority has made a strategic commitment to inclusion as a key priority through both the LET'S Do It! Strategy and local Inclusion Strategy and defined Equality Objectives. The Council's commitment to inclusion extends beyond the nine legally protected characteristics and encompasses carers, Children Looked After and care leavers, military veterans and reservists and the socio-economically disadvantaged.
110. The policy savings proposals included in the 2026/27 budget will have a specific Equality Impact Assessment included when the fully developed proposal is presented to Cabinet and publicly consulted upon in the new financial year.
111. An overarching Equality Impact Analysis considering the budget as a whole, including the impact of the proposed raise in Council Tax, has been developed and is included within the appendices to this Budget Report.
112. The Equality Impact Analysis has highlighted likely negative impacts for residents with specific characteristics and circumstances. These impacts have been reduced through several factors including a favourable economic outlook in some circumstances, current and ongoing support, additional actions around communication, evolution of support systems and a commitment to protect the most vulnerable as much as possible. No statutory service provision will be affected by the proposals within the budget.

113. Although there may be some negative impacts arising from the budget proposals these impacts are expected to be low given the mitigating factors to reduce the impacts.

114. EIA is to be kept under review as the budget proposals are progressed

Environmental Impact and Considerations:

115. The Council is working towards becoming a carbon neutral organisation by 2038. A number of the savings proposals will contribute to the reduction of the organisations carbon footprint including the reduction in the size of the estate.

Assessment and Mitigation of Risk:

116. The risks identified within this report are set out within the relevant sections above and included in the Chief Finance Officer statement.

Legal Implications:

Legal Implications

1. In accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, the Council must set a balanced budget and Council Tax for the 2026/27 financial year by early March 2026.
2. The Council is required to determine Council Tax levels for each valuation band within the Council Tax area. The Council must make specific estimates of gross revenue expenditure and anticipated income to establish its Council Tax requirement. These estimates must be sufficient to ensure the Council can discharge its statutory functions, meet its legal and financial obligations, and deliver a balanced budget.
3. Under Section 25 of the Local Government Act 2003, the Council must have regard to the report of the Director of Finance (Section 151 Officer) on the robustness of budget estimates and the adequacy of proposed reserves when determining the budget requirement.
4. The Local Government Act 1999 requires the Council to secure continuous improvement in the exercise of its functions, having regard to economy, efficiency and effectiveness. Section 28 of the Local Government Act 2003 imposes a duty on the Council to closely monitor its financial position. If expenditure is likely to exceed available resources, the Director of Finance must formally report this to the Council.

5. Consultation has taken place regarding the budget proposals and outcomes are summarised within the body of this report. Proposals relating to Place directorate income relating to car parking, moving vehicle offences and EV cross pavement fees. is subject to detailed work by Officers and it is proposed that public consultation will take place on these proposals in line with the Council's duties, the outcomes of the consultation will be considered at a later stage by Cabinet.
6. Where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably. The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality, and level of services which they consider should be provided, against the costs of providing such services to ensure the Council acts lawfully and proportionately when balancing service levels and associated costs.
7. The Council must have due regard to the Public Sector Equality Duty contained in the Equality Act 2010, which requires consideration of the need to eliminate discrimination and advance equality of opportunity. An Equality Impact Assessment accompanies this report. The duty applies both at the point of budget-setting and when Cabinet takes related operational decisions.
8. The Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) Regulations 2003 establish the framework governing capital expenditure and borrowing. The Council must determine and keep under review the amount it can afford to borrow and must have regard to the Prudential Code when setting and reviewing its affordable borrowing limits.
9. Under the Localism Act 2011, a Council Tax referendum must be held if the authority proposes an increase in the relevant basic amount of Council Tax that exceeds principles determined by the Secretary of State.
10. The Local Government & Housing Act 1989 establishes the statutory framework for the Housing Revenue Account. The Council must periodically review rents and ensure they broadly reflect the relationship to private market rents. The HRA must not fall into deficit and must operate within ring-fenced accounting rules. Further detail is set out in the accompanying HRA report.
11. Any proposal to make or increase charges must comply with the applicable statutory framework. Where reliance is placed on Section 93 of the Local Government Act 2003 (charging for discretionary services), charges must be set on a cost-recovery basis only. Under the Provision of Services Regulations 2009,

fees for authorisation-based activities (e.g., licences) must not exceed the cost of delivering those procedures and must be reasonable and proportionate.

12. Under Section 33(2) of the Localism Act 2011, the Monitoring Officer intends to grant dispensations to all Members to allow participation and voting on decisions relating to the setting of Council Tax or associated budget calculations.

13. Members should be aware of Section 106 of the Local Government Finance Act 1992. A Member who is in Council Tax arrears of at least two months must disclose this at the relevant meeting and must not vote on any budget or Council Tax decisions. Failure to comply constitutes a criminal offence unless the Member can show they were unaware that Section 106 applied. Members may speak on the matter but are prohibited from voting.

Financial Implications:

117. The financial implications are as outlined in the report

Appendices:

Appendix	Description
1	Council Tax 2026/27 and Statutory Calculations
2	Treasury Management Strategy 2026/27
3	Capital Strategy 2026/27 – 2028/29
4	Dedicated Schools Grant 2026/27
5	Equality Impact Assessment
6	Chief Finance Officer Statement

Background papers:

118. 3 December 2025 Cabinet: Draft 2026/27 Revenue Budget.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
MTFS	Medium Term Financial Strategy
LGFS	Local Government Finance Settlement
DSG	Dedicated Schools Grant
MRP	Minimum Revenue Provision
CSP	Core Spending Power
GDP	Gross Domestic Product
CPI	Consumer Price Inflation
MPC	Monetary Policy Committee
CIPFA	Chartered Institute of Public Finance & Accountancy

APPENDIX 1

APPENDIX 1		Feb-26		
2026/27 - 2028/29 Budget Proposals		2026/27 £m	2027/28 £m	2028/29 £m
Rapid Response Assessment software - Technological efficiencies	HAC	(£0.009)		
BEST - review charges	HAC	(£0.010)		
BEST - introduce card payments	HAC	(£0.003)		
Community Equipment - procurement review	HAC	(£0.020)		
Community Equipment - Reconfigure out of hours service	HAC	(£0.038)		
Telecare - target new customers	HAC	(£0.035)		
Telecare - tech first approach	HAC	(£0.030)		
Falcon & Griffin - review of rotas	HAC	(£0.015)		
Commissioned Services - review of client contribution limit for day services	HAC	(£0.253)		
IMPOWER review	HAC	(£0.667)	(£0.667)	(£0.667)
IMPOWER review	HAC	(£1.000)	(£1.000)	(£1.000)
Persona Supported living rate review	HAC	(£0.250)	(£0.250)	
Retender of Neighbourhood housing support contract	HAC	(£0.047)		
Reduction of Leisure council subsidy	HAC	(£0.125)	(£0.155)	(£0.220)
Live Well GM Delivery partner - funding for role	HAC	(£0.027)		
Live Well restructure	HAC	(£0.100)		
Victoria Family Centre delivery model review	CYP	(£0.050)	(£0.050)	
Support at home reduced demand	CYP	(£0.035)		
School Improvement Service - reduction due to academisation	CYP	(£0.100)		
Governance Support - full recovery from schools	CYP	(£0.109)		
Business Support Use of Magic Notes software	CYP	(£0.100)	(£0.100)	
CSE Team - small restructure	CYP	(£0.035)	(£0.015)	
Residential homes / CWD - step down of residential placements	CYP	(£1.000)		
Various Building costs	CYP	(£0.100)		
Temporary Accommodation demand reduction	CCS	(£0.377)		
Staffing changes - use of HPG funding	CCS	(£0.053)		
HR Staffing savings	CCS	(£0.075)		
Review of payroll transactional charges	CCS	(£0.050)		
FAIR - invest to save Fraud officer reduce expenditure leakage	CCS	(£0.050)		
Law & Democratic services - reduction in external agency staff	CCS	(£0.100)		
Law & Democratic services - burial service fees	CCS	(£0.040)		
Strategic Partnerships staffing reduction	CCS	(£0.050)		
Strategic Workforce review	CCS	(£2.000)		
Reduction in Third party spend	CCS	(£1.000)	(£1.000)	(£1.000)
Debt refinancing	CCS	(£0.500)		
Strategic Workforce review	CCS	(£1.000)		
Place Income Opportunities to be developed	PLA	£0	(£0.434)	
TOTAL DRAFT BUDGET PROPOSALS		(£9.453)	(£3.671)	(£2.887)

This page is intentionally left blank

Formal Council Tax Resolution the Council is asked to resolve as follows:

It is noted that the Council calculated the 2025/26 estimated (surplus)/deficit on the Collection Fund as (£3,924,409)

It is noted that the Council calculated the 2026/27 Council Tax Base for the whole Council area as 58,709.94 (Item T in the formula Section 31B of the Local Government Finance Act 1992, as amended (the 'Act')).

It is recommended:

That the Council approve the Council Tax requirement for the Council's own purposes (excluding precepts) for 2026/27 as £124.224m;

That the Council agrees the calculation of the aggregate amounts for the year 2026/27 in accordance with sections 31 to 36 of the Act:

2026/27 Revenue Budget	
	£m
2025/26 Net Budget	£238.988
Budget Assumptions	£29.314
Budget Proposals	(£16.166)
NET BUDGET	£252.135
Funded By:	
Government Grants	£4.423
Business Rates	£115.765
Prior Year Collection Fund Surplus / (Deficit)	£3.746
Council Tax	£124.224
Planned Use of Reserves	£3.977
FUNDING	£252.135

In relation to Council Tax, Council is asked to:

- Raise the Bury element of the Council tax by 4.99% of which 2.99% relates to the general precept and 2.00% relates to the adult social care levy.
- Approve the council tax requirement for the council's own purposes (excluding precepts) as £124.224m

That the following amounts be calculated by the council for the year 2025/26 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:

£496,953,887 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act; (This is the gross expenditure budget)

£372,729,525 being the aggregate of the amounts which the council estimates for the items set out in Section 31A 3 of the Act (The external income budgets including business rates and government grants)

£124,224,362 being the amount by which the aggregate at a) above exceeds the aggregate at b) above, calculated by the council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

£2,115.90 being the amount at c) above, (above item R) divided by Item T calculated by the Council, in accordance with section 31B of the Act, as the relevant basic amount of its Council Tax for the year, and:

Bury Council

2026/27 Council Tax By Band – Bury Council Element							
A	B	C	D	E	F	G	H
£1,410.60	£1,645.70	£1,880.80	£2,115.90	£2,586.10	£3,056.30	£3,526.50	£4,231.80

Being the amounts given by multiplying the amount set out at d) above by the number which, in the proportion set out in Section 5 (1) of the Act is applicable for dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Note that the Police and Crime Commissioner component of the Greater Manchester Mayoral budget and the Mayoral general budget have issued precepts to the council in accordance with section 40 of the Local Government Finance Act That the following precepts be calculated for 2026/27 in accordance with Sections 31 to 36 of the Act.

Police and Crime Commissioner

2026/27 Council Tax By Band – Police and Crime Commissioner							
A	B	C	D	E	F	G	H
£190.20	£221.90	£253.60	£285.30	£348.70	£412.10	£475.50	£570.60

General Mayoral - Fire and Rescue Service

2026/27 Council Tax By Band – General Mayoral - Fire and Rescue Service							
A	B	C	D	E	F	G	H
£102.63	£119.74	£136.84	£153.95	£188.16	£222.37	£256.58	£307.90

That the council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2026/27 for each part of its area and for each of the categories of dwellings.

Aggregate of Council Tax Requirements

2026/27 Council Tax By Band - Aggregate for all Precepting Authorities							
A	B	C	D	E	F	G	H
£1,703.43	£1,987.34	£2,271.24	£2,555.15	£3,122.96	£3,690.77	£4,258.58	£5,110.30

To determine whether the council's relevant basic amount of council tax for 2026/27 is excessive in accordance with the principles approved under the Localism Act 2011.

	2025/26	2026/27	%
Council Tax Base	58,697.86	58,709.94	4.99%
Council Tax Requirement	£118,295,558	£124,224,362	
Relevant Amount of Council Tax	£2,015.33	£2,115.90	

The total increase of **4.99%** is not excessive as it is within the **4.99%** referendum limit.

The Authority is therefore not subject to a referendum.

Other FundingGovernment Grants:

Included within the budget are several government grants totalling £4.423m that are received for specific purposes. Any variations to the level of funding will be matched by an equivalent adjustment in the budget for the respective service.

Business Rates:

Business Rates totalling £115.765m to support the council's overall budget is itemised below. In the event the Business Rates funding is above or below this level, the variation will be managed by an adjustment to the Collection Fund Smoothing Reserve.

	2026/27 £m
Business Rates: Local Share	£57.738
Business Rates: Top Up	£37.553
Business Rates: Section 31 Grants	£20.246
Business Rates: Cost of Collection	£0.228
Business Rates: GMCA no detriment contribution	£0.000
Total	£115.765

2025/26 Collection Fund Surplus/Deficit

The overall 2025/26 estimated surplus/deficit on Collection Fund is a surplus of £0.986m, that consists of a £1.257m surplus for Council Tax and a £0.271m deficit for Business Rates.

Bury overall share of the surplus is £3.746m, that is split £0.774m surplus from Council Tax and £2.972m deficit from Business Rates.

2025/26 Surplus/(Deficit) on Collection Fund	Council Tax £m	NNDR £m	TOTAL £m
2024/25 Surplus/(Deficit) Balance b/f	£0.918	(£0.233)	£0.684
2025/26			
Income	£142.709	£52.250	£194.959
Contributions towards Previous Year's Deficit:			
Bury MBC	£0.000	£0.268	£0.268
Police and Crime Commissioner	£0.000		£0.000
General Mayoral - Fire and Rescue Service	£0.000	£0.003	£0.003
Total Income	£142.709	£52.521	£195.230
Precepts and Demands on Collection Fund:			
Bury MBC	(£118.296)	(£49.803)	(£168.098)
Police and Crime Commissioner	(£15.866)		(£15.866)
General Mayoral - Fire and Rescue Service	(£7.569)	(£0.503)	(£8.072)
Disregards: Renewable Energy		£0.000	£0.000
Cost of Collection		(£0.235)	(£0.235)
Transitional Protection Payments		£0.335	£0.335
Impairment of Debts/Appeals:			
Write-offs of Uncollectable Amounts	(£0.002)	£0.000	(£0.002)
(Increase)/Decrease in the Allowance for Impairment of Arrears	£0.285	£0.818	£1.103
(Increase)/Decrease in the Allowance for Impairment of Appeals		£0.103	£0.103
Contributions towards Previous Year's Surplus:			
Bury MBC	(£1.054)	£0.000	(£1.054)
Police and Crime Commissioner	(£0.141)		(£0.141)
General Mayoral - Fire and Rescue Service	(£0.062)	£0.000	(£0.062)
Total Expenditure	(£142.704)	(£49.286)	(£191.989)
2025-26 In-Year Surplus/(Deficit)	£0.005	£3.235	£3.240
Surplus/(Deficit) as at 31.12.2025	£0.923	£3.002	£3.924

Share of the 2025/26 Surplus/(Deficit)	Council Tax £m	NNDR £m	TOTAL £m
Bury MBC	£0.774	£2.972	£3.746
Police and Crime Commissioner	£0.103		£0.103
General Mayoral - Fire and Rescue Service	£0.046	£0.030	£0.076
Surplus/(Deficit) as at 31.03.2025	£0.923	£3.002	£3.924

2026/27 Council Tax Base Calculation

Calculation of Council Tax Base 2025/26 (Based on all properties)										
Bands	A Reduced	A	B	C	D	E	F	G	H	TOTAL
Total Number of Dwellings on the Valuation List		30,756.00	18,740.00	17,599.00	9,387.00	5,707.00	1,895.00	1,316.00	179.00	85,579.00
Total Number of Exempt and Disabled Relief Dwellings on the Valuation List	89.00	(953.00)	(316.00)	(362.00)	(185.00)	(108.00)	(32.00)	(37.00)	(20.00)	(1,924.00)
Less: Estimated Discounts, Exemptions and Disabled Relief	(6.75)	(3,804.50)	(1,703.00)	(1,305.50)	(575.25)	(267.75)	(82.25)	(63.25)	(5.50)	(7,813.75)
Total Equivalent Number of Dwellings after Discounts, Exemptions and Disabled Relief	82.25	25,998.50	16,721.00	15,931.50	8,626.75	5,331.25	1,780.75	1,215.75	153.50	75,841.25
Ratio to Band D (Factor Stipulated in Regulations)	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D Equivalent	45.69	17,332.33	13,005.22	14,161.33	8,626.75	6,515.97	2,572.19	2,026.25	307.00	64,592.75
Reduction in Taxbase as a Result of Local Council Tax Support Scheme (LCTSS)	(23.68)	(5,328.33)	(1,364.04)	(583.33)	(189.43)	(83.07)	(23.64)	(10.69)	(0.75)	(7,606.96)
Other Adjustments: Band D Equivalent Forecast New Dwellings & Base Movements					802.75					802.75
Band D Equivalent after LCTSS and Other Adjustments	32.54	13,780.11	11,944.30	13,642.82	9,240.07	6,414.44	2,538.05	2,008.43	305.50	59,906.27
Multiplied by Estimated Collection Rate										98.00%
Band D Equivalent of Contributions in Lieu (Class O Exempt Dwellings)					1.80					1.80
2025/26 BAND D EQUIVALENT COUNCIL TAX BASE										58,709.94

Note: 'A Reduced Band' are Band A properties that have disabled adaptations.

This page is intentionally left blank



Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Overview & Scrutiny: 10 February 2026 Cabinet: 11 February 2026 Council: 25 February 2026	Date:
Subject:	2026-27 Treasury Management Strategy Report	
Report of	Cabinet Member for Finance and Communities	

Summary

1. Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
2. Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

Recommendation(s)

3. The Cabinet is requested to consider, comment as appropriate, on the proposed strategy for 2026/27, and is requested to endorse the recommendations outlined below, for approval by Council
 - The Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy.
 - The Treasury Management Policy Statement.
 - The Minimum Revenue Provision (MRP) Policy Statement.
4. Council is requested to agree at its meeting on 25 February 2026 the following:
 - To approve the Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy.
 - To approve the Treasury Management Policy Statement.
 - To approve the Minimum Revenue Provision (MRP) Policy Statement.

Reasons for recommendation(s)

5. As a requirement of Local Government Act 2003, the DLUHC investment guidance (2018), the DLUHC MRP guidance 2018, the 2021 CIPFA Treasury Management Code and the CIPFA Prudential Code.

Alternative options considered and rejected

6. Not applicable.

Report Author and Contact Details:

Name: Neil Kissock

Position: Director of Finance

Department: Corporate Core Finance

E-mail: N.Kissock@bury.gov.uk

Links with the Corporate Priorities:

Please summarise how this links to the Let's Do It Strategy.

7. A strong financially sustainable Council is essential to the Let's Do It Strategy.
-

Equality Impact and Considerations:

Please provide an explanation of the outcome(s) of an initial or full EIA. Intranet Arling Close to EIA documents is [here](#).

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
<p>There are significant risks in the financial position both in the current and future financial years.</p> <p>Financial sustainability is critical and the report sets out the Council’s plans to ensure sufficient funds are available for investment in the borough while maintaining a balanced budget over the medium-term planning period.</p>	<p>Regular monitoring and reporting ensures that any changes in the financial position are quickly identified and action can be taken to manage the overall position.</p> <p>The medium-term financial strategy takes account of any in-year changes in funding or demand and ensures the Council has a longer-term view of finances for future years.</p>

Legal Implications:

- 8. The Treasury Management Strategy form part of the suite of budget reports which will be considered by Members, full legal implications are set out in the core report.

Financial Implications:

- 9. The financial implications are set out in the report.

Background papers:

2024/25 Treasury Outturn Report

Introduction

- 1. Treasury management is the management of the Council’s cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful

identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

2. Treasury risk management is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
3. As per DLUHC guidance, investments held for service purposes or for commercial profit are considered separately within the Non-Treasury Investment Strategy section of this report.
4. In accordance with the guidance the Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. This includes:
 - An Annual Management Treasury Strategy, covering the Prudential and Treasury Indicators.
 - A mid-year treasury management review.
 - An annual treasury outturn report.

External Context

Economic background:

5. The Chancellor of the Exchequer delivered her Autumn Budget at the end of October. Based on the plans announced the most significant impacts on the Authority's treasury management strategy for 2026/27 are expected to include the influence of the government's 2025 Autumn Budget, lower short-term interest rates alongside higher medium- and longer-term rates, slower economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and geopolitical issues.
6. The Bank rate was cut to 3.75% by the Bank of England's Monetary Policy Committee (MPC) in December 2025, as expected. The vote to cut was 5-4, with the minority instead favouring holding rates at 4.0%. Those members wanting a cut judged that disinflation was established while those preferring to hold Bank Rate argued that inflation risks remained sufficiently material to leave rates untouched at this stage.
7. CPI inflation was 3.2% in November 2025, down from 3.6% in the previous month and below the 3.5% expected. Core CPI eased to 3.2% from 3.4%, contrary to forecasts of remaining at 3.6%. Looking forward, the MPC continues to expect inflation to fall, to around 3% in calendar Q1 2026, before steadily returning to the 2% target by late 2026 or early 2027.

8. Risks to the growth and inflation outlook lie to the downside, which may ultimately deliver lower Bank Rate than our central case. However, the minutes suggest that the bar to further rate cuts beyond 3.25% is higher and the near-term upside risks to our Bank Rate forecast have increased. Having said that, we believe inflation expectations will naturally decline alongside headline inflation rates.
9. The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, higher than the level previously expected by the BoE, while the employment rate slipped to 74.9%. Pay growth for the same period eased modestly, with total earnings (including bonuses) growth at 4.7% and while regular pay was 4.6%.
10. The US Federal Reserve also continued to cut rates, including reducing the target range for the Federal Funds Rate by 0.25% at its December 2025 meeting, to 3.50%-3.75%, in line with expectations. The minutes of the meeting noted that most Fed policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however they were still divided in their assessment of the risks between inflation and unemployment.
11. The European Central Bank (ECB) kept its key interest rates unchanged in December for a fourth consecutive meeting, maintaining the deposit rate at 2.0% and the main refinancing rate at 2.15%. The ECB maintained that future policy decisions will remain data-dependent, that inflation is close to its 2% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

Credit Update

12. Credit Default Swap (CDS) prices, which spiked in April 2025 following President Trump's 'Liberation Day' tariff announcements, have since trended lower, returning to levels broadly consistent with their 2024 averages. Although CDS prices rose modestly during October and November, the overall credit outlook remains stable, and credit conditions are expected to remain close to the range seen over the past two years.
13. While lower interest rates may weigh on banks' profitability, strong capital positions, easing inflation, steady economic growth, low unemployment, and reduced borrowing costs for households and businesses all support a favourable outlook for the creditworthiness of institutions on (the authority's treasury management advisor) Arlingclose's counterparty list. Arlingclose's advice on approved counterparties and

recommended investment durations is kept under continuous review and will continue to reflect prevailing economic and credit conditions.

Interest rate forecast (December 2025)

14. Arlingclose, the Authority's treasury management adviser, currently forecast that the Bank of England's Monetary Policy Committee will continue to reduce Bank Rate in 2026, reaching around 3.25% by the middle of 2026. This forecast reflects amendments made following the Autumn Budget and an assessment of the fiscal measures and their market implications, and following the BoE MPC meeting held on the 18th of December.
15. Arlingclose expects long-term gilt yields, and therefore interest rates payable on long-term borrowing expected to remain broadly stable on average, though with continued volatility, and to end the forecast period marginally lower than current levels. Yields are likely to stay higher than in the pre-quantitative tightening era, reflecting ongoing balance sheet reduction and elevated bond issuance. Short-term fluctuations are expected to persist in response to economic data releases and geopolitical developments.

Local Context and Capital Prudential Indicators

16. On 31st March 2025 the Council's underlying need to borrow for capital purposes, as measured by the Capital Financing Requirement (CFR), was £402.572m, while balance sheet resources, which are the underlying resources available for investment, were £113.600m.
17. As of 31 March 2025, the Council had £295.266 million of external loan borrowing, and £20.700 million of internal investments.
18. Appendix B provides a more detailed breakdown of the treasury borrowing and investing position.
19. In setting a balanced budget the Council must calculate its budget requirement for each financial year and include the revenue costs that come from capital expenditure and financing decision. Under the Local Government Act 2003 and the Prudential Code the Council must consider what is affordable, prudent and sustainable.
20. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members in their overview and consideration of capital expenditure plans both in terms of affordability and prudence. The key capital prudential indicators are shown below and are reported quarterly to Cabinet through the Performance Monitoring process.

Capital Expenditure and Financing:

21. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. The Prudential Code recommends that total debt should be lower than its highest forecast CFR over the next three years. The table below shows that THE Council expects to comply with this recommendation during 2025/26. Forecast changes in these sums are also shown.

Balance Sheet Summary and Forecast	2024-25 Actual	2025-26 Estimate	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
	£m	£m	£m	£m	£m
Capital Financing Requirement	£402.572	£464.113	£494.652	£502.477	£511.995
Less: External Borrowing	(£295.266)	(£370.498)	(£404.835)	(£419.564)	(£436.624)
Less: Other Debt Liabilities	(£11.173)	(£9.957)	(£9.129)	(£8.258)	(£7.343)
Under/(Over) Borrowing	£96.133	£83.658	£80.688	£74.655	£68.028
Balance Sheet Resources	(£116.833)	(£103.558)	(£90.688)	(£84.655)	(£78.028)
Treasury Investments	£20.700	£19.900	£10.000	£10.000	£10.000
TOTAL	£0.000	£0.000	£0.000	£0.000	£0.000

22. Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. In 2026/27, the Budget set for planned capital expenditure is £106.212 million.
28. All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (including internal borrowing).

29. The table below summaries the capital expenditure and financing.

CAPITAL PROGRAMME	2024-25 Actual	2025-26 Estimate	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
2024-25 to 2028-29	£m	£m	£m	£m	£m

Non-HRA	£43.511	£94.615	£78.951	£25.719	£11.000
HRA	£15.825	£25.000	£31.261	£23.056	£16.549
Policy/Non-Financial Investments	£0.498	£0.000	£0.000	£0.000	£0.000
Total Capital Expenditure	£59.834	£119.615	£110.212	£48.775	£27.549
<u>Resourced By:</u>					
External Funding	£33.240	£38.621	£48.589	£19.459	£2.500
Capital Receipts	£7.740	£5.714	£3.120	£1.260	£0.000
General Fund RCCO	£0.330	£0.089	£0.000	£0.000	£0.000
Housing Revenue Account DRF/MRR	£7.401	£8.988	£17.667	£14.692	£9.725
Total Resourced By	£48.711	£53.412	£69.376	£35.411	£12.225
Financing Requirement	£11.123	£66.203	£40.835	£13.364	£15.324

30. The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP payments and capital receipts used to replace debt. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows.

Capital Financing Requirement (CFR)	2024-25 Actual £m	2025-26 Estimate £m	2026-27 Forecast £m	2027-28 Forecast £m	2028-29 Forecast £m
CFR - GF	£203.941	£256.449	£283.507	£283.871	£288.028
CFR - HRA	£121.414	£132.024	£142.498	£147.362	£154.186
CFR - Policy/Non-Financial Investments	£66.044	£65.683	£63.519	£62.986	£62.437
CFR - Other Debt Liabilities	£11.173	£9.958	£9.129	£8.258	£7.344
CFR Balance	£402.572	£464.113	£498.652	£502.477	£511.995
Movement in CFR	£7.054	£61.541	£34.538	£7.825	£9.518
Movement in CFR					
Financing Requirement	£11.124	£66.203	£40.835	£13.364	£15.324
Minimum Revenue Provision (MRP) / Loans Fund Repayments	(£3.232)	(£3.447)	(£5.468)	(£4.668)	(£4.891)
Voluntary Revenue Provision (VRP)	£0.000	£0.000	£0.000	£0.000	£0.000
Other Debt Liabilities Movements	(£0.838)	(£1.215)	(£0.829)	(£0.871)	(£0.915)
Movement in CFR	£7.054	£61.541	£34.538	£7.825	£9.518

31. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive £2.664million of capital receipts in 2025/26 and in the coming financial years as follows.

Capital receipts	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual £m	Estimate £m	Forecast £m	Forecast £m	Forecast £m

Asset sales	£2.482	£2.664	£3.035	£2.814	£2.160
-------------	--------	--------	--------	--------	--------

32. Projected levels of the Council's total outstanding debt, compared with the CFR is shown below. Statutory guidance is that debt should remain below the CFR, except in the short-term. As can be seen from the table below, the Council expects to comply with this in the medium to longer term.

Actual External Debt against Capital Borrowing Need	2024-25 Actual £m	2025-26 Estimate £m	2026-27 Forecast £m	2027-28 Forecast £m	2028-29 Forecast £m
External Debt:					
Debt at 1 April	£295.266	£329.296	£368.000	£406.200	£421.300
Expected Change in Debt +/-		£41.202	£36.835	£13.364	£15.324
Actual Gross Debt at 31 March	£295.266	£370.498	£404.835	£419.564	£436.624
Capital Financing Requirement (CFR)	£391.399	£454.156	£485.523	£494.219	£504.651
Under/(Over) Borrowing	£96.133	£83.658	£80.688	£74.655	£68.027
Other Debt Liabilities	£12.011	£11.173	£9.957	£9.129	£8.258
Expected Change in Other Debt Liabilities +/-	(£0.838)	(£1.215)	(£0.829)	(£0.871)	(£0.915)
Other Debt Liabilities Total	£11.173	£9.957	£9.129	£8.258	£7.343

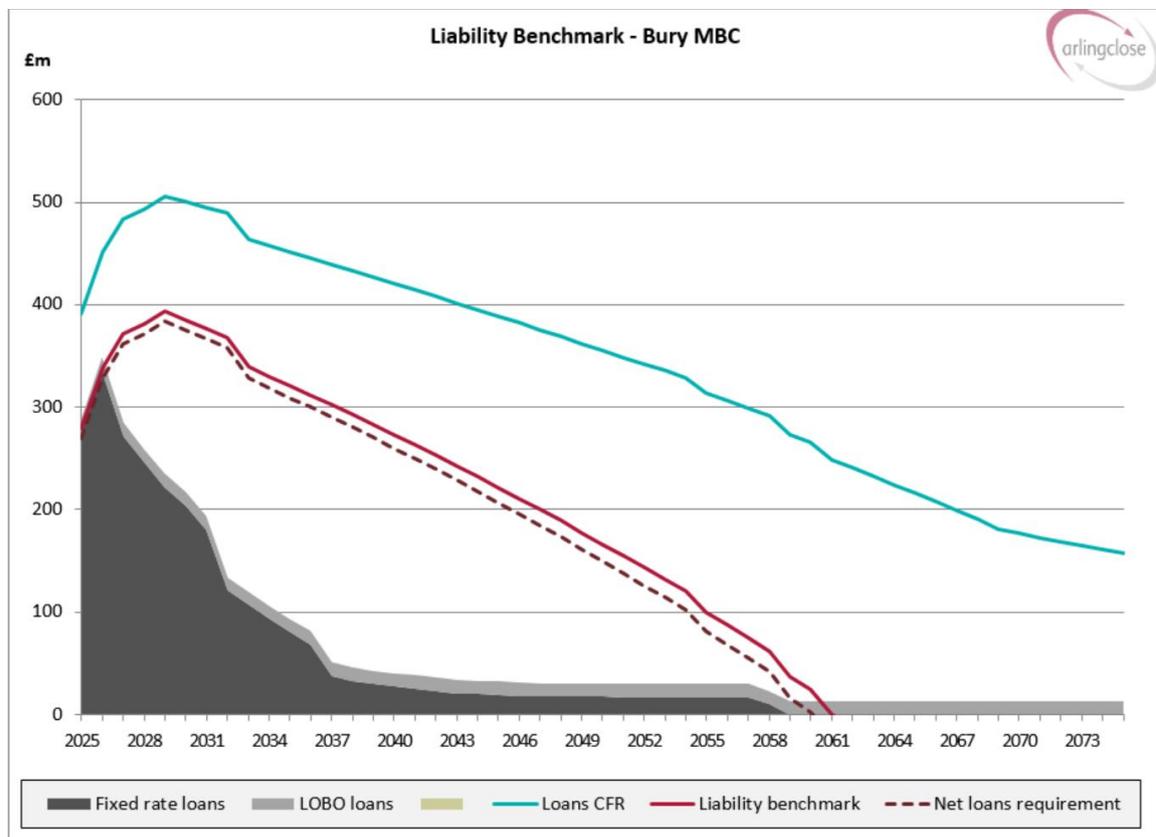
33. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP payments are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. The amount funded from Council Tax, business rates and general government grants. This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream.

Ratio of Financing Costs to Net Revenue Stream	2024-25 Actual £m	2025-26 Estimate £m	2026-27 Forecast £m	2027-28 Forecast £m	2028-29 Forecast £m
GF	2.79%	3.97%	5.78%	5.43%	5.53%
HRA	10.48%	9.06%	11.58%	12.99%	13.16%

Liability benchmark

34. The Liability Benchmark is now a mandatory indicator that must be reviewed and presented as required under the Prudential Code. It compares actual borrowing against a benchmark, which is calculated showing the lowest level of borrowing required to keep investments at a minimum level. The result then represents the minimum amount of borrowing an authority must undertake to fund their capital expenditure.

35. The benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.
36. The benchmark calculated for the Council is shown graphically below. Based on latest information, it shows that the CFR repays debt before it needs to. If the Council had no additional investment balances / surplus cash during 2025/26, no additional borrowing would be required to support the capital programme as investment balances are sufficiently high. MRP could be revised to lengthen the loans CFR position, and this will be explored to determine whether it offers an opportunity to reduce revenue costs.



37. The graphical results are not unexpected as the Council expects to remain borrowed above its liability benchmark in the medium term. This is because there is a substantial historic debt portfolio. Over the past few years there have been no opportunities to mature debt early due to the premiums that would be incurred on the early repayment of this debt. Due to the rapidly changing interest rate environment this position has now changed and the Council is seeing opportunities to mature debt in a discounted position.

38. Despite having an increasing need to borrow as defined by the Loans CFR, the Council can manage the borrowing requirement using existing balance sheet resources (balances, reserves, cash flow surpluses). Therefore, the Council will continue to hold any new debt requirements internally. This new debt would only be externalised if it becomes uneconomical to hold it internally.

Borrowing Strategy

39. Due to decisions taken in the past, the Council is currently projected to have £370.498m borrowing as at the end of March 2026 at an average interest rate of 4.45% and £10.000m treasury investments at an average rate of 4%, projected as at the end of March 2026.
40. The total borrowing requirement at the end of 2025/26 is forecast to be £454.156m (equivalent to the loans CFR). The Council's aim is to both repay maturing debt, and where possible some of the existing debt when opportunities to do this arise. The Council also considers new borrowing where it can be shown to be prudent and financial beneficial to do so. In 2025/26 £26.500m maturing external debt was repaid. £10.000m is current forecast to be repaid in 2025/26, which are maturing market loans.
41. The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required.
42. Given the significant cuts to public expenditure and to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Due to a rapidly changing interest rate environment the cost of borrowing has increased. If the Council needed to borrow it would be more cost effective in the short-term to borrow short-term.
43. The Council is still able to reduce net borrowing costs (despite foregone income) and reduce overall treasury risk, despite a highly different interest rate environment to this time last year. The benefits of internal borrowing will continue to be monitored regularly, and opportunities for restructuring or repaying debt at a discount will continue to be explored. Arlingclose will continue to assist the Council with this analysis, and identification of discount opportunities.
44. The Council may borrow short-term loans to cover unexpected cash flow shortages.

Limits to Borrowing Activity

45. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should

debt approach the limit. It is calculated with regard to the Council's capital expenditure and financing plans.

Operational Boundary	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Estimate	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Borrowing	£391.401	£454.156	£485.523	£494.219	£504.651
Other Long-term Liabilities	£11.173	£9.958	£9.129	£8.258	£7.344
Total	£402.572	£464.113	£494.652	£502.477	£511.995

Authorised Limit	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Estimate	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Borrowing	£401.399	£464.156	£495.523	£504.218	£514.651
Other Long-term Liabilities	£12.173	£10.958	£10.129	£9.258	£8.344
Total	£413.572	£475.113	£505.652	£513.477	£522.995

Sources of Borrowing and Portfolio Implications

46. The approved sources of long-term and short-term borrowing are:
- HM Treasury's Public Works Loan Board (PWLB) lending facility.
 - UK Infrastructure Bank Ltd
 - UK local authorities and any other UK public sector body
 - any institution approved for investments (see below)
 - any other bank or building society authorised to operate in the UK
 - UK public and private sector pension funds
 - capital market bond investors
 - retail investors via a regulated peer-to-peer platform
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local Council bond issues
47. Capital finance may also be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- leasing
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback
 - similar asset-based finance.
48. The Council continues to investigate other sources of finance, such as local Council loans, the UK Municipal Bonds Agency and bank loans, that may be available at more favourable rates. The UK Municipal Bonds Agency is a more complicated source of finance so any decision to borrow from this source will be the subject of a separate report to Audit and Governance Committee.

49. The Council holds two £13.000 million of Lender's Option Borrower's Option (LOBO) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. Both LOBO's have options during 2026/27 with a 56.40% probability of one of lenders exercising their option in April 2026. If they do, the Council will take the option to repay LOBO loans to reduce refinancing risk in later years.
50. Short-term and variable rate loans leave GCC exposed to the risk of short-term interest rate rises and are therefore subject to interest rate exposure limits in the treasury management indicators below.

Debt Rescheduling

51. PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Some bank lenders may also be prepared to negotiate premature redemption terms. Due to cashflow implications some loans matured may be replaced with new loans, or they may be repaid without replacement, particularly where this is expected to lead to an overall saving or reduction in risk.
52. The Authority has undertaken the rescheduling of a number of PWLB loans following advice from our Treasury Adviser Arlingclose. This strategy has enabled the Authority to take advantage of discounts available for early repayments of selected loans. Replacement loans were then taken out where appropriate. This approach has resulted in an overall improvement in the Authority's borrowing position and reflected in the current portfolio and summarised in the table Appendix B.
53. The Council will continue to monitor its Loans and take advantage of any future debt restructuring opportunities where this is expected to benefit the authority financially or reduce risk.
54. Borrowing and rescheduling activity will be reported to the Audit and Governance Committee in the Annual Treasury Management Report, the Mid Year Report and any other treasury management reports presented to the relevant Committee.

Treasury Investment Strategy

55. During 2025/26 the Council's internal treasury investment balance has ranged between £20.000 million and £11.456 million. Balances are lower than prior years due to internal

borrowing levels. Balances are expected to fall further as borrowing held internally increases.

56. The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
57. Market conditions have changed rapidly during 2025/26 with interest a reduction to rates from 4% to 3.75% in December 2025. The Council has predominantly invested with High Street banks, Debt Management Office (DMO) and where opportunities arose for higher rates has invested in short term MMF's.
58. Under the IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
59. The Council may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty), the time limits shown and the Responsible Investment Policy incorporated as part of the Treasury Management Policies.

Table 2: Approved Investment Counterparties

58. Table 2 should be read in conjunction with the notes below:

Counterparty	Credit Rating	Max £ limit per institution	Maximum Maturity Period
UK Government	Any	Unlimited	50 years
UK Local Authorities & Other Government Entities – except Local Authorities subject to a Section 114 notice	Any	£20m	2 years
Secured Investments	A- Or equivalent	£20m	1 year
UK Banks (Unsecured) *	A- Or equivalent	£25m	1 year
UK Building Societies (Unsecured) *	A- Or equivalent	£20m	1 year
Registered Providers (Unsecured) *	A- Or equivalent	£20m	1 year
Money Market Funds	A- Or equivalent	£20m	Instant Access
Unrated Affiliated Bodies working capital **	N/A	Subject individual circumstance	Case by Case
Unrated Affiliated Bodies Capital Expenditure Loan **	N/A	Subject individual circumstance	Case by Case

- **Credit Rating:**
Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
- **Government:**
Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- **Local Authorities and Other Government Entities:**
Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.
- **Banks and Building Societies Unsecured:**
Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
- **Registered Providers (unsecured):**
Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England). As providers of public services, they retain the likelihood of receiving government support if needed.
- **Money market funds:**
Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- **Strategic Pooled Funds:**
Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly. These accounts are treated as long term investments due to the variability of the capital value of the investment and will be

held for a period of at least 5 years. Any new funds opened will need to be mindful of the Council's policies around fossil fuel, climate change and sustainable resources.

- **Real estate investment trusts:**

Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

- **Other investments:**

This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

- **Operational bank accounts:**

The Council may incur operational exposures, for example through current accounts, and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept to a minimum. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Responsible Investment Policy, Environmental, Social and Governance Considerations (ESG)

59. The Code requires local authorities to consider their counterparty policies in light of ESG information, while recognising that there is not a developed approach to ESG for public sector organisations and not expecting authorities to use real-time ESG scoring / criteria for individual investments.

60. ESG issues are wide-ranging and non-standardised, however the Council aims to be a responsible investor and will consider ESG issues when investing. The Council has a Climate Action Change Strategy and Plan, and more details can be found at the link below:

[Bury's Climate Action Strategy and Action Plan - Bury Council](#)

Risk assessment and credit ratings:

61. Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,

- any existing investments that can be recalled or sold at no cost will be,
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

62. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “negative watch”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments:

63. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council’s treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

64. Reputational aspects: The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

65. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

Investment Limits

66. The Council holds general revenue reserves which would be available to cover investment losses. However, to limit this risk, in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £25.0 million. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries, and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Liquidity management:

67. The Council uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.
68. The Council will spread its liquid cash over at least two providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Indicators

69. The Council measures and manages its exposures to treasury management risks using the following indicators.
70. **Security:** GCC has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit Risk Indicator: portfolio average credit rating target A

71. **Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity Risk Indicator: total cash available within 1 month target £10m

72. **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	30%	0%
12 months and within 24 months	20%	0%
24 months and within 5 years	20%	0%
5 years and within 10 years	50%	0%
10 years and within 20 years	40%	0%
20 years and within 30 years	40%	0%
30 years and within 40 years	50%	0%
Over 40 years	40%	0%

73. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Service Investments:

74. The definition of investments in the Treasury Management Code now covers all the financial assets of the Authority as well as the other non – financial assets which the Council holds primarily for financial returns. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
75. Investment Guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) and Welsh Government also includes within the definition of investments all such assets help partially or wholly for financial return.
76. The Authority also held such investments in:

Non-Financial Investments	2024/25	2025/26
	£m	£m
Manchester Airport Loan	£29.366	£29.366
Bury MBC Townside Fields Loan	£7.257	£7.257
Six Town Housing Loan	£2.797	£2.664
Bury Bruntwood (Millgate) LLP Loan	£20.099	£20.099
The Prestwich Regeneration (LLP) Loan	£1.127	£1.127
Debt Managed for Probation Services	£0.011	£0.010
Total	£60.657	£60.523

77. These investments are forecast to generate £4.4m of investment Income in 2025/26 for the Authority after taking account of direct costs, representing a rate of return of 6.68%.

Service Investments: Shares

78. The Council has a 3.22% shareholding (three) shares in Manchester Airport Holdings Limited (MAHL). The nominal and fair value of Bury Council's interest in the company at 31 March 2025 are shown below:

Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income	Nominal	Fair Value	Change in Fair Value during 2024/25
	£m	£m	£000s
Manchester Airport Shares	£10.214	£43.420	(£2.880)
Manchester Airport Car Park (1) Limited	£5.610	£4.400	£0
Total	£15.824	£47.820	(£2,880)

Related Matters

79. The CIPFA Code requires GCC to include the following in its treasury management strategy.

Financial Derivatives

80. The CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.
81. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
82. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
83. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.
84. In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering financial derivatives to ensure that it fully understands the implications.

- 85. Housing Revenue Account: On 1 April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account.
- 86. Where the value of the HRA loans pool is below the HRA capital financing requirement, interest on this “under-borrowing” will be charged to the HRA at the Authority’s average rate of borrowing. Interest on any “over-borrowing” above the HRA capital financing requirement, and on balances in the HRA, its earmarked reserves and the major repairs reserve will be credited to the HRA at the Authority’s average interest rate on treasury investments excluding strategic pooled funds and REITS, adjusted for credit risk.

Financial Implications

- 87. The budget for investment income in 2026/27 is £0.346m. The budget for debt interest paid in 2026/27 is £17.293m. If the actual levels of investments and borrowing, or actual interest rates, differ from the forecast, performance against budget will be correspondingly different. Split into General Fund and HRA budgets if applicable.
- 88. The Council has opted up to professional client status with some of its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council’s treasury management activities, this is the most appropriate status.

Other Options Considered

- 89. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain

Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Treasury Management Policy Statement

90. The Council defines the policies and objectives of its treasury management activities as follows:
- The council defines in the treasury management activities as the management of the Council’s cash flow, its banking, money market and capital market transaction, the effective control of the risks associated with activities and pursuit of optimum performance consistent with those risks.
 - The 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 measure. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications
 - The Council acknowledges the effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management and to employing suitable performance measurement techniques, within the context of effective risk management.
91. The Council’s Treasury Management Scheme of Delegation is approved by Full Council annually as part of the overall Treasury Management Strategy, it was last approved by Council at its meeting of February 2024 and there are no proposals for any amendments to the current scheme, which is set out below:

1. Delegation and Responsibility

The following personnel are involved on a regular basis in Treasury Management:

Director of Finance (S151 Officer)	Overall supervision of Treasury Management function and cash flow. Regular reviews of Treasury Management Strategy and monitor performance.
------------------------------------	---

Accountancy Manager (Treasury & Capital)	Manage and undertake day to day Treasury Management Activities in accordance with Treasury Strategy and Policy Statement.
Accountant (Treasury & Capital)	Deputise for Accountancy Manager in their duties as required.

2. Treasury Management Scheme of Delegation

Full Council

- Receiving and reviewing reports on treasury management policies, practices and activities.
- Approval of/amendments to the Council's adopted clauses, treasury management policy statement; and
- Approval of annual strategy

Boards/Committees/Council/Responsible Body

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- budget consideration and approval.
- approval of the division of responsibilities.
- receiving and reviewing regular monitoring reports and acting on recommendations.
- approving the selection of external service providers and agreeing terms of appointment.

Body/Person(s) with Responsibility for Scrutiny

- reviewing the treasury management policy and procedures and making recommendations to the body responsible.

3. The Treasury Management Role of the Director of Finance (Section 151 Officer)

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- submitting regular treasury management policy reports.
- submitting budgets and budget variations.

- receiving and reviewing management information reports.
- reviewing the performance of the treasury management function.
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- ensuring the adequacy of internal audit and liaising with external audit.
- recommending the appointment of external service providers.

Functions:

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investment which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in-house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
 - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios.
 - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments.
 - Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making.

- Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken.
- Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

Minimum Revenue Provision Statement

92. 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 repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to MHCLG Guidance most recently issued in April 2024.
93. The broad aim of the Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
94. The Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates the options recommended in the Guidance.

Proposed 26/27 MRP Policy:

- For expenditure incurred before 1 April 2008 or which forms part of supported capital expenditure, the MRP policy will be:
 - Asset life method (annuity) – MRP will be based on an asset life of 50 years calculated using 2.39%.
- For expenditure incurred between 1 April 2008 and 31 March 2019 for all prudential borrowing, the MRP policy will be:
 - Asset life method (annuity) – MRP will be based on an asset life of 50 years calculated using 2.39%.
- For expenditure incurred from 1 April 2019 for all prudential borrowing, the MRP policy will be:
 - Asset life method (straight line) – For service delivery assets MRP will be based on the estimated life of the assets.
 - Asset life method (annuity) – For regeneration and income generating assets MRP will be based on the estimated life of the assets.
- For capital loans to third parties, the MRP policy will be:
 - Where the principal element of the loan is being repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR and directly offset the relevant MRP charge.
 - For capital loans to be repaid at the end of their term and thus no principal repayment being repaid annually, there is no requirement for MRP. The Council will undertake an annual financial assessment of the third party's ability to repay the debt, where an expected credit loss or impairment is recognised in a financial year, an MRP charge will be made to an amount at least equal to the amount recognised.
- The Authority will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

- MRP in respect of assets acquired under Finance Leases or PFI will be charged at an amount equal to the principal element of the annual repayment.
 - MRP commencement, MRP will commence in the financial year following the one in which the asset becomes operational.
 - For Housing Assets held within the HRA, due to the requirement to make a depreciation charge to the HRA, no further revenue charge for MRP is required.
 - Capital Receipts, the Executive Director of Finance may from time to time and when it is beneficial to the efficient financial administration of the Council, apply capital receipts to reduce the CFR and MRP will be calculated on the residual CFR.
 - MRP Overpayments:
 - Under the MRP statutory guidance, any charges made in excess of the statutory MRP can be made, known as Voluntary Revenue Provision (VRP).
 - VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. The cumulative VRP overpayments made to date are £0m.
 - The Executive Director of Finance may from time to time and when it is beneficial to the efficient financial administration of the Council, make additional voluntary payments VRP. In these circumstances, the amount paid would not prejudice the existing strategy or be counter to the regulatory intent of that strategy.
95. Based on the latest estimate of the CFR on 31st March 2026, the budget for MRP has been set as £5.468m.

Appendix A: Arlingclose Economic & Interest Rate Forecast – December 2025

Underlying Assumptions:

- The Bank of England duly delivered on expectations for a December rate cut, but, despite softer economic data over the past two weeks, the minutes highlighted increased caution surrounding both the inflation outlook and the speed of future easing. With a close vote of 5-4 in favour of a rate reduction, this suggests that the bar for further monetary easing may be higher than previously thought despite the possibility of the CPI rate falling to target in 2026.
- Budget policies and base effects will mechanically reduce the CPI rate in 2026, on top of the downward pressure arising from soft economic growth and the looser labour market. However, many policymakers appear concerned that household and business inflation and pricing expectations are proving sticky following recent bouts of high price and wage growth, which may allow underlying inflationary pressure to remain elevated. While, the Bank's measure of household expectations ticked lower in December, it remains above levels consistent with the 2% target at 3.5%.
- While policymakers hold valid concerns, these appear somewhat out of line with current conditions; CPI inflation fell to 3.2% in November, private sector wage growth continued to ease amid the highest unemployment rate since the pandemic, and the economy contracted in October after barely growing in Q3. Business surveys pointed to marginally stronger activity and pricing intentions in December but also suggested that the pre-Budget malaise was not temporary. These data are the latest in a trend suggesting challenging economic conditions are feeding into price and wage setting.
- Risks to the growth and inflation outlook lie to the downside, which may ultimately deliver lower Bank Rate than our central case. However, the minutes suggest that the bar to further rate cuts beyond 3.25% is higher and the near-term upside risks to our Bank Rate forecast have increased. Having said that, we believe inflation expectations will naturally decline alongside headline inflation rates.
- Investors appear to have given the UK government some breathing space following the Budget, with long-term yields continuing to trade at slightly lower levels than in late summer/early autumn. Even so, sustained heavy borrowing across advanced economies, the DMO's move towards issuing more short-dated gilts and lingering doubts about the government's fiscal plans will keep short to medium yields above the levels implied by interest rate expectations alone.

Forecast:

- In line with our long-held forecast, Bank Rate was cut to 3.75% in December.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will continue to be loosened.
- Arlingclose expects Bank Rate to be cut to 3.25% by middle of 2026. However, near-term upside risks to the forecast have increased.
- Medium and long-term gilt yields continue to incorporate premia for UK government credibility, global uncertainty and significant issuance. These issues may not be resolved quickly, and we expect yields to remain higher

	Current	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.82	3.55	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.35	3.35	3.35
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	3.96	3.85	3.80	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.80	3.80	3.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
10yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.52	4.40	4.35	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.35	4.35	4.35
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
20yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.16	5.00	4.95	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.95	4.95	4.95
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
50yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.74	4.65	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.65	4.65	4.65
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

National Wealth Fund (NWF) Rate = Gilt yield + 0.40%

Appendix B – Existing Investment & Debt Portfolio Position

Existing Investment & Debt Portfolio Position	31.03.2025		31.12.2025	
	Actual Portfolio £m	Average Rate %	Actual Portfolio £m	Average Rate %
Treasury Investments:				
The UK Government	£0.000	0.00%	£6.430	3.91%
Local Authorities	£0.000	0.00%	£0.000	0.00%
Other Government Entities	£0.000	0.00%	£0.000	0.00%
Secured Investments	£0.000	0.00%	£0.000	0.00%
Banks (unsecured)	£10.700	4.63%	£5.030	4.95%
Building Societies (unsecured)	£10.000	5.44%	£0.000	0.00%
Registered providers (unsecured)	£0.000	0.00%	£0.000	0.00%
Money Market Funds	£0.000	0.00%	£0.000	0.00%
Other Investments	£0.000	0.00%	£0.000	0.00%
Total Treasury Investments	£20.700		11.460	
External Borrowing:				
Public Works Loan Board	(£247.266)	3.96%	(£259.713)	4.80%
Local Authorities	(£30.000)	4.86%	(£57.000)	4.51%
LOBO Loans from Banks	(£13.000)	4.23%	(£13.000)	4.23%
Other Loans	(£5.000)	4.23%	£0.000	0%
Total Gross External Debt	(£295.266)	4.05%	(£329.713)	4.40%
Net Investment/(Debt)	(£274.566)		(£318.253)	

Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Overview & Scrutiny: 10 February 2026 Cabinet: 11 February 2026 Council: 25 February 2026	Date: Council: 25 February 2026
Subject:	Capital Strategy 2026/27 to 2028/29	
Report of	Cabinet Member of Finance and Transformation	

Summary

The Capital Strategy forms part of the Council's strategic and financial planning framework and provides a framework within which the investment plans will be delivered. The Capital Strategy 2026/27 to 2028/29 has been prepared to cover a 3-year period and is set out within this report.

The Capital Strategy reflects the Prudential and Treasury Management Codes issued by CIPFA in 2017 which require Councils to prepare a Capital Strategy and include specific information within it. The strategy therefore includes:

- A high-level, long-term overview of how capital expenditure, capital financing and treasury management contribute to the provision of services.
- An overview of how the associated risk is managed.
- The proposed capital programme 2026/27 to 2028/29
- Financing the capital programme.

The Capital Strategy is prepared to deliver on the objectives of the Council as set out in the Let's Do It! Strategy, and sets out long-term capital investment objectives, capital strategy requirements, governance arrangements and risk.

This strategy links directly to the medium-term financial strategy, the treasury management strategy, the schools' capital strategy, the ICT and digital strategies and the asset management plan.

Recommendation(s)

That Overview & Scrutiny:

- Note the content of this report.

- Consider if they wish to make any recommendations to the Cabinet on this report's content.

That Cabinet:

- Approve and commend the capital strategy to Council.

Reasons for recommendations(s)

As a requirement of Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and the Prudential Code for Capital Finance for Local Authorities 2021.

Alternative options considered and rejected

Not applicable

Report Author and Contact Details:

Name: Neil Kissock

Position: Director of Finance

Department: Corporate Core Department

E-mail: n.kissock@bury.gov.uk

1. BACKGROUND

Capital Strategy

- 1.1 The aim of the Capital Strategy is to ensure that all elected members fully understand the overall long-term policy objectives and resulting Capital strategy implications, governance procedures and risk appetite.
- 1.2 The Strategy is intended to give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview on how associated risk is managed and implications for future sustainability.
- 1.3 Decisions made for 2026/27 on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.
- 1.4 The Strategy considers the Council's long-term aspirations considering corporate objectives, affordability criteria and available resources to guide capital investment decisions.
- 1.5 The current Strategy has been prepared for the period 2026/27 to 2028/29 but recognizes that capital decisions are often for the longer term. However, longer term spending plans are more uncertain as funding streams, legislative changes, government policy, and the economic climate can influence plans.
- 1.6 To demonstrate that the Council takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability, this Strategy sets out the governance process around investment decisions and considers the risk, reward, and impact on the achievement of priority outcomes.
- 1.7 The Council ensures that all its capital investment plans, and borrowing are prudent and sustainable. In doing so this takes account of the Council's arrangements for the repayment of debt (including through MRP/repayment of loans funds) and consideration of risk, impact, and potential impact, on the Council's overall fiscal sustainability. While indicators are required to be set over a minimum three-year rolling period, they are aligned to the Strategy and Asset Management plans showing sustainability over the longer asset life period.

2. CAPITAL RESOURCES

- 2.1 The Council assesses the level of planned capital investment and makes a judgement about the level of capital resources which are likely to be available over the period of the programme. The main capital resources

are service specific grants, third party contributions, capital receipts, lease finance and borrowing.

- 2.2 To support the ambitious programme set for the next three years, borrowing will become a key source of financing, which will result in an increase in the cost of borrowing overall and will add pressure to the revenue budget.
- 2.3 In developing the capital programme, the cost of borrowing, as a revenue cost, has been estimated and included in Council's Medium Term Financial Strategy.

Capital Financing Requirement (CFR)	2025-26 Estimate	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
	£m	£m	£m	£m
CFR - GF	£256.449	£283.507	£283.871	£288.028
CFR - HRA	£132.024	£142.498	£147.362	£154.186
CFR - Policy/Non-Financial Investments	£65.683	£63.519	£62.986	£62.437
CFR - Other Debt Liabilities	£9.958	£9.129	£8.258	£7.344
CFR Balance	£464.113	£498.652	£502.477	£511.995
Movement in CFR	£61.541	£34.538	£7.825	£9.518
Movement in CFR				
Financing Requirement	£66.203	£40.835	£13.364	£15.324
Minimum Revenue Provision (MRP) / Loans Fund Repayments	(£3.447)	(£5.468)	(£4.668)	(£4.891)
Voluntary Revenue Provision (VRP)	£0.000	£0.000	£0.000	£0.000
Other Debt Liabilities Movements	(£1.215)	(£0.829)	(£0.871)	(£0.915)
Movement in CFR	£61.541	£34.538	£7.825	£9.518

- 2.4 The Authority's MRP (minimum revenue provision statement) and loans fund policy is further set out within the Treasury Management Strategy.

2.5 Central Government Allocations and External Grants and Contributions

- 2.5.1 Some capital projects are financed through allocations received directly from the Government Departments or external grants and contributions, which are mostly specific to projects and cannot be used for other purposes.
- 2.5.2 Examples of these would include the allocations for schools, highway maintenance or disabled facilities grants from Central Government.
- 2.5.3 Some of the new funds being made available by the Government are subject to competitive bidding rounds and to maximise the opportunity that these present, the Council needs to ensure it has the required resources to develop these bids.

- 2.5.4 Grants from external organisations are a valuable source of capital finance for the Council and have enabled the Council to realise a substantial number of Capital developments in the past that would otherwise have been unable to progress.
- 2.5.5 The Council will continue to explore cost effective opportunities for grants from external bodies. However, support through grants cannot be accurately predicted and therefore the Council recognises that it cannot depend on this source entirely. The Council will also ensure that withdrawal plans are prepared in the case of on-going projects funded through external support, in the event of the support being withdrawn.

2.6 Capital Receipts

- 2.6.1 The Council generates capital resources through the sale of surplus land and buildings. The Cabinet, at its November 2020 meeting, approved an accelerated land disposal programme aimed at generating significant capital receipts for the Borough of Bury and reducing the ongoing costs related to the maintenance of its surplus property portfolio.
- 2.6.2 A summary of the anticipated capital receipts adjusted to take into consideration a risk analysis on time and value, is included in the table below:

Table 1: Estimates of Capital Receipts in £ millions

Confidence Level	Adjustment Factor	2026-27 £m	2027-28 £m	2028-29 £m
High	80%	£0.059	£0.800	£0.800
Medium	65%	£2.976	£2.014	£1.360
Low	33%	£0.000	£0.000	£0.000
TOTAL Estimated Receipts		£3.035	£2.814	£2.160

- 2.6.3 For prudence it is recommended that only those values of high confidence or already complete are taken forward and recognised as a funding source for the capital programme.
- 2.6.4 The Council holds its General Capital Receipts corporately, to reflect its commitment to a priority-led approach to the allocation of resources and continues to maintain a policy of not ring-fencing the use of capital receipts to fund new investment in specific schemes or service areas. However, it does recognise that exceptionally there will be instances in which it will be necessary to earmark receipts to schemes, as reflected in the Capital Receipts Strategy approved by Capital Board in June 2023.
- 2.6.5 The receipts generated from the sales of Right to Buy and other general

Housing receipts will be retained for re-investment in the Council's housing provision.

Flexible Use of Capital Receipts

- 2.6.6 The flexibility for councils to use capital receipts to be support revenue expenditure that delivers service transformation has been extended and £2m is included for 2026/27. The £2m will be used to support the revenue budget and will be applied to Adults and Children's Social Care £0.600m, enabling services across the Corporate Core including Procurement £0.400m, Finance £0.350m, HR £0.350m and digital £0.300m. These amounts will support transformational activity resulting in reductions in revenue requirement in future years.

2.7 Borrowing

- 2.7.1 From 1 April 2004 Authorities have had the discretion to borrow in line with the CIPFA Prudential Code, which is known as 'Unsupported Borrowing.'
- 2.7.2 The Council can make use of the opportunity for the Prudential Borrowing where it is most cost effective and if its capital investment plans are affordable, sustainable, and prudent. Hence, make a choice on whether revenue resources are used to fund direct service delivery or reserved to finance costs of borrowing for capital investment.
- 2.7.3 The Council will consider the use of unsupported borrowing in three specific circumstances:
- 1) Strategic investment – where strategic investment to support the Borough's economy is required, subject to a detailed business case.
 - 2) Invest in saving schemes - where pump priming assistance is required, but overall, costs are met from additional revenue/capital income or savings generated by the scheme. Pump priming can be funded from unsupported borrowing or from slippage/internal resources.
 - 3) Discretionary unsupported schemes - where the related expenditure meets with Council ambitions/priorities at service level and would not be able to proceed through another funding source. Any such schemes must be specifically approved by the Cabinet or Council and be supported by a detailed business case.
- 2.7.4 The business case should explain the link between borrowing and expected asset lives, to ensure that an appropriate charge is built-in in the revenue budget and reflected in Council Tax and Housing Rent levels.

2.8 Revenue Contributions and Reserves

- 2.8.1 The Council can also use revenue resources to fund capital projects, although revenue budgets have come under increased pressure over

recent years and the ability to use revenue is restricted.

- 2.8.2 The proposed Capital Programme requires borrowing and the cost of borrowing to support the 2026/27 programme has been factored into the 2026/27 budget. Any requirements beyond this will need to be factored into the Medium-Term Financial Strategy (MTFS). The Council may also finance capital schemes from S106 monies or earmarked reserves.

2.9 Joint Ventures

- 2.9.1 The Council is currently undertaking significant regeneration activity in both Bury and Prestwich Town Centres, for which the Authority has engaged with national developers as Joint Venture partners for the Mill Gate Shopping Centre and Prestwich Village.
- 2.9.2 These programmes will deliver significant housing growth in addition to enhanced business rates income, whilst safeguarding the sustainability and vitality of each town centre.
- 2.9.3 Bruntwood and Bury Council acquired the Mill Gate shopping centre as part of wider regeneration plans that to overhaul Bury town centre. The shopping centre is being redeveloped into a mixed-use scheme, blending retail, leisure, hospitality, workspace, residential and public realm and community spaces.
- 2.9.4 The Council and Muse are working together on regeneration schemes for Prestwich Village including a community hub, a new village square, retail, leisure facilities and new homes.
- 2.9.5 The Capital Programme includes £18.3m investment into Prestwich village over the next two years. The Joint Venture partners are considering the funding strategies for the development, alongside development design and phasing arrangements.

3. CAPITAL EXPENDITURE AND FINANCING PROPOSALS

- 3.1 Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.
- 3.2 In 2026/27 the Council is planning capital expenditure of £110.212m, summarised in the table below:

Table 2: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2025/26 forecast £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
General Fund services	£94.615	£78.951	£25.719	£11.000
Council Housing (HRA)	£25.000	£31.261	£23.056	£16.549
Capital Investments	£0.000	£0.000	£0.000	£0.000
TOTAL	£119.614	£110.212	£48.775	£27.549

- 3.3 The Council's 2026/27 to 2028/29 proposed capital investment is further detailed in Appendix 1. The proposed programme takes account of the latest monitoring position on the 2025/26 capital programme including any identified rephasing that has been agreed for carry forward into the 2026/27 and 2027/28 financial years.
- 3.4 The proposed Capital Programme is focused on some main themes that align to the Council's objectives and outcomes including:
- Regeneration and Housing General Fund (key areas within the borough).
 - Highways.
 - Schools.
 - Environmental & Communities Projects.
 - Corporate Property.
 - ICT & Digital Transformation.
 - Organisation Redesign & Transformation.
 - Housing (Housing Revenue Account).
- 3.5 The 2025/26 revised capital budget is £119.615m compared to the original budget set in February 2025 which amounted (including Approved in Principle schemes) to £133.255m. The following schemes are proposed to have some of their 2025/26 budget rephased into 2026/27 and 2027/28:

Table 3: Re-phasing of Capital Expenditure to future years, in £millions

Capital Theme	Rephasing to 2026/27 £m	Rephasing to 2027/28 £m
Regeneration and Housing	£11.395	£0.000
Schools	£8.206	£5.000
Highways	£5.765	£9.519
Environmental & Communities Projects	£1.300	£0.200
Corporate Property & Estates	£0.387	£0.000
Transport Fleet Management	£0.462	£0.000
ICT & Digital Transformation	£0.000	£0.000
Organisation Redesign & Transformation	£0.000	£0.000
Housing HRA	£5.410	£0.000
Grand Total	£32.925	£14.719

- 3.6 The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and includes the building of new homes over the forecast period.
- 3.7 During the year it is expected that further government funding allocations will be announced, or new initiatives identified and put forward for approval. The Council can elect to fund the latter from other sources, including capital receipts, other partners' contributions, or reserves. The phasing of expenditure as more detailed implementation plans is drawn up is considered a normal feature of the capital programme.
- 3.8 The capital programme position will continue to be closely monitored during the financial year and all the latest information in respect of funding allocations will be presented to Members in future reports.

4. ONGOING SCHEMES

Given the Council's financial challenges over the planning period as set out in its Medium-Term Financial Strategy, the major focus of the next few years will be to deliver schemes already approved by Council for which funding has already been identified and agreed. These are set out in Appendix 1 to this report.

5. NEW CAPITAL SCHEMES AND APPROVAL IN PRINCIPLE

- 5.1 Although most of the schemes set out in the Council's capital programme are projects that have already been agreed, with funding identified and the financial implications included in the draft budget for 2026/27 (and the Medium-Term Financial Strategy), officers have identified additional projects which are recommended for inclusion in the programme given their importance either to the achievement of priorities included in the Corporate Plan (Let's Do It!) or because of urgent works required to address health and safety issues and other risks to service delivery:

NEW CAPITAL SCHEMES	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
Castle Leisure Centre Refurbishment	£3.175	£0.000	£0.000
Regeneration and Housing (corporate pot)	£1.700	£1.700	£1.700
Schools (Devolved Formula grant)	£0.150	£0.000	£0.000
Highways (GMCA CRSTS maintenance grant)	£4.085	£0.000	£0.000
Highways - HIS4	£4.000	£0.000	£0.000
Transport Fleet Management	£0.038	£0.500	£0.500
Environmental & Communities Projects (corporate pot)	£0.750	£0.750	£0.750
Organisation Redesign & Transformation (corporate pot)	£2.600	£1.500	£1.500
TOTAL NEW SCHEMES	£16.498	£4.450	£4.450

- 5.2 The new schemes include an extension of the Highways Investment Strategy, designed to support improvements to the Highways Network, and an additional £1.1m now required to complete the implementation of the Unit 4 system upgrade and address the additional complexities resulting from the volume of integrating systems, coding complexities and gaps in process documentation and ensure planned revenue savings are fully delivered .
- 5.3 It is recommended that the Council endorses the medium-term schemes included in the Capital Strategy for 2026/27 to 2028/29 as set out in Appendix 1. The longer-term aspirations that the Council has for the communities it serves are ambitious and rely on the Council applying the resources at its disposal in ways which deliver the greatest impact. Those resources include capital resources which will be targeted at capital expenditure that has the greatest prospect of delivering the Council's aspirations set out in its Corporate Plan (Let's Do it!).
- 5.4 To ensure value-for-money and maximise the use of limited available capital resources, a corporate amount is proposed for the key areas below to focus future capital investment delivers the longer-term objectives of the Council:
- Regeneration and Housing
 - Environmental & Communities
 - Corporate Estate
 - Digital Transformation
 - Strategic Organisation Transformation
- 5.5 During the year, support will be given to new proposed schemes following a capital gateway submission. appraisal and evaluation process is completed through the Capital Programme Board, a sub-set of the Finance Board, comprising key officers from each service who will make recommendations based on detailed delivery plans and assessment based on options appraisals, risk management assessment, financial appraisal, strategic-fit and value-for-money for the Council.
- 5.6 For the purposes of capital planning, it is expected that through implementing this approach, will ensure the necessary scrutiny ahead of individual scheme approval to spend and provide members with reassurance on the intended and achieved outcomes for capital expenditure.
- 5.7 The Finance Board will continue to oversee the process of incepting additional schemes into the capital programme, according to the Council's agreed policies and on the recommendation of the Capital Programme Board.

6. FUNDING THE CAPITAL PROGRAMME

- 6.1 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves, and capital receipts) or debt (borrowing or leasing). The planned financing of the above expenditure is as follows:

Table 4: Capital expenditure and financing in £ millions

CAPITAL PROGRAMME	2025/26 Forecast Outturn £m	2026/27 Proposed Programme £m	2027/28 Proposed Programme £m	2028/29 Proposed Programme £m
Capital Expenditure by Theme				
Regeneration and Housing	57.004	19.295	4.500	4.500
Schools	8.742	18.656	5.000	0.000
Highways	16.046	26.195	9.519	0.000
Environmental & Communities Projects	3.292	3.007	1.200	1.000
Corporate Property & Estates	5.880	5.957	2.000	2.000
Transport Fleet Management	0.249	0.500	0.500	0.500
ICT & Digital Transformation	1.520	1.500	1.500	1.500
Organisation Redesign & Transformation	1.882	3.840	1.500	1.500
SUBTOTAL EXPENDITURE GF	94.615	78.951	25.719	11.000
Housing HRA	25.000	31.261	23.056	16.549
TOTAL COUNCIL EXPENDITURE	119.614	110.212	48.775	27.549
Financing the Capital Programme				
Prudential Borrowing	55.488	30.361	8.500	8.500
External Funding	36.291	48.589	17.219	2.500
Capital Receipts	2.747	0.000	0.000	0.000
General Fund RCCO	0.089	0.000	0.000	0.000
Subtotal GF FINANCING	94.615	78.951	25.719	11.000
Prudential Borrowing HRA	10.715	10.474	4.864	6.824
External Funding HRA	2.330	0.000	2.240	0.000
Capital Receipts HRA	2.967	3.120	1.260	0.000
Housing Revenue Account DRF/MRR	8.988	17.667	14.692	9.725
Subtotal HRA FINANCING	25.000	31.261	23.056	16.549
TOTAL FINANCING	119.614	110.212	48.775	27.549

- 6.2 It is proposed that schemes be funded through a combination of external grants and allocations, capital receipts and borrowing. The borrowing costs have been reflected in the Council's Treasury Management Strategy for 2026/27 - 2028/29
- 6.3 The financing mix includes several external funding and grants that will be received by the Council as schemes progress throughout the year and expenditure is realised. These are conditional grants and for programmes such as Highways the expenditure is also reliant on further approval of developed plans, thus ensuring the objectives set by GMCA are achieved and are in line with the Greater Manchester Transport, Active Travel, Road Development and Safety and the 'Streets for All' programmes.

- 6.4 The table below shows the capital funding that is ultimately controlled by Council and funding which is further subjected to the GMCA governance.

Table 5: Highways proposed capital expenditure in £ millions

Highways Expenditure 2026-27	Funded by:	Funding type:	2026-27 Proposed Programme £m	2027-28 Proposed Programme £m	2028-29 Proposed Programme £m
Capital Programme					
Highways Planned Maintenance	City region Sustainable Transport (CRSTS)	grant	5.437	0.000	0.000
Highways Key Route Network	City region Sustainable Transport (CRSTS)	grant	1.520	0.000	0.000
Other schemes / Road markings	Council discretionary resources	loan	0.138	0.000	0.000
Street Lighting Capital Repairs/Replacements	CRSTS allocation	grant	0.149	0.000	0.000
Road Safety	Integrated Transport B (ITB)	grant	0.610	0.000	0.000
Network North Highways Maintenance	High Speed2 (HS2) allocation	grant	0.113	0.000	0.000
HIS4	Council discretionary resources loan	Loan	4.000	0.000	0.000
Subtotal maintenance expenditure:	Planned to spend during the financial year		11.967	0.000	0.000
Mayor Challenge Fund schemes (MCF)	GMCA grant	grant	3.201	1.985	0.000
Active Travel Fund schemes	GMCA grant	grant	2.954	0.000	0.000
Streets for All	GMCA grant	grant	7.229	7.128	0.000
CRSTS Improving bus infrastructure/ Pinch Points	GMCA grant	grant	0.844	0.406	0.000
Subtotal GMCA / TfGM directed schemes:	Expenditure per GMCA / TfGM approval of BIDS / Business case/ design and development of schemes		14.228	9.519	0.000
TOTAL EXPENDITURE			26.195	9.519	0.000

7. PRIORITISING, MANAGING, MONITORING, REPORTING AND EVALUATING THE CAPITAL PROGRAMME

7.1 Prioritising Capital Resources

- 7.1.1 It has long been demonstrated that the demand for capital investment

tends to exceed available resources. To alleviate this, a robust mechanism will be implemented during 2026/27, to assess schemes against key criteria and assist in decision prioritisation for the use of capital resources.

- 7.1.2 A cross departmental multi-disciplinary team will act as a Capital Programme Board, to review the capital gateway processes during the year. This includes a review of governance and the approval and monitoring of capital schemes. The process will ensure wider ownership of the monitoring of the capital programme and will include progress updates on each scheme against forecast outcomes as well as risk monitoring.
- 7.1.3 This framework prioritises the capital investment for the Council's Capital Programme. By using this prioritisation process on a rolling basis to decide the schemes to be released in-year and those schemes phased into later years, it allows the review of the whole three-year rolling capital programme. This review of schemes allows the addition, withdrawal or deferral of capital investment ensuring available capital resources are focused on the achievement of corporate priorities and deliverables.
- 7.1.4 Reviewing the Capital Programme is an on-going process and in the past several years the available resources have been reducing constantly due to newly identified funding requirements and a slowdown in available assets suitable for disposal as surplus to business needs. A full review of the capital programme has been carried out which has provided greater insight and transparency of the programme. This means that the Council can be more effective in its monitoring and scrutiny.
- 7.1.5 As part of the gateway process, resource requirements including specialist support will be assessed. Ensuring that sufficient resources are available across the organisation to support the delivery of the capital programme is key to its delivery and the Capital Programme Team will explore and capture the dependencies of each project for teams to be able to plan resources accordingly.

7.2 Monitoring and Reporting on the Capital Programme

- 7.2.1 The Capital Programme will be monitored regularly throughout the year by the Capital Programme Board and will be reported to Cabinet on a quarterly basis.
- 7.2.2 Details of spend, potential re-profiling of the programme and any significant changes in funding assumptions, including the level of asset disposals which are always critical for the delivery of the Capital Programme will continue to be included in the quarterly and other, ad-hoc reports throughout the year to ensure Cabinet and Members are kept informed of the programme's progress and delivery.

8. COMMERCIAL ACTIVITIES

- 8.1 The Council can invest in property or other commercial activities purely or mainly for financial gain, however local authorities must not borrow to invest primarily in financial returns. Investment assets bought primarily for financial return previously known as investment assets bought primarily for yield) are assets that serve no direct policy purpose but are held primarily to generate an income.
- 8.2 The Council has made an equity investment in Manchester Airport Car Park (1) Limited, (along with the other nine Greater Manchester District Councils). The Council's investment is to provide car parking facilities at Manchester Airport. The Council holds 3 Class C ordinary shares. The Council also has a 3.22% shareholding in Manchester Airport Holdings Limited (MAHL).
- 8.3 The proposed capital programme for 2026 to 2029 does not include any investment of this nature, thus ensuring the ability to borrow from the Public Works Loan Board (PWLB) for its capital plan is maintained over the next three years.
- 8.4 The Council will continue to observe the guidance and updates from the Ministry of Housing, Communities and Local Government, and HM Treasury that refers to the non-financial yield bearing investments.

9. RISK MANAGEMENT

9.1 There are some inherent risks considered in the Capital Strategy, including:

- 9.1.1 There is a risk that capital receipts are not realised to the level anticipated in the calculation of resources available to fund the capital programme. This is a major risk and is one that has impacted on past programmes. To mitigate this risk, it is recommended that schemes reliant (in large part or entirely) on capital receipts do not begin until there is a high degree of certainty that the relevant receipts will materialise.
- 9.1.2 Changes in the Bank of England Base Rate and their impact on the Council's cost of borrowing can affect the financing of the capital programme. The Council's budget for 2026/27 includes forecasts of interest rate changes during the year and based on the best information available from the Council's financial advisors, Arlingclose, provides sufficient resources to fund the proposed programme of works. Planning for Prudential Borrowing can be affected by rises in interest rates, making the borrowing option less attractive as a funding option and putting at risk longer term large capital schemes.

- 9.1.3 A normal feature of any large capital programme is that schemes may need re-profiling from one year to the next. The risk is mitigated by slipping corresponding resources between years and for the Council is not considered to be a particular issue in terms of the overall delivery of the programme. The capital gateway processes to be refined for 2026 will further improve the profiling of expenditure and the delivery of schemes in line with expectations.
- 9.1.4 Scheme cost increases can occur due to a range of factors and sometimes cannot be mitigated without impacting on other schemes in the programmed or future years' resources. This risk is mitigated by using sound costing techniques, effective project management and monitoring schemes using a risk assessment approach.
- 9.1.5 Delivery of the programme and ensuring sufficient capacity is available are risks. As part of the new gateway processes, resource requirements for delivery are fully assessed and incorporated in detail plans. This includes ensuring appropriate specialist skills and requirements are identified and that arrangements are in place for these to be sourced.
- 9.1.6 Government grant funding is key to delivering the Council's aspirations and longer-term ambitions. As changes or reductions to government grant funding may adversely affect the delivery of the capital programme, the funding available for capital investment is closely monitored and included in reports to Cabinet throughout the year.

10. KNOWLEDGE and SKILLS

- 10.1 The Capital Programme and the Treasury Management function are both managed by teams of professionally qualified accountants with considerable experience of local government finance. Officers maintain and develop their skills and knowledge through programmes such as Continuous Professional Development and by attending various courses and conferences held by CIPFA and other sector experts on an ongoing basis.
- 10.2 The Director of Finance, in their capacity as Section 151 Officer, has overall responsibility for ensuring the proper management of the Council's capital programme, asset portfolio and treasury management activity and follows an ongoing CPD programme.

REFERENCES and IMPLICATIONS

Links with the Corporate Priorities:

The strategic imperatives of the Let's Do It! Strategy, to deliver economic growth faster than the national average are facilitated by this capital programme which is supporting the

economic regeneration of our Borough and the building and development of new schools and educational places.

This Capital budget provides the resources to maintain the Council's strategic leadership of the LETS's Do IT! Strategy, including the specific delivery priorities for 2026/27 and beyond which are described in the Corporate Plan.

1. Delivery of the Let's Do It Strategy is dependent on resources being available. The delivery of the strategy may be affected by changes in funding and spending.

Equality Impact and Considerations:

2. *Not applicable*

Environmental Impact and Considerations:

1. *The Council is working towards becoming a carbon neutral organisation by 2038.*
2. *All Capital building projects are developed with carbon impacts fully taken into consideration.*

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
The Council's capital resources are not managed effectively.	The capital programme and the gateway process ensure that all available resources are identified and that, where borrowing is required, the costs are reflected in the Council's revenue strategy.
The Council's capital resources are not targeted to priorities and outcomes and the benefit of the investment across the Borough is not maximised.	The approach ensures that schemes can be developed and prioritised throughout the year and that appropriate monitoring arrangements are in place.

Legal Implications:

This report forms the suite of reports with Members need to consider when setting the Council's budget. Members need to give due regard to the setting of the capital budget when undertaking the budget setting process.

The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council.

The Council is required by the Local Government Finance Act 1992 to make

specific estimates of gross revenue expenditure and anticipated income leading to the calculation of the Council tax requirement and it must be sufficient to meet the Council's legal and financial commitments to ensure the proper discharge of its statutory duties and lead to a balanced budget. In setting the budget the Council has a duty to ensure that it continues to meet its statutory duties.

Financial Implications:

The financial implications are detailed within the report.

Appendices:

Appendix 1 Capital budget.

Background papers:

2025/26 Q2 Finance Position

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
CIPFA	Charter Institute of Public Finance and Accountancy
JV	Joint Venture
HRA	Housing Revenue Account
DFE	Department for Education
SEND	Special Educational Needs and Development

APPENDIX 1	2026/27 Capital Programme					2027/28 Capital Programme				2028/29 Capital Programme	
	Prior Year Approvals £m	Cabinet / Op Dec Approved New schemes £m	Rephasing from 2025/26 £m	New Schemes Feb 2026 £	Revised Proposed Programme £m	Approved Bids FEB25 £m	Rephasing from 2025-26 £m	New Schemes Feb 2026 £m	Revised Proposed Programme £m	Approved Bids FEB25 £m	Revised Proposed Programme £m
Capital Expenditure by Theme											
Regeneration and Housing	£6.200	£0.000	£11.395	£1.700	£19.295	£2.800	£0.000	£1.700	£4.500	£4.500	£4.500
Schools	£10.300	£0.000	£8.206	£0.150	£18.656	£0.000	£5.000	£0.000	£5.000	£0.000	£0.000
Highways	£11.802	£0.543	£5.765	£8.085	£26.195	£0.000	£9.519	£0.000	£9.519	£0.000	£0.000
Environmental & Communities Projects	£0.958	£0.000	£1.300	£0.750	£3.007	£0.250	£0.200	£0.750	£1.200	£1.000	£1.000
Corporate Property & Estates	£2.395	£0.000	£0.387	£3.175	£5.957	£2.000	£0.000	£0.000	£2.000	£2.000	£2.000
Transport Fleet Management	£0.000	£0.000	£0.462	£0.038	£0.500	£0.000	£0.000	£0.500	£0.500	£0.500	£0.500
ICT & Digital Transformation	£1.500	£0.000	£0.000	£0.000	£1.500	£1.500	£0.000	£0.000	£1.500	£1.500	£1.500
Organisation Redesign & Transformation	£0.000	£1.240	£0.000	£2.600	£3.840	£0.000	£0.000	£1.500	£1.500	£1.500	£1.500
TOTAL GF EXPENDITURE	£33.155	£1.783	£27.515	£12.498	£78.951	£6.550	£14.719	£4.450	£25.719	£11.000	£11.000
Housing HRA	£15.858	£0.000	£5.410	£9.993	£31.261	£0.000	£0.000	£23.056	£23.056	£16.549	£16.549
TOTAL COUNCIL EXPENDITURE	£49.013	£1.783	£32.925	£22.490	£110.212	£6.550	£14.719	£27.506	£48.775	£27.549	£27.549
Financing the Capital Programme											
Prudential Borrowing	£7.405	£1.240	£7.534	£14.182	£30.361	£4.050	£0.000	£4.450	£8.500	£8.500	£8.500
External Funding	£24.250	£0.543	£19.981	£3.815	£48.589	£2.500	£14.719	£0.000	£17.219	£2.500	£2.500
Capital Receipts	£1.500	£0.000	£0.000	(£1.500)	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
General Fund RCCO	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
SUBTOTAL GF FINANCING	£33.155	£1.783	£27.515	£12.497	£78.951	£6.550	£14.719	£4.450	£25.719	£11.000	£11.000
Prudential Borrowing HRA	£0.000	£0.000	£0.000	£10.474	£10.474	£0.000	£0.000	£4.864	£4.864	£6.824	£6.824
External Funding HRA	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£2.240	£2.240	£0.000	£0.000
Capital Receipts HRA	£0.058	£0.000	£2.440	£0.622	£3.120	£0.000	£0.000	£1.260	£1.260	£0.000	£0.000
Housing Revenue Account DRF/MRR	£15.800	£0.000	£2.970	(£1.103)	£17.667	£0.000	£0.000	£14.692	£14.692	£9.725	£9.725
SUBTOTAL HRA FINANCING	£15.858	£0.000	£5.410	£9.993	£31.261	£0.000	£0.000	£23.056	£23.056	£16.549	£16.549
TOTAL FINANCING	£49.013	£1.783	£32.925	£22.490	£110.212	£6.550	£14.719	£27.506	£48.775	£27.549	£27.549

This page is intentionally left blank

Dedicated Schools Grant

1. Executive Summary

- 1.1. The Dedicated Schools Grant (DSG) is the ringfenced grant from Government that provides each local authority with an allocation of funding for schools and services for pupils.
- 1.2. The DSG contains four blocks determined by a separate funding formula which calculates the total funding due to local authorities. In considering how the DSG is allocated it is necessary to consider each block separately. This report sets out the recommendations in relation to the Schools Budget for approval by Council. The detail set out in this report has been discussed and agreed by the Schools Forum at its meetings on 09 December 2025 and 12 January 2026.

2. Recommendations:

2.1. That Overview and Scrutiny:

- Note the content of this report.
- Consider whether to make any recommendations to Cabinet on the content of this report.

2.2. That Cabinet approve and commend to Council:

- The Dedicated Schools Grant budget for 2026-27 at £270.891m and approve the allocations between the four funding blocks as set out in this report.
- The Schools and Academies 2026-27 funding unit values as agreed by Schools Forum and detailed at Annex 1.
- Approve the 2026-27 hourly rates for all early years providers as follows:
 - £5.77 per hour including IDACI weighting, for 3 and 4 year olds;
 - £8.35 per hour including IDACI weighting, for 2 year olds; and
 - £11.30 per hour including IDACI weighting, for under 2s.
- Note the position on the Dedicated Schools Grant deficit and Project Safety Valve.

3. Background

Dedicated Schools Grant

- 3.1. Details on the Dedicated Schools Grant were published by Government on 17 December 2025. The allocations for Bury are set out in the following table:

2026 to 2027 DSG allocations, before recoupment and deductions for national non-domestic rates, and for direct funding of high needs places by DfE						
Dedicated schools grant (DSG):		Schools block	Central school services block	High needs block	Early years block	Total DSG allocation
351	BURY	(£s)	(£s)	(£s)	(£s)	(£s)
	Final 2025-26 DSG, including additional grants	170,803,013	1,149,642	53,538,534	31,754,242	257,245,431
	2026-27	176,712,533	1,175,003	53,538,534	39,464,722	270,890,792
	Variance to 2025-26 £	5,909,520	25,361	0	7,710,480	13,645,361
	Variance to 2025-26 %	3.5%	2.2%	0.0%	24.3%	5.3%

3.2. The 4 blocks that make up the DSG are:

The Schools Block

This provides funding for individual mainstream schools and academies as well as growth funding for any planned growth in schools. It is the responsibility of the Council to propose and decide any changes to the formula which is used to allocate Schools Block DSG to all primary and secondary schools. The Schools Forum is consulted on any proposed changes and informs the governing bodies of all consultations.

The High Needs Block

This provides funding for the education of pupils subject to Education, Health and Care plans from age 0-25 in a range of provision including special schools, mainstream schools, alternative provision, independent specialist provision and council centrally retained expenditure for high needs support and inclusion. It is the responsibility of the local authority to propose and decide the allocation of High Needs Funding. The Schools Forum is consulted on any proposed changes and informs the governing bodies of all consultations.

The Early Years Block

This provides separate funding streams from nine months up to two years old, two-year-olds, and three-and-four-year-olds in schools and in the Private, Voluntary and Independent (PVI) sector as well as centrally retained expenditure for under-fives. In 2026-27, Local Authorities must pass through a minimum of 97% of funding for each of the stated funding streams. This leaves a balance of up to 3% that can be retained by the Council to contribute to early years functions delivered by education services, for contingency to allow in-year funding to be provided to providers for increased early years pupil participation and for Early Years SEND inclusion funds. It is the responsibility of the local authority to propose and decide on the allocation of early years funding. The Schools Forum are consulted annually and given an opportunity to give their view on the proposals.

The Central Schools Service Block

This provides funding for the local authority to carry out central functions on behalf of pupils in both maintained schools and academies. The local authority proposes the spending allocations funded from the Central Services Block, but the final decision is made by the Schools Forum. Central Schools Services includes the admissions service, Schools Forum administration, National Copyright Licenses and other statutory and regulatory duties.

3.3. There is limited flexibility for councils to transfer funding between the four blocks. The Education and Skills Funding Agency (ESFA) has limited the movement from the Schools Block to 0.5% of the total Schools Block allocation but only with the agreement of the Schools' Forum. Any proposed increase on this is subject to approval by the Secretary of State. Movements from the Central Services Block to any other block are not subject to any limit and can be made in consultation with Schools Forum.

3.4. For 2026-27, Bury's Schools' Forum approved a transfer of 0.2% from the Schools' Block to help support the pressures being faced on the High Needs Block. This equates to a £0.350m contribution to help sustain the recovery of the High Needs deficit. A transfer of 0.2% was recommended and approved on the basis that, in order to transfer 0.5% this would not have left sufficient funding within the Schools Block to meet the national funding formula. This decision can only be made on an annual basis and will be reviewed again next year.

3.5. Furthermore, Schools Forum agreed on 12 January 2026, a transfer of £0.131m from the Central Services Block to the High Needs Block for 2026-27 to support with the council's deficit recovery programme on DSG.

4. DSG Allocation

Schools Block National Funding Formula Allocation

- 4.1. The Schools Block Allocation for 2026-27 is £176.7m, this is an increase of £5.9m from 2025-26 (when including additional in-year grant allocations).
- 4.2. In September 2017, the National Funding Formula (NFF) for Schools and Central Services was introduced. The 2026-27 funding factors continue to comply with the national funding formula values.
- 4.3. Schools Forum has considered the allocation of the Schools Block and have made their recommendations. These have been applied to the formula used to determine individual school allocations and ensure full compliance with statutory requirements.
- 4.4. In 2025-26, schools received additional funding through the Schools Budget Support Grant and National Insurance Contributions Grant however, for 2026-27 this funding has been rolled into the baseline DSG allocation.
- 4.5. A full summary of the funding formula factors is set out at Annex 1, and these are recommended for approval by Council.

Central School Services Block Allocation

- 4.6. The allocation of the Central School Services DSG (CSSB) block is £1.175m in 2026-27, this represents an increase of £0.025m from the 2025-26 allocation. The use of the CSSB is determined by the Schools Forum based upon proposals from the Council in respect to funding ongoing responsibilities and central functions undertaken on behalf of schools and academies.
- 4.7. The planned use of this funding block in 2026-27 is:

Central Schools Services Block (CSSB)	2026-27
Section 251 – Central Provision	
1.4.2 Admissions	£225,200
1.4.3 Schools' Forum	£19,300
1.4.14 National Copyright Licences	£216,900
Section 251 - Former ESG Services	
1.5.1 Education Welfare	£305,100
1.5.2 Asset Management	£105,300
1.5.3 Statutory / Regulatory inc. SACRE	£73,800
Section 251 - Other	
1.4.14 Teachers Pay and Pension Grant	£98,203
Transfer to High Needs	£131,200
Total Central School Services Block (CSSB)	£1,175,003

High Needs Block Allocation

- 4.8. Due to the pending Government review of High Needs funding, the overall amount of grant in the 2026-27 High Needs Block has been frozen at the 2025-26 grant level, with the addition of the previously separate grants. The 2026-27 allocation for High Needs DSG is £53.539m. This represents a zero increase from the 2025-26 allocation.

4.9. High needs funding is provided to local authorities through the high needs block of the DSG, enabling them to meet their statutory duties under the Children and Families Act 2014.

4.10. High Needs funding in 2026-27 is therefore based on 2025-26 allocations, without inflation.

Early Years Block Allocation

The Early Years Block allocation for 2026-27 is £39.465m, an increase of £7.710m from 2025-26. The Early Years Block allocation will be adjusted in-year in respect of fluctuations in Early Years participation. From April 2026, the final funding allocation for 2026-27 will be based on termly census data:

Summer Term 2026 13/38ths Autumn Term 2026 14/38ths Spring Term 2027 11/38ths

Therefore, the allocation identified in this report remains indicative.

4.11. For 2026-27, the additional funding increase relates to the free childcare offer introduced in 2025, which has been extended so that eligible working parents in England are able to access 30 hours of free childcare per week for 38 weeks per year from the term after their child turns 9 months to when they start school.

4.12. The initial indicative funding for 2026-27 is as follows:

DSG Early Years Block	2026-27
3&4 YO Basic Entitlement	£9,293,396
3&4 YO Extended Entitlement	£4,492,492
2-year-old disadvantaged entitlement	£1,918,499
2-year-old entitlement for working parents	£8,804,894
Under 2s entitlement	£14,135,613
Early Years pupil premium for 3 & 4-year-olds	£233,798
Early Years pupil premium for 2-year-olds	£133,893
Early Years pupil premium for under 2s	£22,550
Disability access fund for 3 & 4-year-olds	£117,000
Disability access fund for 2-year-olds	£46,800
Disability access fund for under 2s	£7,800
Maintained Nursery Supplementary Funding	£257,987
Total Early Years Block	£39,464,722

4.13. For 2026-27, local authorities are required to pass through at least 97% of funding for each of the following funding entitlement streams individually:

- 3 & 4 YO entitlements
- Under 2's
- 2 YO disadvantaged offer
- 2 YO working parents

Bury Council continues to meet this requirement.

4.14. The remaining grant, up to 3%, can be retained by the council to contribute to central early years functions, contingency for in year increases to early years participation in settings and an Early Years SEND Inclusion Fund. For 2026-27, the retained funding totals 2.8%, with 97.2% being passported.

- 4.15. In accordance with the statutory requirements, Council is required to approve the hourly rates for Early Years providers which will be applicable from 1 April 2026. These are set out in the table below:

Factor	Hourly Rates
3 & 4 Year Olds	£5.77
2 Year Olds	£8.35
Under 2s	£11.30

The above rates include an average of £0.19 per hour for deprivation. Each child will attract deprivation funding according to the Income Deprivation affecting Children Index (IDACI). The average of £0.19 per hour covers the amounts in table below.

Weighting	2026-27 Supplement per hour
G	£0.00
F	£0.20
E	£0.24
D	£0.37
C	£0.40
B	£0.44
A	£0.57

5. Dedicated Schools Grant Recovery Plan

- 5.1. Costs of high needs have exceeded the available budget for several years with the DSG deficit at the start of the 2025-26 financial year standing at £19.041m, and is expected to be £21.883m as at 31st March 2026. This deficit had accrued for a number of reasons including increasing volumes of pupils receiving Education, Health and Care Plans (EHCPs), increasing complex needs, increasing costs of provision, previously increased numbers of pupils in out of borough placements, as well as more recent investment made into in-borough inclusion.
- 5.2. The Department for Education (DfE) established a DSG Safety Valve Programme to work with councils with the greatest deficits to develop an agreed recovery plan with Bury being one of the first five local authorities to develop an agreement with the DfE.
- 5.3. Bury entered into a formal Safety Valve agreement on 19 March 2021. This original agreement aimed to eradicate the DSG deficit by the end of the 2024-25 with the council to receive an additional £20m of revenue funding to support with its recovery programme.
- 5.4. The council has undertaken extensive work in repairing and rebuilding Special Educational Needs and Disabilities (SEND) services within the borough over the last four years as part of the Safety Valve programme which has included rebuilding the Education Health and Care Plan (EHCP) team, reworking the EHCP process and launching a graduated approach. In addition, there has been extensive work to reduce the cost of provision in borough and there continues to be work on improving sufficiency in Bury.
- 5.5. The work undertaken to date has had an impact and had started to reduce the DSG deficit position, however this has been against a backdrop of unprecedented demand. The zero increase in High Needs funding for 2026-27, increased provider costs, and the planned Government review of SEND Provision will impact the Safety Valve plan. A further review will be undertaken once the outcome of the Government's SEND review is known.

Schools and Academies 2026-27 funding unit values

Factor	Sub-level	2025-26	2026-27	Variance to 2025-26		Of which = 25-26 grant transfer	Variance excl. grant transfer
		£	£	£	%		
Basic Entitlement	Primary	3,847	4,064	217	5.6%	133	2.2%
Age Weighted Pupil Unit (AWPU)	Key Stage 3	5,422	5,686	264	4.9%	146	2.2%
	Key Stage 4	6,113	6,410	297	4.9%	165	2.2%
Deprivation							
Free School Meals	Primary FSM	495	505	10	2.0%	0	2.0%
	Secondary FSM	495	505	10	2.0%	0	2.0%
Free School Meals - Ever 6	Primary FSM 6	1,060	1,210	150	14.2%	124	2.5%
	Secondary FSM 6	1,555	1,725	170	10.9%	132	2.4%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	235	240	5	2.1%	0	2.1%
	IDACI E	285	290	5	1.8%	0	1.8%
	IDACI D	445	455	10	2.2%	0	2.2%
	IDACI C	490	500	10	2.0%	0	2.0%
	IDACI B	520	530	10	1.9%	0	1.9%
	IDACI A	685	700	15	2.2%	0	2.2%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	340	345	5	1.5%	0	1.5%
	IDACI E	450	460	10	2.2%	0	2.2%
	IDACI D	635	650	15	2.4%	0	2.4%
	IDACI C	695	710	15	2.2%	0	2.2%
	IDACI B	745	760	15	2.0%	0	2.0%
	IDACI A	950	970	20	2.1%	0	2.1%
Additional Education Needs Factors							
Looked After Children (LAC)							
English as an Additional Language (EAL)	EAL 3 Years Primary	595	610	15	2.5%	0	2.5%
	EAL 3 Years Secondary	1,595	1,630	35	2.2%	0	2.2%
Mobility	Pupils starting school outside normal entry	965	985	20	2.1%	0	2.1%
		1,385	1,415	30	2.2%	0	2.2%
Low cost, high incidence SEN	Low Attainment Primary (below expected EYFS)	1,175	1,200	25	2.1%	0	2.1%
	Pupils not achieving (KS2 level 4 English and Maths)	1,785	1,825	40	2.2%	0	2.2%
School-Led Factors							
Lump Sum	Primary	145,100	152,700	7,600	5.2%	4,486	2.1%
	Secondary	145,100	152,700	7,600	5.2%	4,486	2.1%
Split Site	Basic Eligibility	54,000	55,100	1,100	2.0%		
	Distance Eligibility Minimum	0	0				
	Distance Eligibility Maximum	27,000	27,600	600	2.2%		
Minimum Per Pupil Funding Levels	MFL - Primary	4,955	5,115	160	3.2%	159	0.0%
	MFL - Secondary	6,465	6,640	175	2.7%	174	0.0%

Equality Impact Analysis

This equality impact analysis establishes the likely effects both positive and negative and potential unintended consequences that decisions, policies, projects and practices can have on people at risk of discrimination, harassment and victimisation. The analysis considers documentary evidence, data and information from stakeholder engagement/consultation to manage risk and to understand the actual or potential effect of activity, including both positive and adverse impacts, on those affected by the activity being considered.

To support completion of this analysis tool, please refer to the equality impact analysis guidance.

Section 1 – Analysis Details (Page 5 of the guidance document)

Name of Policy/Project/Decision	Council Budget for 2026/2027
Lead Officer (SRO or Assistant Director/Director)	Neil Kissock
Department/Team	Finance
Proposed Implementation Date	April 2026
Author of the EqIA	Lee Cawley (EDI Manager)
Date of the EqIA	28/1/26

<p>1.1 What is the main purpose of the proposed policy/project/decision and intended outcomes?</p> <p>Council is seeking to set a budget for the 2026/27 financial year in a continuing period of economic uncertainty. In order to set a balanced budget, savings proposals totalling £15.961m for 2026/27 and additional Council Tax and Business Rates income of £4.770m (net of grant changes due to the Fair Funding Review) have been brought forward for consideration. The LET'S Do It! Strategy for 2030 provides the strategic framework for the Council's use of resources using the four clear principles of:</p> <ul style="list-style-type: none"> • Local neighbourhoods. • An Enterprising spirit. • Delivering Together. • A Strengths-based approach <p>From a budget planning perspective, the application of the LET'S Do It! strategy is an opportunity to:</p>

- Empower local people and organisations to seek self-help and community-based support rather than immediately engaging with statutory services. The scale of community potential is now evident through the anti-poverty response, for example, with over 80 organisations active in providing cost of living support and the emergence of the Bury Community Support Network
- Tackle health inequalities through a comprehensive local Wellness offer.
- Take a stronger focus on prevention and harnessing community capacity, which has been at the heart of the adult social care transformation since 2019 and continues within this budget.
- Drive innovation such as through the internal transformation strategy which continues to enable digital-first, more efficient processes, user self service
- Deliver inclusive growth through regeneration in order to reduce deprivation and therefore demand on expensive reactive Council and other public services. Growth also creates the potential for increased income from council tax and business rates receipts, through delivery of a pipeline of brownfield-first housing and new locations for business.

As far as possible budget savings options have been developed which are consistent with the LET'S principles. However, given the sheer scale of savings required, this is not universally the case, and, in some instances, proposals simply relate to reduced controllable spend through a reduction in non-statutory service provision.

However, in the delivery of all budget proposals the Council will be cognisant of its statutory obligations in relation to inclusion, as per the Equality Act 2010 and Public Sector Equality Duty, and its local commitment as set out in the LET'S Do It! Strategy and Bury Council EDI Strategy and Objectives 2024-28

This overarching EIA sets out the Council's approach to considering and addressing any potential equality implications of the budget and defines where more detailed proposal-specific EIAs will be undertaken

A number of individual efficiency and savings proposals have been put forward as part of the overall 2026/2027 budget setting. These proposals cover a number of areas affecting residents including health and social care, children's services, district car parking and internal council operating functions. EIAs will be undertaken where these could have an effect on residents, council colleagues or partner organisations. These proposals include:

Commissioned Services - review of client contribution limit for day services

Persona Supported living rate review
 Reduction of Leisure council subsidy
 Victoria Family Centre delivery model review
 Burial vault service fees

No proposal put forward as part of the 2026/2027 budget will affect the delivery of statutory services.

Section 2 – Impact Assessment (Pages 6 to 10 of the guidance document)

2.1 Who could the proposed policy/project/decision likely have an impact on?

Employees: Yes

It is possible some proposals set out in this budget will have an impact on the council’s workforce through council workforce structures, changes to services and the nature of work and services delivered by employees and how residents, businesses and partner organisation interact with employees during their work.

Community/Residents: Yes

It is possible that our communities and residents could be impacted by some proposals set out in this budget. Communities and residents may see increased, changed, reduced or removed provisions which could impact their day to day life as residents in the borough.

Third parties such as suppliers, providers and voluntary organisations: Yes

It is possible that third parties operating in the borough and/or partnering with the council could be impacted by some proposals set out in this budget, this could affect the operations of these third parties

2.2 Evidence to support the analysis. Include documentary evidence, data and stakeholder information/consultation

Documentary Evidence:

Specific Proposals which could have an equalities impact

Given the complexity and scale of the budget changes required it is challenging to provide an overall analysis of potential impact. As outlined above, inclusion is a central theme of the Council's LET'S Do It! strategy and, in providing a budget which, to a significant extent, aligns with this vision. Officers have sought to mitigate the impact on protected groups in the borough.

Whilst there is the *potential* for disproportionate negative impacts on protected groups in the above areas, the proposal specific EQIAs will need to explore these in more detail and, wherever possible, seek to mitigate this in accordance with the Council's obligations under the Public Sector Equality Duty.

Overall, the scale of budget reductions required across the Council represents a risk of negative impact on protected groups which will need to be closely managed and monitored throughout the implementation process.

It is recognised that the proposed council tax increase is required for the council to meet its statutory duties and requirements. There is a risk of this having a negative impact on the socio-economically vulnerable and, by extension, other characteristics where there is an accepted link to socio-economic vulnerability specifically, younger and older people, disabled people, people who are from ethnic minorities, care leavers and veterans. The same is also true in relation to the proposed rent increases for tenants of the council's housing stock which are required for the council to meet its statutory duties and requirements as landlord.

The Council's cost of living support, [LET'S Manage Tough Times](#) and wider work to support the most vulnerable residents through our Neighbourhood Teams and overarching delivery of the LET'S Do It! Strategy will provide support to mitigate this impact insofar as is reasonably possible. Individuals and families may need further individually tailored support with paying rent and council tax which will be considered on a case-by-case basis through relevant support mechanisms.

As a council, we proactively identify and help residents with any support available to them including Pension Credits through our Welfare Support surgeries which are held at different locations throughout the borough, along with support identification taking place for struggling residents through the Supportive Collection Pathway.

The council has changed its approach to the collection of Council Tax, introducing a Supportive Collection Pathway, whereby residents struggling to pay are engaged with in a different manner and with officers actively seeking to maximise their income and reduce their Council Tax bill prior to a discussion around payment.

The council will also continue to help and support our most vulnerable residents through the allocation of Household Support

Fund, which the government has confirmed will continue for 12 months from April 2026.

The council website brings together information for residents on a variety of support available.

<https://www.bury.gov.uk/benefits/lets-manage-tough-times>

Data:

Demographics

The council's Employment Equality Report 2025 details an analysis of demographics data of the council workforce and the borough's population, taken from the Census 2021. Headline data from the 2021 census told us:

- Bury's population increased by around 8,800 between the last two censuses (about 5%), to just under 195,000 in 2021.
- 33% of Bury's population are over 50
- 19% of people in Bury are disabled
- 0.47% of the population are transgender* (this question was optional therefore is estimated to be higher)
- 45.3% of the population are married or civilly partnered
- 20.9% of the population listed their ethnic group as a minoritised group with the 'Asian, Asian British or Asian Welsh category the highest at 11%.
- 94% of people in Bury speak English as their main language (compared to 82% in Manchester).
- 48.8% of Bury residents described themselves as Christian, 29% reported having "No religion", while 10% described themselves as Muslim and 6% noted their religion as Judaism.
- Bury's population is made up of 51% women and 49% men
- 3% of people in Bury identified as a sexual orientation other than heterosexual* (this question was optional therefore is estimated to be higher)
- 9.4% of people in Bury stated they had unpaid caring responsibilities for an adult or child who could not manage day to day without their care
- Based on responses 3% of the borough's populations are armed forces veterans, circa 5,000 people (highest areas had over 10%).
- 52.5% of households in Bury fall under the "Household Deprivation" category in the census.

Care Experienced Children and Care Leavers

The census does not capture this information however Bury Council recognises care experienced children and care leavers as an additional protected characteristic. As of January 2025, there were 373 children looked after and 271 care leavers in the borough being supported by the council.

Number of residents receiving council tax support

The Council Tax base data in December 2025 showed a total of 7,607 properties in receipt of council tax support with 88% of these being within Band A and B properties.

Index of multiple deprivation

[Index of Multiple Deprivation \(IMD\) 2025 | Bury Directory](#)

The IMD data shows Bury’s 120 Lower Layer Super Output Areas (LSOA) by income and decile
Of the 120 LSOAs, 13 are in the most deprived 10% of LSOAs in the country. These LSOAs are parts of the East, West and Whitefield neighbourhoods
All five neighbourhoods, East, North, Prestwich, West and Whitfield have at least 1 LSOA in the lowest 30% of LOSAs in the country

Incomes and Inflation

The following statistics reflect the expected comparable inflation rates and uplifts in benefits, pensions and pay growth

- The inflation rate as of December 2025 stood at 3.4% CPI and 4.2% RPI ([ONS, 2025](#)) and is expected to fall to 2% over this budget period ([OBR, 2026](#))
- The government has implemented an uplift of 4.1% to the national living wage as of 1st April 2026) [Minimum wage rates for 2026 - GOV.UK](#)
- The state pension uplift for April 2026 will be 4.8 % [Proposed benefit and pension rates 2026 to 2027 - GOV.UK](#)
- Average weekly earnings growth, September to November 2025 is 4.5% [Average weekly earnings in Great Britain - Office for National Statistics](#)

Stakeholder information/consultation:

[Budget Consultation 26/27 – Analysis of responses](#)

Background

The consultation for the budget proposals for 2026/27 was launched on 4 December 2025 and closed on the 19 January 2026. The consultation focused on gathering opinions on general budget setting principles, strategies that may be employed to continue to deliver savings through the next year and also asked for ideas around income generation for leisure services. The survey received 726 responses compared to 282 responses for the 2025/26 consultation.

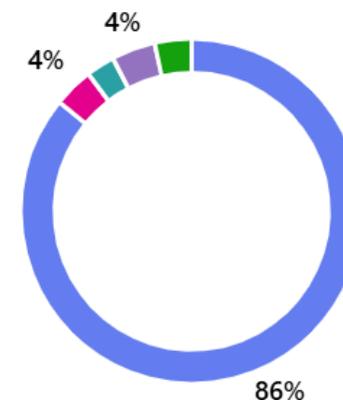
Demographics and Characteristics

Please note that the demographics questions were not mandatory and therefore each question may not add up to the 726 total respondents.

- Respondent type

9. Are you a:

● Resident of Bury	665
● Business of Bury	29
● Part of a public sector organisation	21
● Staff member of Bury Council	32
● Other	27



- Demographics and Characteristics compared to Census 2021 and the 2025/26 consultation

2026/27 Budget Consultation Demographics and Characteristics Analysis			
	Consultation Reponses 26/27	Consultation Reponses 25/26	2021 Census
Ethnicity			
Asian or Asian British	2%	4%	11%
Black, Black British, Caribbean or African	1%	1%	2%
Mixed of Multiple Ethnic Groups	1%	2%	3%
White	87%	91%	83%
Other Ethnic Group	1%	2%	2%
Gender			
Male	46%	48%	49%
Female	49%	43%	51%
Prefer not to say	5%	8%	
Other	0%	1%	
Age			
Under 18	1.0%	0.4%	23%
18-24	2.0%	1.1%	7%
25-34	7.0%	13.7%	13%
35-44	19.0%	23.7%	13%
45-54	22.0%	20.6%	13%
55-64	26.0%	22.9%	13%
65+	25.0%	17.6%	18%
Religion			
Buddhist	0%	0%	0.3%
Christian	48%	48%	48.8%
Hindu	0%	0%	0.5%
Jewish	2%	3%	5.5%
Muslim	2%	2%	9.9%
Sikh	0%	0%	0.3%
Other Religion	2%	1%	0.3%
No Religion	42%	45%	29.4%
Other	3%	2%	0.3%

Comparing the profile of responses to our census analysis, the outliers are:

- an over representation of White respondents but less than last year and an under representation of Asian / Asian British which is also less than last year.
- Over representation of 35-64 year old age ranges and under representation of 18-24 year old age range (omitting under 18s due to less likelihood of engaging in budget consultations). There has been an increase in responses from the 45-65+ age range compared to last year which indicates an increase in engagement with those age groups.
- In terms of religion, those with no religion over represented and our Jewish and Muslim communities under represented.

By analysing the responses against our census profile, it can indicate the impact of our engagement work around the budget consultation and also provide an indication as to how representative the final outcomes of the consultation are across the whole population.

Consultation analysis by specific characteristic has highlighted:

- Disabled, female and older respondents were less favourable to moving services online than all respondents
- If services were moved online, respondents suggested retaining in person support and phone access for targeted groups
- Disabled respondents also said user experience of online services needed to be improved
- Disabled people and male respondents were less favourable to implementing fees or charges to influence behavioural changes than all respondents
- All characteristics were less favourable about council tax increase but emphasised the need for greater communication of support mechanisms, tools and offsets to reduce any perceived or identified disadvantages
- All characteristics demonstrated support for evidence based spending

2.3 Consider the following questions in terms of who the policy/project/decision could potentially have an impact on. Detail these in the impact assessment table (2.4) and the potential impact this could have.

- Could the proposal prevent the promotion of equality of opportunity or good relations between different equality groups?
- Could the proposal create barriers to accessing a service or obtaining employment because of a protected characteristic?
- Could the proposal affect the usage or experience of a service because of a protected characteristic?
- Could a protected characteristic be disproportionately advantaged or disadvantaged by the proposal?
- Could the proposal make it more or less likely that a protected characteristic will be at risk of harassment or victimisation?
- Could the proposal affect public attitudes towards a protected characteristic (e.g. by increasing or reducing their presence in the community)?
- Could the proposal prevent or limit a protected characteristic contributing to the democratic running of the council?

2.4 Characteristic	Potential Impacts	Evidence (from 2.2) to demonstrate this impact	Mitigations to reduce negative impact	Impact level with mitigations Positive, Neutral, Negative
Age	Disproportionate financial disadvantage due to fixed income – pensioners or younger people	Living Wage increase by 4.1% from April 2026 State pension increase 4.8% Both lower than planned 4.99% CT increase	Residents of Pension Age on a low income will receive Council Tax Support. Unlike Working Age recipients, Pension Age recipients can be awarded up to 100% of their Council Tax liability. Living wage and state pension uplift % is over 75% of the planned CT % Uplift Inflation rate expected to reduce to 2% over the course of this budget period	Neutral
Disability	Disproportionate financial disadvantage due to fixed income	Attendance Allowance increase by 4.17% Benefit cap to remain static in 2026/27	By disregarding disability related benefits and affording further protection for households with a disability, the new Council Tax Support scheme makes additional provision for those with a disability.	Neutral

			Inflation rate expected to reduce to 2% over the course of this budget period	
Gender Reassignment	No impact			
Marriage and Civil Partnership	No impact			
Pregnancy and Maternity	No impact			
Race	No impact			
Religion and Belief	No impact			
Sex	Disproportionate financial disadvantage due to low household income of single parent family – More likely to be a woman	Living Wage increase by 4.1% from April 2026	Working Age residents on a low income can claim up to 80% of their Council Tax liability through Council Tax Support along with support towards rent payments for those in rented accommodation. The new Council Tax Support scheme provides greater support to families Inflation rate expected to reduce to 2% over the course of this budget period	Neutral
Sexual Orientation	No impact			
Carers	Disproportionate financial disadvantage due to low income	Carers allowance to rise by 3.78% Benefit cap to remain static in 2026/27 Attendance allowance to rise by 4.16%	The Council Tax Support scheme provides additional protection to those residents classed as carers. Inflation rate expected to reduce to 2% over the course of this budget period	Neutral
Looked After Children and Care Leavers	Disproportionate financial disadvantage due to low income		Working Age residents on a low income can claim up to 80% of their Council Tax liability through Council Tax Support	Neutral

			<p>along with support towards rent payments for those in rented accommodation. The new Council Tax Support scheme provides greater support to families – including those families containing looked after children. Care leavers receive a full exemption from Council Tax until the age of 25.</p>	
Socio-economically vulnerable	Disproportionate financial disadvantage due to low income	<p>Living Wage increase by 4.1% from April 2026 State pension increase 4.8% Both lower than planned 4.99% CT increase Attendance Allowance increase by 4.17% Benefit cap to remain static in 2026/27</p>	<p>Working Age residents on a low income can claim up to 80% of their Council Tax liability through Council Tax Support along with support towards rent payments for those in rented accommodation. The new Council Tax Support scheme provides increased support for families with children. Council teams will continue to review and evolve the council's welfare support offer, ensuring this is up to date, accessible and inclusive. Living wage and state pension uplift % is over 75% of the planned CT % Uplift Inflation rate expected to reduce to 2% over the course of this budget period</p>	Neutral
Veterans	Disproportionate financial hardship due to low income		<p>Working Age residents on a low income can claim up to 80% of their Council Tax liability through Council Tax Support along with support towards rent payments for those in rented accommodation. The Council has a commitment to not include armed forces compensation</p>	Neutral

			<p>payments or benefit in calculations for Council Tax Support, Discretionary Housing Payments and Discretionary Council Tax payments.</p> <p>Council teams will continue to review and evolve the council's welfare support offer, ensuring this is up to date, accessible and inclusive</p> <p>Council's welfare support offer to be communicated to all staff and members so they can refer residents to support as and when this is needed</p>	
--	--	--	--	--

Actions required to mitigate/reduce/eliminate negative impacts or to complete the analysis

2.5 Characteristics	Action	Action Owner	Completion Date
Various	To provide communication to officers and members on the support available, including how residents can access help and officers and members can refer into the service where required.	Chris Brown	2026/27
Various	To continue developing the Council's Welfare offer, ensuring the offer is as inclusive as possible and maximises access to support for our most vulnerable residents.	Chris Brown	2026/27
All	<p>Carry Out EIAs for the following proposals:-</p> <p>Commissioned Services - review of client contribution limit for day services</p> <p>Persona Supported living rate review</p> <p>Reduction of Leisure council subsidy</p> <p>Victoria Family Centre delivery model review</p> <p>Burial vault service fees</p>	Individual owners April 2025	

Section 3 - Impact Risk

Establish the level of risk to people and organisations arising from identified impacts, with additional actions completed to mitigate/reduce/eliminate negative impacts.

3.1 Identifying risk level (Pages 10 - 12 of the guidance document)

Impact x Likelihood = Score			Likelihood			
			1	2	3	4
			Unlikely	Possible	Likely	Very likely
Impact	4	Very High	4	8	12	16
	3	High	3	6	9	12
	2	Medium	2	4	6	8
	1	Low	1	2	3	4
	0	Positive / No impact	0	0	0	0

Risk Level	No Risk = 0	Low Risk = 1 - 4	Medium Risk = 5 – 7	High Risk = 8 - 16
-------------------	--------------------	-------------------------	----------------------------	---------------------------

3.2 Level of risk identified	2 - Low Risk
-------------------------------------	--------------

3.3 Reasons for risk level calculation	Whilst it is possible that some individuals will be disproportionately disadvantaged financially by the decisions within the 2026/27 budget report, there are well established systems and processes in place in relation to offering support via various welfare offers, promotion of benefit uptake and relevant support mechanisms.
---	--

Section 4 - Analysis Decision (Page 11 of the guidance document)

4.1 Analysis Decision	X	Reasons for This Decision
There is no negative impact therefore the activity will proceed		
There are low impacts or risks identified which can be mitigated or managed to reduce the risks and activity will proceed	X	
There are medium to high risks identified which cannot be mitigated following careful and thorough consideration. The activity will proceed with caution and this risk recorded on the risk register, ensuring continual review		

Section 5 – Sign Off and Revisions (Page 11 of the guidance document)

5.1 Sign Off	Name	Date	Comments
Lead Officer/SRO/Project Manager	Dawn Burns	30/1/26	
Responsible Asst. Director/Director	Neil Kissock	30/1/26	
EDI	Lee Cawley	02/02/26	QA Complete: The analysis has identified possible negative impacts across several characteristics. These impacts are mitigated through existing and newly developed support systems and projected economic factors which will contribute to reducing the impacts.

			This analysis will be reviewed as the budget progresses
--	--	--	---

EqIA Revision Log

5.2 Revision Date	Revision By	Revision Details

This page is intentionally left blank

Report of the Chief Financial Officer on the robustness of the 2026/27 Budget Estimates and the adequacy of reserves.

LOCAL GOVERNMENT ACT 2003 – SECTION 25

Introduction

Section 25 of the Local Government Act 2003 requires that, in giving consideration to budget proposals, Members must have regard to the advice of the Council's Chief Finance Officer, currently the Director of Finance, on the robustness of the estimates made for the purposes of the Council's Budget calculations and the adequacy of the General Fund balances and reserves.

The Council must have regard to this report, which is set out below, when making decisions in respect of the Budget. In expressing the opinion, the Section 151 Officer has considered the financial management and control frameworks that are in place, the budget assumptions, the financial risks facing the council and the level of Reserves

Section 25 of the Local Government Act 2003 concentrates primarily on the uncertainties within the forthcoming budget year, however longer-term uncertainties and increasing pressures on the Council's finances also inform consideration of the adequacy of the level of reserves for the medium term.

This report has been prepared against the backdrop of the Code of Practice for Financial Management ('the FM Code') which was introduced by CIPFA in November 2019. The Code clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972

This report has been prepared in accordance with those statutory requirements and covers the following two specific areas:

- Robustness of Budget estimates.
- Adequacy of Reserves.

Both are important in their own right, the first gives consideration to any risks contained with the estimates of the budget being approved and the reserves element ensures consideration is being given to the longer-term financial health of the Council.

Robustness of Budget Estimates

This section will deal with two specific areas:

- The process by which the estimates were produced (to provide assurance to members).
- Potential risks to these estimates and the underlying assumptions.

Process

The estimates contained within the budget have been through a rigorous process which includes:

- Identification of assumptions (on macro issues) using comparison with peer authorities and using external experts to provide advice.
- Estimates for demand for council services have been built up using local service knowledge within the Council and also supported by external experts in the key areas of adults and children's social care.
- The estimates have been produced and owned by the directorates that will be managing the budgets.
- The budget package has been reviewed and signed off by the Council's leadership team.

In developing these estimates careful consideration has been given to:

- The outcome of the 3 year financial settlement which replaces the single year settlements which have become the norm in recent years. Councils have long lobbied for multi-year settlements to provide a greater degree of certainty regarding funding levels and therefore aid financial planning over the medium term.
- The increasing demand for council services, particularly with regard to social care, home to school transport and homeless services.
- The level of inflation at present and going forward – recognising the recent uncertainty.
- The national picture in terms of 'financial viability' of some councils.
- The links between the revenue budget and capital programme in terms of the size of capital programme the Council can afford.

Inevitably given the complexity of the budget for a Council and the uncertainty around demand and inflation particularly there will be a number of potential risks to the position laid out in this budget report. These are set out in the next section.

Risks/variances

This section is concerned with the scale of financial risks faced by the Council as a result of the estimates and assumptions which underpin the budget. The basis of these estimates, as in previous years, relies on the forecast of activity and the impact of changes in policy previously agreed by the Council, and any changes in national policies. These forecasts are kept under review as part of the budget monitoring process and actions identified to address financial risks and capitalise on financial opportunities arising from changes in the forecasts.

The table below demonstrates the scale of just a small variance in the assumptions made, showing the potential impact of both a positive and negative movement of 1% across the main areas within the medium-term financial strategy (the backdrop against which this budget is set):

Sensitivity Analysis	Potential Full Year Impact of 1% Movement £m
Council Tax (level, taxbase and collection rates)	+/- £1.242
Pay Award	+/- £1.046
Real Living Wage	+/- £0.681
Adults Community Care: inflation and demand growth	+/- £1.050
Adults Transition Budget: demand growth	+/- £0.297
Children Looked After Budget: inflation and demand growth	+/- £0.870
Treasury & Capital Financing Costs	+/- £1.383

A number of specific potential risks and opportunities remain within the budget as follows:

- Government Funding** – there is relative certainty for future years over the level of government funding with the multi-year funding settlement now in place. The funding reform has been described as realigning funding in line with the recognised need for services whilst giving due consideration to a council’s ability to raise revenue via council tax, business rates and fees and charges. The local government finance settlement Whilst the settlement was positive overall for the council compared to previous assumptions However, the funding does not increase at the same rate as the current forecast demand, pay award and inflationary pressures.
- Inflation** – Assumptions have been made for inflation based on latest forecasts. The trajectory has moved upward by circa one percentage point since last year’s budget was set. This is an area the Council will need to monitor carefully particularly in its relationship with contractors and their asks for inflationary increases.
- Pay** – The Council has assumed a 3% increase in pay budgets for 2026/27, up from the 2% previous assumptions due to the increase in overall inflation. There is the possibility that the pay award could be more than this or that it is awarded on a sliding scale that averages more than 3% across the full pay scales.
- Service Demand** – demand for council services has continued to increase and this is an area the Council will continue to constantly monitor.
- Interest rates** – The budget currently assumes a 5.25% interest rate for the majority of 2026/27.
- Delivery of the savings programme** – the 2026/27 budget set out for members includes total savings to be delivered of c£16.2m (including £9.5m of new budget proposals). This is a significant ask and will require continuing regular monitoring and prioritisation from the officer leadership of the Council but the percentage of planned savings delivered has significantly improved following the introduction of the new governance arrangements. Any non or delayed delivery of agreed savings however will worsen the current forecast funding gap if offsetting

mitigations are not identified.

Mitigations in place

The Council has a number of mitigations in place for these risks:

- Governance has been strengthened aligned to the council's improvement plan. A strategic finance board made up of senior officers from all directorates and chaired by the Director of Finance, is responsible for monitoring the in-year revenue budget, including the delivery of agreed savings, and updating and developing the medium-term financial strategy. The board will also drive the production of budget proposals over the spring and summer to address the residual structural funding gap to enable a balanced budget to be set without recourse to reserves over the period covered by the current medium-term strategy.
- In-year financial performance is monitored every month and reported to Cabinet on a quarterly basis. This involves identifying mitigations to address forecast overspends and to factor any ongoing risks and opportunities into the medium-term financial strategy.
- Investment has been agreed by Cabinet to strengthen the corporate procurement team and to improve the systems it uses, and a review of strategic commissioning, procurement and contract management arrangements and the future procurement pipeline is being undertaken to ensure value for money and outcomes are maximised through the council's third-party contracts.
- An exercise has been undertaken to restructure debt where possible and reduce revenue borrowing costs which has been reflected in the budget proposals. Periodic reviews will continue to take place to ensure that benefits are maximised where possible via further debt restructuring and careful consideration of the timing of future prudential borrowing.
- The Council has a budget stabilisation reserve which, at present, 'smooths' the annual financial gap as the Council works towards the delivery of a balanced and sustainable budget going forward. An ongoing review of uncommitted reserves will continue to be undertaken overseen by the Finance Board with a view to replenish the budget stabilisation reserve where possible.

Future developments

A number of associated strategies are managed within the Council which may impact on the Council's overall budget position in the medium term. These will be included as specific sections in future budget reports.

High needs block (SEND) – there is currently a significant deficit on this block and which reflects the national challenge of increasing demand. In response to the

pressures Bury was one of the first councils to enter into a formal Safety Valve agreement on 19 March 2021. The original agreement aimed to eradicate the DSG deficit by the end of the 2024-25. The council has undertaken extensive work in repairing and rebuilding Special Educational Needs and Disabilities (SEND) services within the borough over the last four years as part of the Safety Valve programme which has included rebuilding the Education Health and Care Plan (EHCP) team, reworking the EHCP process and launching a graduated approach.

The work undertaken to date has had a positive impact compared to many other councils who are reporting significant increases in their deficits, however demand pressures remain. This increase in demand has resulted in a necessary change in the deficit reduction profile with the council working with the DfE to agree a revised DSG Management Plan that will remain under close scrutiny and review through the Finance Board and Member Assurance Group.

This is a national issue and one which is being actively monitored and reviewed. At present there is a statutory override which means the Council does not have to fund the deficit. There is no confirmed national solution to this challenge at present, and the override expires at the end of 2027/28, the future of this arrangement is dependent on the outcome of the government SEND reforms. As part of its financial planning the Council holds a DSG reserve which covers these costs. However, going forward if the statutory override is removed the deficit would become a significant financial challenge to the Council. Given the size of the national deficit with the majority of councils forecasting increases in their deficits, it is anticipated that there will be a solution identified by government to address the risks to many council's future financial sustainability should the override be removed.

At this moment the pressures are not reflected in the Council's budget due to the current statutory override.

In addition,

Treasury Management – The Council has a historically successful treasury management strategy. Given the changes to the macro-economic conditions over recent years this strategy will need to be continually monitored to minimise the cost of borrowing and maximise returns on cash balances whilst minimising risk and will be included in future years budget reports.

Major Projects – The Council successfully supports a number of major projects to promote regeneration and economic growth across the borough.

Reserves Strategy

It is important the Council maintains and monitors an appropriate level of reserves in

these challenging times and this needs to be a careful consideration between ensuring sufficient reserves exist for a sustainable financial future against not accumulating reserves at the expense of needing to make decisions in the short term that could be operationally damaging to the Council's ability to provide the services it needs to its residents, service users and other stakeholders.

The Council holds reserves for a number of reasons:

- To enable the Council to deal with unexpected events such as flooding or the destruction of a major asset through fire,
- to enable the Council to manage variations in the demand for or cost of services which cause in year budget pressures, and
- to fund specific projects or identified demands on the budget.

There is no 'right' answer to the question of the appropriate level of reserves for a local authority; this is a matter of judgement taking into account:

- To enable the Council to deal with unexpected events such as flooding or the destruction of a major asset through fire,
- to enable the Council to manage variations in the demand for or cost of services which cause in year budget pressures, and
- to fund specific
- the level of risk and opportunity evident within the budget as set out above,
- a judgement on the effectiveness of budgetary control within the organisation, and
- the degree to which funds have already been set aside for specific purposes which will reduce the need for general reserves.

The Council is forecast to hold c.£48m in reserves in total at 31 March 2026. An element of this (£13m) is earmarked for specific purposes.

In relation to the Council's general reserve (General Fund), the forecast level at 31 March 2026 is £10m. This represents 4.0% of the current net budget. Given the current uncertainty facing the Council in isolation this could be seen as a low level of reserve to hold. However, the Council has a budget stabilisation reserve which acts as a 'safety net' to support the Council developing a sustainable budget over the coming years. The forecast at 31 March 2026 is £17.889m representing 7.1% of the net budget and is broadly equivalent to the level of the forecast funding gap over the next two financial years.

The use of reserves to support the 2026/27 funding gap of £3.977 is c£1.9m lower than the level of reserves required to support the 2025/26 budget which demonstrates progression within the council's financial strategy and has been underpinned by a council wide zero based budgeting programme which has identified almost £10m of new savings proposals for 2026/27.

As the funding gap is forecast to increase in later years of the medium term financial strategy it is therefore critical that work progresses quickly following setting of the

2026/27 budget to identify further budget proposals to reduce and ultimately eliminate the funding gap and requirement for reserve funding to support the revenue budget, and this fundamental priority has been clearly recognised as such by the Executive Leadership Team and Cabinet. Over the next few years, it will also be important to work towards building the general reserve up to a sustainable level as part of the budget plans and reflecting future changes to the level of other reserves and this will be considered as part of the upcoming review of uncommitted reserves.

The CIPFA Financial Resilience Index is a comparative analytical tool that councils, and more particularly Chief Finance Officers, can use to compare the financial position of their respective council to others across various different measures, and help ensure good financial management. This is a tool that will continue to be used to measure the county council's position and is part of the responsibility of the strategic finance board to review and advise members accordingly.

Declaration by Chief Financial Officer

Overall, I can give assurance that the estimates within the budget proposals are sufficiently robust. There are inevitably challenges to producing these over 3 years, but the Council has plans in place to look for further efficiencies and savings to mitigate against any variations to these. The report has outlined the setting up a £2m fund via capital receipt flexibilities to reflect that the council requires sufficient capacity to drive forward service transformation and the identification and delivery of future budget proposals.

There are a number of areas of uncertainty going forward that the Council needs to keep a watchful eye on including most significantly Children's and Adults Social Care demand, SEND / High Needs Block and homelessness services and monitoring is in place to oversee these.

Sufficient governance is in place within the Council through senior officers and members to provide oversight of delivery of the plans contained within this budget.

And finally, the reserves level of the Council are sufficient to manage any risks associated with the proposed budget.

Neil Kissock
Director of Finance and Section 151 Officer

This page is intentionally left blank

BUDGET COUNCIL: 25 FEBRUARY 2026
AMENDMENT PROPOSED BY THE CONSERVATIVE GROUP TO THE 2026/27
BUDGET

(1) Proposed amendments to the revenue budget

	2026/27 £m
1% reduction in the proposed 4.99% council tax increase	1.242
Recurrent additional investment in highways maintenance (£160k relating to potholes and £160k relating to gully clearance and street-cleaning)	0.320
Recurrent additional investment in cemetery maintenance	0.030
6 month delay in recruiting to back-office vacant posts based on current turnover levels	-0.500
Increase in strategic workforce saving focusing on accelerating workforce efficiency savings through digital and process review but underwritten by an additional 1% increase in the staffing budget vacancy factor which may require additional measures to be put in place in terms of delaying recruitment to vacant posts should the additional saving not be fully deliverable through additional efficiencies	-1.000
Removal of non-statutory advertising and marketing budgets	-0.062
Additional 1 day voluntary unpaid leave offered to all staff	-0.030
Total cost of proposed amendments	0.000

The proposed changes to the revenue budget do not affect the 2026/27 budget gap of £3.977m which is being met from the budget stabilisation reserve, but will increase the forecast funding gap recurrently by £62k in 2027/28 and £125k in 2028/29 due to the future assumed 4.99% council increases in the MTFs being applied to a lower council taxbase due to the 1% lower council tax increase proposed in 2026/27.

View of the Director of Finance (S151)

The proposals have been validated as being deliverable financially in 2026/27.

In validating the proposals, I have been mindful that:

- The proposed 6 month delay in recruiting to back-office posts becoming vacant through staff turnover will directly impact capacity in affected services including HR, DDAT and Finance which enable and support wider service transformation and existing and proposed new savings plans.
- The proposed lower council tax increase of 3.99% will lead to a permanently lower council taxbase and therefore an increasing forecast funding gap in future years. The local government 3 year finance settlement is based on an assessment of council's core spending power (funding available to them) and assumes council's will increase council tax by the maximum permissible without recourse to a referendum, which is 4.99% for the next 3 years..

In the intervening period the council will need to take steps to address the structural deficit to ensure it can maintain a sustainable financial position.

BUDGET COUNCIL: 25 FEBRUARY 2026
AMENDMENT PROPOSED BY THE BURY TOGETHER GROUP TO THE 2026/27
BUDGET

(1) Proposed amendments to the revenue budget

	2026/27 £m
Investment in a pilot scheme (to be reviewed) to encourage resident participation of wards not directly in the scope of regeneration or town plan initiatives of the Borough. The mechanism for the scheme would be a simple questionnaire seeking views about identified issues/improvement within each ward and inviting proposals from residents and community groups about prioritising improvements in their areas	0.050
Reprofiling in revenue capital financing costs resulting from either unplanned slippage of £1m to 2026/27 capital schemes being funded from prudential borrowing if identified through the monthly monitoring process, or planned slippage into 2027/28 of schemes totalling £1m if insufficient unplanned slippage is identified.	-0.050
Total cost of proposed amendments	0.000

The proposed changes to the revenue budget do not affect the 2026/27 budget gap of £3.977m which is being met from the budget stabilisation reserve.

View of the Director of Finance (S151)

The proposals have been validated as being deliverable financially in 2026/27.

In validating the proposals, I have been mindful that:

- The capital programme spans several financial years and, whilst delays in delivery and slippage in planned expenditure should be minimized, legitimate unforeseen delays often occur and result in a lower level of revenue capital financing costs being incurred than budgeted in-year.

In the intervening period the council will need to take steps to address the structural deficit to ensure it can maintain a sustainable financial position.

This page is intentionally left blank



Classification	Item No. 5
Open / Closed	

Meeting:	Standards Committee
Meeting date:	12 th February 2026
Title of report:	Officer & Member Protocol
Report by:	Jacqui Dennis, Director Law & Governance
Decision Type:	For comment
Ward(s) to which report relates	N/A

Executive Summary:

As part of the 2025-2026 constitution annual review plan and also included on the Standards Committee work programme for this Municipal year. The Officer Code of Conduct defines the standards of behaviour expected from all staff at Bury Council. Its primary objective is to promote transparency, accountability, and the prudent use of public resources. To remain effective, the code should be subject to periodic review and any revisions.

Members are asked to consider the current constitution, Part 5 The Codes and Conduct, Section 3, Protocol on Member and Officer relations.

<https://councildecisions.bury.gov.uk/documents/s45700/Section%203%20-%20Protocol%20on%20Member%20and%20Officer%20Relations.pdf>

Attached as appendix 1 to the agenda pack is the draft updated Officer and Member Protocol.

This Protocol sets clear expectations for how elected Members and Officers work together in the public interest. It promotes mutual respect, impartiality and effective decision making, and provides practical rules for day-to-day interactions, including hybrid and digital working, media handling, safeguarding, equality, and the pre-election (“purdah”) period.

Once Standards Committee have agreed a final version, the protocol would go to full Council for approval before the constitution is amended and a review for this item would take place every two years.

Recommendation(s)

Members are asked to review the draft protocol and provide their thoughts at the Standards Committee meeting or submit their comments to the Director Law & Governance.

Report Author and Contact Details:

Jacqui Dennis – Director of Law & Governance
J.dennis@bury.gov.uk

Background papers:

The Council's Constitution
<https://councildecisions.bury.gov.uk/ieListDocuments.aspx?CId=350&MId=4110&Ver=4&Info=1>

Officer & Member protocol

1) Purpose and Legal Framework

This Protocol sets clear expectations for how elected Members and Officers work together in the public interest. It promotes mutual respect, impartiality and effective decision making, and provides practical rules for day-to-day interactions, including hybrid and digital working, media handling, safeguarding, equality, and the pre-election (“purdah”) period.

This Protocol reflects:

- LGA Model Councillor Code of Conduct and related guidance on conduct, civility and complaint handling.
- Publicity and pre-election period rules for local authorities (LGA guidance; House of Commons Library briefing).
- Safeguarding: Working Together to Safeguard Children (2023); Care Act 2014 safeguarding duties for adults.
- Equality Act 2010 and the Public Sector Equality Duty (PSED), including EHRC guidance and specific duties regulations.
- Member–Officer Relations Good Practice Guidance (LGA).

This Protocol should be read alongside the Constitution, Codes of Conduct (Members and Officers), Information Governance policies, Whistleblowing, Social Media and Communications policies, and Safeguarding and Equality policies.

2) Principles and Standards of Conduct

The following standards apply to all Member–Officer interactions:

1. Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership (Nolan Principles) and Civility/Respect as reflected in the LGA Model Code.
2. Mutual respect and trust, with clarity of roles and visible leadership—core features of effective relations per LGA good practice guidance.
3. Impartial, evidence-based advice by Officers; constructive challenge by Members; and transparency in decision making.
4. Equality, diversity and inclusion embedded in conduct and decisions, in line with the Equality Act 2010/PSED.
5. Safeguarding first: a shared responsibility to act on concerns about children and adults at risk.

3) Roles and Responsibilities

3.1 Members

- Set policy and budget; represent residents; scrutinise; and champion equality, safeguarding and good governance. Conduct is governed by the locally adopted Code consistent with the LGA Model Code.
- Work through formal decision-making structures and with Officers for advice and implementation (see Section 6).

3.2 Officers

- Provide impartial, professional advice and implement lawful decisions of Council/Cabinet/Committees, maintaining political neutrality.
- Ensure timely, accurate information and escalate risks (legal, financial, safeguarding, equality).

3.3 Statutory Officers

- Head of Paid Service (Chief Executive): overall corporate management.
- Monitoring Officer: lawfulness, ethics, code of conduct and constitutional advice; manages standards complaints processes consistent with LGA guidance.
- Chief Finance Officer (s151): financial propriety and prudence.

4) Behavioural Expectations

1. Respect and Civility: No bullying, harassment, intimidation, discriminatory language or behaviour. Persistent or vexatious conduct, including online, is prohibited under the LGA Model Code.
2. Equality and Inclusion: Members and Officers must have due regard to the PSED when shaping or delivering services, publishing information and setting equality objectives as required by law.
3. Impartiality: Members must not seek to compromise Officers' impartial advice; Officers must not be drawn into political activities.
4. Boundaries: Avoid personal familiarity that could create actual or perceived conflicts; disclose any close relationships that could affect impartiality.

5) Communication and Collaboration Protocols (including Digital/Hybrid)

5.1 General Standards

- Communicate courteously and clearly; respond within agreed service standards.
- Use official @bury.gov.uk channels and council approved platforms (e.g., Teams) for council business to meet security, records and FOI duties.
- Do not share confidential or personal data via personal email, or unapproved channels.

The LGA's good practice stresses clarity of roles, professional boundaries, and the importance of agreed expectations for effective relations—principles that extend to digital collaboration.

5.2 Instant Messaging & WhatsApp style Tools

Do:

- Use approved platforms (Teams/SharePoint) and council email for business; keep records.
- Be courteous, concise, and inclusive; avoid jargon.
- Ensure that where necessary discussions are recorded and action points noted where follow up actions are needed.

Don't:

- Use private emails/direct messaging for confidential council business.
- Circulate personal data casually or outside the "need to know."
- Allow WhatsApp or similar to become a decision forum.

5.3 Remote/Hybrid Meetings

- Apply the same decorum and standards as in person meetings; ensure confidentiality and avoid distractions.
- Respect chairing arrangements and officer advice; ensure accessibility and inclusion.

5.4 Information Governance

- Share only the minimum necessary information; apply classification and encryption where required.
- Report any data incidents immediately, by contacting the Council Data Protection Officer.

6) Decision Making and Governance Relationships

6.1 Cabinet and Officers

- Cabinet Members decide within the Constitution; they must take documented, professional advice (including MO and s151) before decisions are made.

6.2 Overview & Scrutiny and Officers

- Scrutiny may require Officer attendance and information. Questioning must be respectful; scrutiny focuses on policy and performance, not personal capability.

6.3 Committees, Sub Committees and Delegations

- Where committees delegate action “in consultation with the Chair,” the Officer remains the decision maker and is accountable for the action. (Chair cannot direct officers outside formal powers.)

6.4 Ward Work and Local Issues

- Officers should keep relevant ward Members informed on significant matters, consultation and sensitive operations, subject to confidentiality and legal constraints.

7) Safeguarding Responsibilities (Children and Adults)

7.1 Our Shared Duty

- All Members and Officers must recognise and act on concerns about children or adults at risk, following “Working Together” (children) and Care Act (adults) statutory frameworks.

7.2 Principles

- Child centred, whole family approach; strong multi agency working; timely referrals; accurate recording; and escalation when necessary.
- Adults: Section 42 enquiries where an adult has needs for care and support, is experiencing (or at risk of) abuse/neglect, and cannot protect themselves; proportionate, person centred and timely responses.

7.3 Reporting and Escalation

Immediate risk: dial 999.

- Children's concerns: [Bury Multi Agency Safeguarding Hub –].
- Adults' concerns: [Bury Adult Social Care Safeguarding –].
- Duty to share information lawfully when necessary to protect a child or adult at risk; record decisions and rationale.
- Children: Follow Working Together—report to [Bury MASH] if you suspect abuse/neglect; record concerns; escalate if necessary.
- Adults: Consider Care Act s.42 criteria; report to [Adult Safeguarding Team]; keep the person's wishes central; record and escalate.
- Emergency: Call 999. Non-emergency police: 101.
- Training & Contacts:

8) Pre Election (Purdah) and Publicity

8.1 Restrictions

During the pre-election period, specific restrictions apply to publicity, use of council resources, new policy announcements, events and communications. Local authorities must avoid activity that could be reasonably regarded as influencing voters.

8.2 What This Means in Practice

- No political publicity or material referencing candidates/parties in council communications; use neutral officer spokespeople for factual statements.
- Apply the Code of Recommended Practice on Local Authority Publicity (2011) and Section 2 of the Local Government Act 1986—take special care during “heightened sensitivity.”
- If in doubt, consult the Monitoring Officer for guidance.

Key Restrictions and Examples

- No launch of new, contentious initiatives; no political comment in council channels.
- No photos/videos of candidates in council issued content, no supply of council images to campaigns.
- Consider pausing campaigns that touch politically controversial topics; continue only neutral, necessary business (e.g., statutory notices).
- All staff and Members: apply the “reasonable person” test—could this be seen as influencing voters? If yes, stop and seek advice

9) Equality, Diversity and Inclusion (EDI)

9.1 Legal Duties

- Under Equality Act 2010 s.149 (PSED), Bury Council must have due regard to eliminating discrimination, advancing equality of opportunity and fostering good relations. Specific duties require publishing equality information and setting measurable objectives.

9.2 Practical Expectations

- Build EDI into reports, appraisals, consultations, commissioning and service design; use proportionate equality analysis and track impacts.
- Model inclusive behaviour in all interactions (meetings, correspondence, online).
- Align with Bury's equalities and diversity training

10) Boundary Management and Conflicts

- Members do not direct individual Officers (outside formal decisions) or attempt to influence recruitment, procurement or casework outcomes.
- Officers do not provide party political advice or participate in political activity restricted by role.
- Declare and manage conflicts of interest; seek Monitoring Officer advice where necessary.

11) Use of Council Resources

- Resources (staff time, equipment, facilities, email, social media) must be used only for council business and not for party political purposes, with particular care in the pre-election period under the Publicity Code.
- Do not request or pressure Officers to undertake tasks outside policy or law (e.g., campaign support, partisan events).

12) Media and Public Communications

- Officers issue factual, neutral communications on council policies/services; Members may speak as portfolio holders or ward Members, being clear in what capacity they are speaking.
- For sensitive topics or live incidents, route through Communications Team; maintain a single, authoritative voice.
- During the pre-election period, apply Section 8 (above) rigorously.

13) Concerns, Complaints and Breaches

13.1 Informal Resolution

- Raise concerns directly and constructively with the individual where appropriate; seek manager and Monitoring Officer support if needed.

13.2 Formal Processes

- Members: Alleged breaches of the Member Code are handled under the standards arrangements led by the Monitoring Officer and dealt with in accordance with the code of conduct complaints handling procedures.
- Officers: Alleged breaches are handled under HR/disciplinary procedures.
- Whistleblowing: Protected disclosures via Council policy.

Review: Every 2 years (next review date due: May 2028)

Supersedes: Section 3 – Protocol on Member and Officer Relations (review date May 2023)

This page is intentionally left blank



DECISION OF:	Audit Committee – 17th February 2026 The Council – 21st February 2026
DATE:	Audit Committee – 17th February 2026 The Council – 21st February 2026
SUBJECT:	Audit Committee Terms of Reference
REPORT FROM:	Chloe Ashworth - Assistant Democratic Service Manager
CONTACT OFFICER:	Chloe Ashworth - Assistant Democratic Service Manager
TYPE OF DECISION:	Non key decision
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain.
SUMMARY:	This report provides a Terms of Reference for Bury Council's Audit Committee
OPTIONS & RECOMMENDED OPTION	<ol style="list-style-type: none"> 1. To approve the Terms of Reference 2. To propose amendments to the proposed Terms of Reference 3. To not approve the Terms of Reference.
IMPLICATIONS:	No implications.
Corporate Aims/Policy Framework:	Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	
Equality/Diversity implications:	N/A
Considered by Monitoring Officer:	

Wards Affected:	All Wards.
Scrutiny Interest:	

1.0 Background

- 1.1 In line with Bury Council's published Constitution, there is a requirement for there to be Audit Committee Terms of Reference and to review them regularly.
- 1.2 The attached Terms of Reference set out in detail the Audit Committee membership, function, key responsibilities, meeting frequency and quoracy.
- 1.3 Attached are the proposed Terms of Reference for the Audit Committee.

2.0 Recommendation(s)

That Audit Committee:

1. Recommend to full Council the updated Terms of Reference for the Audit Committee and recommend that the Constitution be updated to reflect these.

That Council:

2. Approve the updated Terms of Reference for the Audit Committee, and the Constitution be updated to reflect these.

List of Background Papers:-

None identified

Contact Details:-

Chloe Ashworth – Assistant Democratic Service Manager
 Email – C.Ashworth@bury.gov.uk

**Audit Committee
Terms of Reference**

February 2026

Document Control

Title	Audit Committee – Terms of Reference
Document Type	Terms of Reference
Author	Judith Smith, Senior Auditor Adrian Blackshaw, Senior Auditor and Chloe Ashworth, Assistant Democratic Service Manager
Owner	Democratic Services
Subject	Terms of Reference
Date Created	February 2026
Approval Date	17 February 2026
Review Date	February 2027

Audit Committee Terms of Reference.

The Audit Committee is responsible for providing assurance on the Council's audit, governance (including risk management and information governance) and financial processes in accordance with the functions scheme. The Audit Committee will appoint two independent people.

1. MEMBERSHIP

The meeting will be Chaired by a Member of the Audit Committee duly appointed by the Council. If at any meeting the Chair appointed by the Council is absent, and if no Deputy has been appointed by the Council, the meeting shall appoint a Chair for that meeting only. The meeting Clerk or his/her representative shall at the start of the meeting invite nominations for Chair and will take a vote on a show of hands for those members nominated for Chair.

Members of Cabinet cannot be a member of the Audit Committee. No member may be involved in scrutinising a decision in which they have been directly involved, or for a decision in the Cabinet portfolio they provide support to as a Deputy Cabinet Member

The Audit Committee may co-opt a maximum of two non-voting people. Any such co-optees will be agreed by the committee having reference to the agreed work plan and/or task and finish group membership.

The Membership of the Audit Committee will comprise of the following:

Voting Members:

Nine Councillors, appointed in accordance with the principles of political balance

Non-Voting Members:

Two independent Members

2. FUNCTION

The powers and responsibilities of the Audit Committee fall in the areas described below:

- The audit committee is a key component of Bury Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- The purpose of the audit committee is to provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit,

fraud, risk, information governance and external audit, helping to ensure efficient and effective assurance arrangements are in place.

3. KEY RESPONSIBILITIES OF THE COMMITTEE

Governance, risk and control

- To review the council's corporate governance arrangements against the good governance framework and consider annual governance reports and the local code of governance and to recommend their adoption when satisfied.
- To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control and to recommend its adoption when satisfied.
- To maintain an overview of the council's Constitution in respect of Contract Procurement Rules and Financial Regulations.
- To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- To consider the council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- To monitor the effective development and operation of risk management in the council.
- To monitor progress in addressing risk-related issues reported to the committee.
- To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
- To monitor the counter-fraud strategy, actions, and resources.
- To monitor the performance of Information Governance across the Council and review requirements.

Internal audit

- To approve the internal audit charter, mandate and strategy at least annually.
- To review proposals made in relation to the provision of internal audit services and to make recommendations.
- To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- To approve significant interim changes to the risk-based internal audit plan and resource requirements.

- To make appropriate enquiries of both management and the Head of FAIR to ensure that there are sufficient resources to fulfil the internal audit mandate and achieve the internal audit plan. To consider the impact of insufficient resources on the internal audit mandate and plan.
- To obtain assurance annually from the Director of Finance (Section 151 Officer) that the Head of FAIR position is held by a suitably qualified and competent person in line with the requirements of the Global Internal Audit Standards.
- To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of FAIR. To approve and periodically review safeguards to limit such impairments.
- To consider reports from the Head of FAIR on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - a) Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work.
 - b) Regular reports on the results of the Quality Assurance and Improvement Programme.
 - c) Reports on instances where the internal audit function does not conform to the Global Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the Annual Governance Statement.
- To consider the Head of FAIR's annual report:
 - a) The statement of the level of conformance with the Global Internal Audit Standards and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of internal audit.
 - b) The opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion as these will assist the committee in reviewing the Annual Governance Statement.
- To consider all Internal Audit reports and follow up reports.
- To receive reports outlining the action taken where the Head of FAIR has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- To receive any reports from the Head of FAIR of any instances where management have failed to act in accordance with the council's ethical expectations.
- To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.

- To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
- To support the development of effective communication with the Head of FAIR. To provide free and unfettered access to the audit committee chair for the Head of FAIR via a private meeting with the committee members. A private meeting will be scheduled at least annually, but additional meetings may be scheduled during the year at the request of members.
- Where appropriate, to refer matters of concern to the Overview and Scrutiny Committee or the relevant Scrutiny Committee.
- The Audit committee has the power to call a relevant officer to attend the committee to account to the committee the reason(s) for non-implementation of agreed internal audit recommendations.

Fraud

- To review and approve the annual Fraud plan ensuring it has appropriate processes for identifying and responding to fraud risks.
- To review and approve significant interim changes to the Fraud plan.
- To review and approve the Anti-Fraud & Corruption Strategy, Fraud and Corruption Prosecution Policy, Anti-Bribery Policy, Anti-Money Laundering Policy and Whistleblowing Policy.
- To consider reports from the Head of FAIR on the Fraud team's performance during the year, including key findings, issues of concern and action in hand as a result of the Fraud team's work.

Risk Management

- To provide independent assurance to the Council on the adequacy and effectiveness of the risk management framework and associated control environment. The Committee will review the risk management strategy, monitor its implementation, and ensure that significant risks are identified, assessed, and managed appropriately. It will also oversee the integration of risk management into governance and decision-making processes.
- To regularly review the Council's Corporate Risk Register and scrutinise risks where the impact has the potential to disrupt the achievement of the Council's priorities and seek assurance that appropriate controls are implemented to manage these risks.
- The Audit committee has the power to request officers to attend the committee where a deep dive into a specific risk has been requested.

External audit

- To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments.
- To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- To consider specific reports as agreed with the external auditor.
- To comment on the scope and depth of external audit work and to ensure it gives value for money.
- To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial reporting

- To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit, that need to be brought to the attention of the council.
- To review and approve the council's financial statements and Letter of Representation to the External Auditors
- To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability arrangements

- To report to full council on an annual basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose **by providing an annual report.**

4. MEETINGS

The Audit Committee is a Committee of the Local Authority. The Committee will meet a minimum of four times per municipal year. The date and timings of the meetings will be fixed as part of the agreed schedule of meetings. Additional meetings may be convened at the request of the Chair, and with the agreement of the Council Leader.

A **quorum** of three voting members will apply for all meetings of the Audit Committee.

Members will adhere to the agreed principles of the Councillors Code of Conduct.

Decisions are **ideally** to be taken by consensus. Where it is not possible to reach consensus, a decision will be reached by a simple majority of those present at the meeting. Where there are equal votes the Chair of the meeting will have the casting vote, there will be no restriction on how the Chair chooses to exercise his/her casting vote.

The Director of Finance will act as the **lead officer**. Lead officer responsibilities will include ensuring that agendas are appropriate to the work programme of the Audit Committee. A Work Programme to be determined annually by the Committee.

The agenda and supporting **papers** shall be in a standard format and circulated at least five clear working days in advance of meetings. The minutes of decisions taken at the meeting will be kept and circulated to members as soon as possible. Minutes will be published on the Council web site.

It is important to ensure that all councillors are kept aware of the work of the Committee and a copy of the minutes will be available to view on the Council's website to view. The Committee is regarded as a Council Committee for Access to Information Act purposes. Freedom of Information Act provisions shall apply to all business.

All meetings will be held in **public** with specific time allocated for public question time. **Guidance on the public attending meetings is provided in Bury Council's Constitution Part 5: Section 6 – Public Participation Guidance.**

Any personal, prejudicial or pecuniary interests held by members should be declared in accordance with the Councils Code of Conduct on any item of business at a meeting, either before it is discussed or as soon as it becomes apparent. Interests which appear in the Council Register of Interests should still be declared at meetings, where appropriate.

The Committee will retain the ability to **exclude representatives** of the press and other members of the public from a defined section of the meeting having regard to the confidential nature of the business to be transacted, publicly on which would be prejudicial to the public interest (Part 5A and Schedule 12A, Local Government Act, as amended).

Meetings will be **clerked** by a representative of Democratic Services.

In exercising the above powers and responsibilities, the Audit Committee shall have delegated power to make decisions and act on behalf of Cabinet

5. COMPLIANCE AND REVIEW

The Terms of Reference will be reviewed annually to ensure alignment with CIPFA guidance and legislative requirements.

Reference documents:

- CIPFA Audit Committees: Practical Guidance for Local Authorities and Police (2022)
- CIPFA Position Statement on Audit Committees.

This page is intentionally left blank

Minutes of: CORPORATE JOINT CONSULTATIVE COMMITTEE

Date of Meeting: 4 February 2026

Present: Councillors R Gold, M Hayes, R Bernstein, S Arif and C Birchmore

Also in attendance: K Waterhouse, Executive Director, (Strategy & Transformation)
Catherine King, HR Business Manager
Claire Kirke, HR Business Specialist

Union in Attendance: Tony Beesley (in the Chair) , Peter Cookson, Marcia Hancock, David Sharples.

Apologies for Absence: Councillor A Quinn, Councillor E O'Brien, Councillor B Ibrahim and Councillor K Simpson

21 APOLOGIES FOR ABSENCE

Apologies were received from Shirley Allen Councillors Ibrahim, O'Brien, A Quinn and Simpson

22 MINUTES OF THE PREVIOUS MEETING

It was agreed:

That the minutes of the last meeting held 17 December 2025 be approved as a correct record.

23 MATTERS ARISING

There were no matters arising

24 WORKFORCE POLICIES

The Executive Director (Strategy & Transformation) presented a report setting out proposals for a number of new, changed, reviewed and replaced policies.

It was reported that Trade Union Colleagues had been fully engaged in the work.

It was reported that the reports had been presented to the last meeting of the Employment Panel and had been approved and forwarded to the Corporate Joint Consultative Committee for endorsement.

1. Family Leave Policy

The Family Leave Policy was created in July 2023 and combined into one document provisions relating to maternity, paternity, fostering, adoption, shared parental leave, parental bereavement and IVF. It was amended in February 2025 to include neonatal care leave provisions.

Small changes have been made to the Family Leave Policy, in response to the Employment Rights Act 2025, to ensure that the Council is compliant with legislation with effect from April 2026. These include:

- Making paternity leave a day one right
- Removing the need to take paternity leave before taking any shared parental leave
- Making parental leave a day one right

2. Working Time Regulations Policy

The Working Time Regulations Policy sets out the Council's commitment to providing safe working conditions, and details how it will take all practical measures possible to operate within the Working Time Regulations 1998 (as amended). It was last reviewed in April 2009.

Changes have been made to generally update the Policy and also to strengthen Policy wording to ensure that staff, in normal circumstances, with more than 1 internal contract are not permitted to work above the 48-hour limit. This is in line with the Council's approach to supporting staff welfare and wellbeing.

3. Job Evaluation Procedure

The NJC Job Evaluation Procedure and supporting documents were last reviewed in 2015. This procedure is used to evaluate the jobs of the vast majority of Council employees, who are on NJC 'green book' terms and conditions.

Although there are no changes to the NJC scheme itself, the HR Team and Unison are now using a new Sharepoint based system to record, monitor and report upon evaluations. The Procedure has been amended to reflect this, and also the opportunity has been taken for a general update and to pull into one document the evaluation and appeals procedures.

The Executive Director (Strategy & Transformation) thanked the HR Business Management Team and the Unions for their work on updating the relevant policies.

Members present were given the opportunity to ask questions and make comments and the following points were raised:

- Councillor Birchmore referred to the Family Leave Policy and reference to IVF treatment and the employee speaking with their manager. Councillor Birchmore asked that if the employee wished, could they speak to an alternative such as occupational health as it could be a difficult conversation to have with a direct manager.

It was explained that this would definitely be an option and each employee would be considered individually based on their needs and support required.

It was agreed:

1. That Corporate JCC endorse the proposed changes which were approved by Employment Panel on 3 February 2026.

2. That the documents be published on the Council's intranet pages and communicated to staff.

25 **COUNCIL'S 2026/2027 REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY**

Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Transformation gave an overview of the Council's 2026/27 Revenue Budget and Medium-Term Financial Strategy for 2027/28 through to 2028/29. Councillor Thorpe, gave thanks to Neil Kissock, Director of Finance and the Finance Service for producing the documents presented before the Committee.

Members were advised that the reports are based on many variables including income through Council Tax, Fees and Charges and other Grant monies available. Members were given an overview of budget saving measures, such as internal transformation, investing in commissioning expertise and proposes increase income from Place Directorate.

Members were invited to ask questions and the following points were raised:

- In response to a member question it was explained that there were a number of areas to consider when looking at projected demand growth assumptions such as comparison with other GM authorities, past trends and national issues and these were factored in when looking ahead.
- Discussions took place regarding the projections for 2027/2028 and further ahead and concerns around the figures reported were raised. It was explained that demand in certain areas was very high but that options were being considered to try to bring some of the costs associated with these areas down by providing in house provision, looking at partnering with other organisations efficiencies available through technology. It was also explained that work would be starting on bridging these gaps straight away.
- In response to a question relating to rising construction costs it was acknowledged that inflation costs would always be built into any project's contingency.

It was agreed:

That the report and appendices be noted.

26 **ANNUAL HRA BUDGET & RENT SETTING**

Councillor Thorpe, Deputy Leader Cabinet Member for Finance and Transformation presented the report that was circulated in advance of the meeting. The report provided the proposed rent levels and increases for various charges. The report proposes a 4.8% increase for Council Housing, Dwelling and Garage rents, Sheltered Support, Management, Service and Heating charges, and Furnished Tenancy charges.

It was agreed:

That the report be noted

27 URGENT BUSINESS

There was no urgent business

28 DATE AND TIME OF NEXT MEETING

The next meeting is scheduled to take place on 25 March 2026 at 5.00pm and will be held virtually

Tony Beesley
Chair

(Note: The meeting started at 5.00 pm and ended at 6.00 pm)

Minutes of: **JOINT CONSULTATIVE COMMITTEE FOR TEACHERS**

Date of Meeting: 4 February 2026

Present: Councillor G McGill, (in the Chair)
 Councillors L Smith, J Southworth, R Bernstein, D Duncalfe and
 D Berry

Also in attendance: Catherine Ainsley, NASUWT, Joanne Burns NASUWT
 Councillor Thorpe - Deputy Leader and Cabinet Member for
 Finance and Transformation, Ben Dunne - Director, Education
 & Skills, Phil Herd – Finance Business Partner,

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor J Lancaster

1 APOLOGIES OF ABSENCE

Apologies of absence are listed above.

2 DECLARATIONS OF INTEREST

Councillor McGill declared a personal interest in all matters under consideration in view of his wife holding a role as an NEU Trade Union representative in Rochdale.

3 COUNCIL'S 2026/2027 REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Transformation gave an overview of the Council's 2026/27 Revenue Budget and Medium-Term Financial Strategy for 2027/28 through to 2028/29. Councillor Thorpe, gave thanks to Neil Kissock, Director of Finance and the Finance Service for producing the documents presented before the Committee.

Philip Herd Finance Business Partner (CYP & Schools) also attended the meeting in relation to specific schools related finance.

Members were advised that the reports are based on many variables including income through Council Tax, Fees and Charges and other Grant monies available. Members were given an overview of budget saving measures, such as internal transformation, investing in commissioning expertise and proposes increase income from Place Directorate.

Concerns were raised in relation to falling numbers within schools and the impact on budgets and it was explained that some schools were looking at reduced their PAN or restructuring. Ben Dunne, explained that the Finance Improvement Groups are being established to offer support to school leaders in relation to budgeting and options available for repurposing classrooms etc.

Ben also explained that a review of provision across the boroughs schools would be undertaken to map what provision was available and where there were gaps. This would ensure that future provision needs were provided for with as much as possible provided in house rather than outsourced.

It was agreed:

That the report be noted

4 HOUSING REVENUE ACCOUNT BUDGET 2026/2027 & RENT SETTING

Councillor Thorpe, Deputy Leader Cabinet Member for Finance and Transformation presented the report that was circulated in advance of the meeting. The report provided the proposed rent levels and increases for various charges. The report proposes a 4.8% increase for Council Housing, Dwelling and Garage rents, Sheltered Support, Management, Service and Heating charges, and Furnished Tenancy charges.

It was agreed:

That the report be noted

5 URGENT BUSINESS

There was no urgent business.

6 DATE AND TIME OF NEXT MEETING

The next meeting of the JCC Teachers will be held on 26 March 2026.

COUNCILLOR MCGILL
Chair

(Note: The meeting started at 6.00 pm and ended at 7.00 pm)

Minutes of: OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting: 10 February 2026

Present: Councillor D Vernon (in the Chair)
Councillors J Southworth, M Rahimov, D Green, T Rafiq,
E Moss, C Birchmore, G Marsden, J Harris and S Haroon

Also in attendance: Councillors Mike Smith, Berry, O'Brien, Thorpe, Boles

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor A Arif and Councillor T Pilkington

OSC.86 APOLOGIES

Apologies were received from Councillor Fitzgerald and Councillor A Arif.

OSC.87 DECLARATIONS OF INTEREST

There were no declarations of interest.

OSC.88 MINUTES

That the minutes of the meeting held on 9 December 2025 be approved as a correct record and signed by the Chair.

OSC.89 PUBLIC QUESTION TIME

There were no public questions.

OSC.90 MEMBER QUESTION TIME

Councillor Berry asked a question about the cost of budget consultation and whether the response was poor and not value for money?

Councillor Thorpe responded stating that he didn't believe it was a poor consultation. 726 respondents was an improvement on the previous years consultation. Councillor Thorpe reminded member that the consultation is an exercise we undertake with the public and act as transparently as possible. He committed to getting back to Councillor Berry with cost information.

Councillor Berry asked a question about Elton Reservoir and whether the council will ensure all ecological surveys are acknowledged and protections put in place.

Cllr O'Brien responded confirming we could take confidence in the plan as it has been one of most scrutinised plans in country, in-depth and over a decade and has withstood the test at public hearings. There is no dispute that this will cause

an impact, however putting in as much protection as possible including mitigations around bio diversity net gain.

Councillor Mike Smith asked a question about budget and what exploration has been done on increasing rents will have on residents in general and especially those not in receipt of housing benefit. Councillor Thorpe responded confirming that we had followed national guidance on rent setting and an impact assessment had been carried out.

Councillor Mike Smith asked a question about the development frameworks and whether it is likely the requirements for PFE may make some schemes unviable or that developers can claim requirement for affordable housing is unviable?

Councillor O'Brien confirmed that developments are means tested through the planning applications and it is hard to pre-empt every question / application that comes forward having these frameworks in place is a way for the council to keep developers in check, Council has good reputation about going above and beyond requirements and delivering affordable housing he remains confident we can continue to deliver affordable housing

OSC.91 ANNUAL HRA BUDGET 2026/27 & RENT SETTING

Councillor Thorpe introduced the budget reports, noting that rental costs were increasing and that, following the budget-setting process, the Council faced a structural gap of just under £10 million. The priority remained to deliver a sustainable and legally compliant budget, as required by the Section 151 Officer. A zero-based budgeting exercise had been undertaken, which concluded that the authority was likely facing a deficit in the region of £14 million due to increased demand pressures, higher than expected pay awards, and inflationary costs.

Directorates had been challenged to identify savings, as discussed at the previous Overview & Scrutiny meeting. Some progress had been made, supported by an improved government settlement and a £1.6 million movement relating to the Greater Manchester pension fund. The remaining budget gap now stood at £3.9 million, reflecting significant progress, although the overall challenge was becoming increasingly difficult, particularly given rising demand in adult and children's social care and the increasing costs associated with meeting that demand. Work was ongoing to ensure that emerging pressures did not undermine the Council's future financial resilience.

The Chair, Councillor Vernon, noted that a substantial portion of the budget had been considered in December and acknowledged the delayed publication of the papers. The Director of Finance explained that the timing of the meeting had contributed to this, with Cabinet papers being published first, and confirmed that meeting cycles would need reviewing. Significant detail within the government settlement also required further analysis.

Councillor Birchmore asked questions regarding the highways budget (page 135), specifically the amount allocated for road resurfacing and the reason £9.5 million had been rephased. She also asked whether any staff redundancies were planned for the forthcoming year. Councillor Thorpe confirmed that project delivery was

expected toward the latter part of the budget window, highlighting a maintenance allocation of £2.549 million. He confirmed that no redundancies were planned, although reductions in agency staffing, improved management of sickness absence and exploring different ways of working would contribute to savings.

Councillor Moss raised a question about financial risks linked to school academisation. Councillor Thorpe explained that it was now easier to predict which schools might convert, with only a small number still outside trusts. Catholic and Church of England schools were under no pressure to academise, and any deficits would return to the Council upon conversion. He noted that a school could move between surplus and deficit within a year. The Director of Finance added that the Council had a clear understanding of school-related financial risks, particularly through services traded with schools, and confirmed that the Commercial Board monitored risks to ensure services remained cost-effective. Councillor Thorpe added that financial planning depended heavily on pupil numbers.

Councillor Moss also asked about the projected decline in reserves over the next three years and noted the absence of reference to the budget stabilisation reserve. Councillor Thorpe explained that the reserve covered both budget and business stabilisation but would not be sufficient to close the gap on its own. Detailed information was available in the annex, and Neil agreed to confirm its exact location. Councillor Green queried uncommitted reserves, and Councillor Thorpe said this work remained ongoing. The Director of Finance confirmed that some reserves had been identified and moved into the stabilisation reserve and that further review work across all reserves was underway.

Councillor Rahimov raised questions about proposed savings in temporary accommodation, acknowledging the difficulty of estimating demand. The Director of Finance noted that Cabinet had agreed a report in December outlining plans to purchase properties to support the service. Councillor Thorpe reiterated the importance of having a clear plan. Councillor O'Brien commented that demand projections were difficult due to national trends, but officers were reasonably confident in the planned savings even if demand continued to increase.

Councillor Birchmore raised further questions about leisure subsidies and rephasing of capital projects. Councillor Thorpe advised that leisure services were becoming more commercial, with growing membership and fee increases aligned to inflation, subject to consultation. Capital rephasing was monitored monthly by the regeneration board, with inflation factored into project planning and any additional cost requests requiring Cabinet approval.

Councillor Boles asked about preparations for recent changes to SEND funding. Councillor Thorpe welcomed the developments, including national funding to address local authority deficits, with an estimated 90% of Bury's deficit expected to be written off. Further changes were anticipated, and reforms to the wider SEND system were expected. The Director of Finance noted the announcement was very recent, with early indications that around £2 million of the deficit might remain, but councils would not be disadvantaged under the approach. Officers were working through contributions made to determine what could be offset, with the expectation that some funding could return to the stabilisation reserve.

Councillor Harris asked whether this would impact council tax levels. The Director confirmed that while it reduced financial risk on the corporate risk register, it would not directly reduce council tax.

Councillor Moss sought further assurances regarding the Council's financial resilience. Councillor Thorpe confirmed that several steps were in place before issuing a Section 114 notice and that the three-year settlement was an improvement on previous years. Over £100 million was spent on staffing and a significant sum on adult and children's social care. Demand reduction work was underway with InPower, initially in adult social care and now extended to children's social care. Examples included appropriate transitions from residential care to foster placements or family homes. All services would be expected to identify cost reductions in the new financial year, supported by new technology including AI. He noted the seriousness of the financial environment but remained confident that improved procurement and contract management would support value for money. Councillor Moss welcomed the activity underway.

Councillor Harris asked about greater in-house provision as an invest-to-save option. Councillor Thorpe explained that two accommodation projects were underway. While some children could be better placed in foster care, a shortage of foster carers remained. Others required residential care due to need levels. Ofsted registration processes took time, and although expanding in-house provision was important, it would not be achieved immediately. He noted the dynamic nature of children entering and leaving care.

Councillor Birchmore queried business rate multipliers, and Councillor Thorpe confirmed the Council was compensated. She also asked about the investment and debt portfolio, including risks associated with interest rate increases. Councillor Thorpe said this remained an ongoing issue, with ongoing work with treasury advisors. The Director of Finance confirmed borrowing had reduced by £1 million, that a mixed borrowing profile helped manage exposure, and that medium-term projections anticipated falling interest rates. Minimum revenue provision had been set aside accordingly.

Further questions were raised around levy assumptions and Council Tax collection, with the Director agreeing to verify figures referenced during the meeting. Councillor Marsden also asked about strategies to reduce sickness absence. The Executive Director outlined the positive attendance at work policy and support measures available to help staff return. Some roles required agency cover, but processes were in place for managing cases where staff could not return. The Chair asked whether a new plan was in place to ensure savings targets would be achieved. Councillor Thorpe confirmed that funding was secured for the next three years and that ongoing work in adult and children's services, temporary accommodation, technology investment, and procurement was focused on delivering value for money. The Director of Finance reinforced the need for focused delivery of savings plans, with work progressing on this. Councillor Thorpe acknowledged the challenge of reducing expenditure without impacting resident experience and stressed the limited options to increase income.

Members expressed thanks to officers, with Councillors Birchmore and Green noting the difficult circumstances under which staff were working and the commitment shown to providing quality services to residents.

The Director of Law & Governance provided clarification on income generation within cemeteries, noting increased demand for additional vaults and enhanced service offerings.

The Chair closed the discussion, echoed members' thanks to officers including Neil and his team.

It was agreed:

- to note the report and consider whether they wish to make any recommendations to Cabinet on the Annual HRA Budget 2026/27 & Rent Setting.

OSC.92 THE COUNCIL'S 2026/27 REVENUE BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY (MTFS) FOR 2027/28 THROUGH TO 2028/29

It was agreed:

- The Budget update be noted

OSC.93 WALSHAW DEVELOPMENT FRAMEWORK

Councillor Vernon recommended that the discussion should be on all three reports as a lot of the conversation would be relevant to each report. Members agreed with this approach.

Councillor O'Brien introduced the reports and thanked the team for all their hard work pulling the information together. Members were reminded that sites and frameworks being discussed have been a big issue in Bury over the last decade. The discussion at this meeting is not about rerunning those debates but about the reports presented.

There is a requirement to make sure there is the infrastructure to underpin each development including:

- Transport infrastructure such as appropriate new roads, tram stops, public transport, active travel
- Social infrastructure such as public services, schools, health, shops, local centres, recreation provision
- Green and blue infrastructure such as remaining land nature parks, ecological mitigations, drainage

The frameworks seek to put in place the strongest possible safeguards to protect the infrastructure.

Subject to the decision taken at cabinet on 11 February 2026, the consultation around these frameworks will be launched. Welcome all constructive feedback, suggestions and opportunity to make these plans better, stronger and clearer.

Councillor Southworth asked a question around existing public rights of way and when these would be updated. Councillor O'Brien responded that this is an example where development can enhance some areas. Through planning

conditions we can ensure that public rights of way are upgraded and made more accessible.

Councillor Southworth asked a further question regarding the ecology strategy plan and whether the council were going to purchase some of the open space specifically around the Walshaw site? Councillor O'Brien responded that the council would be looking to work with developers to ensure off road paths are maintained.

Councillor Harris asked a question around sustainability of the Walshaw site as well as existing issues with traffic, lack of school places and drainage. Councillor O'Brien responded that there will be new link roads and there is a separate report being taken to cabinet on the Bury West Transport Framework which looks in detail at the types of planning that goes into these schemes. Better public transport interventions especially connecting Atom Valley to Bury and a tram/train route between Bury and Heywood are being reviewed including making walking and cycling more accessible. Councillor O'Brien also highlighted the opportunities to fix some of the infrastructure around drainage and make it better than it is now including looking at sustainable drainage systems.

Councillor Harris queried the cost to upgrade water systems and Councillor O'Brien agreed that this would be an issue. It was highlighted that at planning application stage, they will need to be accompanied by sustainable drainage proposals.

Councillor Moss queried drainage issues at the Simister Bowlee site with increased hard surfacing from development that may exacerbate flooding on the existing area. Councillor O'Brien confirmed that the measures discussed regarding Walshaw will also be in place at Elton and Simister Bowlee.

Councillor Birchmore queried the term 'affordable housing'. Councillor O'Brien agreed it was a subjective word, there is a legal definition in the planning system. The exact tenure of properties at each site will be agreed at planning stage. A housing needs and demand assessment is being reviewed and will form part of the local plan. Members of Overview and Scrutiny will be able to review this at their next meeting.

Councillor Birchmore asked a further question around how affordable properties actually were, whether we should be clearer with the public about the cost and market rents, and whether we can include more detailed information in the consultation. Councillor O'Brien confirmed that the definition is subjective and that we would like to build more truly affordable housing. Councillor O'Brien agreed we could include a definition within the frequently asked questions.

Councillor Marsden queried whether there was the potential to be left with unfinished roads and what safeguards are in place to prevent this happening. Councillor O'Brien responded that we can be more confident on these sites than some other speculative sites. We have been working closely with the developers over a long period of time but there is always a risk and circumstances can change. There are safeguards in place and these will be reviewed on a regular basis.

Councillor Harris commented that house prices are only going to increase and developers are only out to make a profit and requested that before the consultation opens could members of the Overview and Scrutiny Committee see the questions and format so this can be scrutinised as well.

Councillor O'Brien confirmed that the documents that are before the committee are the documents to be consulted on. Questions will be open and chapter by chapter allowing all those responding to provide their feedback.

Councillor Harris queried whether the Council would take into account all comments received through the consultation and Councillor O'Brien confirmed this was the case.

Councillor Birchmore queried the in person consultations asking

- if we had a sample feedback form
- whether we would be recording the number of people attending the drop in sessions
- why there is no drop in session for the north of Elton site
- what information would be displayed at the drop in session

Councillor O'Brien confirmed that the frameworks would be available at all drop in sessions as well as the masterplan documents. Attendees would be able to discuss the frameworks with officers and residents can complete a paper form to submit their comments or submit them online. The number of people who attend each drop in session will be counted.

Councillor Vernon expressed concerns around the consultation and queried why we were doing it now. Councillor O'Brien confirmed he did not believe it was a short timescale and that he felt it was more important to hear from the public.

Councillor Green commented that over the last couple of years there has been similar consultation and her experience and feedback from residents was that it was a comprehensive consultation exercise. The views of residents were fed into process and changes made and it is key to ensure residents who will be impacted need to get the information, digest it, and feedback their thoughts.

Councillor Harris queried who would pay for the school and the upkeep and Councillor O'Brien confirmed it would be the developers. The day to day running costs for the school would be funded through the Department for Education.

Councillor Moss endorsed what Councillor Green had said and queried the access from Simister to Heywood Old Road. Councillor O'Brien advised that there is an existing traffic regulation order (TRO) in place. This is intended to reduce vehicle movement at peak time. The exact details regarding future TROs will be determined through the planning application process. However, the intention is that access on Simister Lane will remain restricted. There is an opportunity to use Simister Lane for public transport and active travel and one potential proposal could be that the existing restriction to be replaced by a 'bus gate'. This is a Traffic Regulation Order that would only allow buses, pedestrians and cyclists to pass through at certain times.

Councillor Moss asked a further question about why the Simister part of the allocation is being considered by Bury when the area is predominantly Rochdale. Councillor O'Brien advised that the allocation is split by administration boundaries (the boundary being Heywood Old Road). Both Bury and Rochdale Councils have worked collaboratively with the site promoters to produce the draft Development Framework. New and improved access to existing local facilities in both Bury and Rochdale will need to be provided as part of any new development. New facilities provided within the site will be designed to be accessible to residents in both Bury and Rochdale. New residents will gravitate to whatever facilities or centres that they wish – whether this be Prestwich or Middleton (or elsewhere).

Councillor Birchmore queried the definition of high density, medium/high density, medium density, low density homes. Councillor O'Brien advised that a range of different house types and sizes will be provided across all parcels across the sites. The masterplans provide indicative densities to be achieved (i.e. the number of homes per hectare) but do not dictate how these densities will be delivered. This will be determined at the planning application stage.

It is likely that low density areas will be primarily houses (but this will include a mix of detached and semi-detached, as well as terraced houses and some flats), medium/high density is likely to be a mix of houses and apartments (likely to include more terraced properties and apartments, but also some semi-detached and detached), and high density is likely to be primarily apartments (but may also include terraced houses and semi-detached properties).

Councillor Birchmore requested these definitions are included in the documents and Councillor O'Brien confirmed they would be included within the frequently asked questions.

Councillor Birchmore queried the reference to Sites of Biological Importance (SBIs) and not priority habitats. Councillor O'Brien confirmed that the Development Frameworks refer to Sites of Biological Importance (SBIs) because they have defined boundaries for planning uses and are locally designated. SBI's are specifically designated as they have a high particular ecological value. This can include supporting priority habitats themselves, rare species or a range of habitat combinations. Priority habitats are broader ecological classifications, and they can relate to a range of ecological features. Some of these priority habitats are not always formally designated or precisely mapped for planning use. For example, hedgerows are a UK Priority Habitat, but it is unlikely that a hedgerow would be selected as an SBI in isolation. Nevertheless, the planning process needs to take account of SBI's and priority habitats, and any other ecological feature as part of mitigating for any loss. These will be taken into account as part of the statutory Biodiversity Net Gain requirements.

Councillor Birchmore queried what is meant by biodiversity net gain as referred to in all three planning frameworks? Councillor O'Brien confirmed that biodiversity net gain is an approach to creating and improving natural habitats introduced by Government in 2024. It means that development is required by law to have a measurably positive impact for biodiversity. Ecologists measure the baseline value of a site before development (including SBI's and priority habitats), and developers must then replace that loss through legal agreements. By law, they

must deliver no less than a 10% increase in that baseline value. Councillor O'Brien also confirmed this would be included with the frequently asked questions.

Councillor Birchmore queried where it is proposed the additional secondary school provision will be provided if not by a new secondary school? Councillor O'Brien advised that financial contributions towards the cost of additional secondary school provision will be secured as part of relevant planning applications for each phase of development. Any financial contributions collected will be used to expand existing secondary schools in the area and will be determined through Bury Council's Education Needs and Demand Assessment, in accordance with evidence of need for provision generated by the development. There are a number of high schools in proximity of the site that could be expanded to cater for future demands. In terms of secondary school allocations for September 2026 indicative figures show that all Bury residents have currently been allocated a place and there are several vacancies across the borough.

Councillor Birchmore queried What safeguards are included within the plans to avoid the large sites being split into smaller sites in order to avoid the significant investment in infrastructure needed to properly service the sites and to avoid sufficient section 106 payments? Councillor O'Brien advised that by planning strategically across the site as a whole, the Development Framework will ensure that there will be a comprehensive and coordinated approach to the development of the whole site, including the delivery and location of supporting infrastructure and any necessary mitigation measures, design and placemaking principles.

The frameworks all specifically state that all development proposals on the three sites will need to contribute to site wide infrastructure, as well meet the needs within an particular parcel.

Councillor Birchmore expressed concern that there are a lot of things within the document that need explaining and is concerned that it is not fully understandable. Councillor O'Brien responded stating that everything that has been queried at this meeting would be picked up. The frequently asked questions would be live document and updated on a regular basis.

Councillor Rahimov asked for clarification that the amended frequently asked questions would be circulated to members before the consultation goes live and was assured they would be.

Councillor Vernon thanked members for their input into the scrutiny of the development frameworks.

An alternative motion was put forward to propose that the consultation does not proceed. The alternative motion was proposed by Council Birchmore and seconded by Councillor Harris.

On being put to the members of the committee, 4 members voting for the motion, and 5 members voting against the motion, the motion was lost.

It was agreed that Overview and Scrutiny:

- a. Note the content of the Walshaw Development Framework Supplementary Planning Document (Appendix 1) Classification: Open Decision Type: Key

- b. Provide feedback on the content of the Walshaw Development Framework Supplementary Planning Document (Appendix 1)

OSC.94 SIMISTER AND BOWLEE DEVELOPMENT FRAMEWORK

It was agreed that Overview and Scrutiny:

- i. Note the content of the Simister Bowlee Development Framework Supplementary Planning Document (Appendix 1);
- ii. Provide feedback on the content of the Simister Bowlee Development Framework Supplementary Planning Document (Appendix 1)

OSC.95 ELTON RESERVOIR DEVELOPMENT FRAMEWORK

It was agreed that Overview and Scrutiny:

- i. Note the content of the Elton Reservoir Development Framework Supplementary Planning Document (Appendix 1);
- ii. Provide feedback on the content of the Elton Reservoir Development Framework Supplementary Planning Document (Appendix 1).

OSC.96 URGENT BUSINESS

There was no urgent business.

COUNCILLOR D VERNON
Chair

(Note: The meeting started at 7:00pm and ended at 10:38pm)

Minutes of: CABINET

Date of Meeting: 11 February 2026

Present: Councillor E O'Brien (in the Chair)
Councillors C Cummins, R Gold, C Morris, A Quinn, L Smith,
T Tariq, S Thorpe and S Walmsley

Also in attendance: Councillors M Smith, A Arif, R Bernstein, D Vernon

Public Attendance: Five members of the public were present at the meeting.

Apologies for Absence: None

CA.114 APOLOGIES FOR ABSENCE

There were no apologies received.

CA.115 DECLARATIONS OF INTEREST

There were no declarations of interest.

CA.116 PUBLIC QUESTION TIME

The following question was submitted in advance of the meeting by a member of the public, Raymond Portman:

On the land adjacent to residential properties on Heywood Old Road, there is a well established population of protected and priority wildlife species, including brown hare, lapwing, common snipe, jack snipe, grey partridge, roe deer, skylark, bank vols.

Many of these species are UK priority or declining species and are native to this area. Can the Council explain how the presence of these species has been identified, assessed, and taken into account at the plan-making stage for the Simister Bowlee development framework, and how the Council can justify progressing the allocation in the absence of published ecological surveys, impact assessments, or demonstrable biodiversity net gain proposals?

A further supplementary question was submitted:

If the ecological surveys are not being completed or published will the council commit to commissioning a full seasonal appropriate survey before any planning application is determined and will allocating be recognised if significant of priority species impacted?

Councillor O'Brien reported that as part of planning assessment, biodiversity of site must take place. To ensure we are holding developers to account and allows planning committee to take this into account.

The GM ecological unit ensures these sorts of investigations and evidence are pulled together and robust enough to ensure we have the information to make informed decisions. Through biodiversity net gain we can ensure biodiversity is enhanced by the fact we have these strong legal agreements.

The following question was submitted in advance of the meeting by a member of the public, Lindsey Bothwell:

Can the Council explain how it can justify approving a substantially larger “new town” development that relies on Heywood Old Road for access, when that road has repeatedly and historically been assessed as incapable of safely accommodating additional traffic, when no material highway improvements have been made over the last 20–30 years, and when existing traffic — including diverted motorway and heavy goods vehicle traffic — already causes demonstrable safety risks, congestion, environmental harm, and structural damage to nearby homes?

By way of scale, the Simister Bowlee allocation proposes up to 1,550 new homes, which even on a conservative assumption of two cars per household could introduce in excess of 3,000 additional vehicles, rising further when multi-vehicle households and adult children are taken into account.

Responding, Councillor O’Brien reported that strategic highway modelling has indicated that the existing highway network can accommodate the level of traffic that is envisaged to come from the developments with a series of off-site highways works. These are listed in Appendix D of Places for Everyone and include:

- M60 Junction 19/A576 Middleton Road
- M62 Junction 19/A6046 Heywood Interchange
- Corridor improvements on A576 Middleton Road/Manchester Old Road in the vicinity of M60 Junction 19
- A6045 Heywood Old Road/A576
- A6045 Heywood Old Road/Langley Lane
- Active travel improvements
- Introduction of local bus services to, from and within the site

This strategic modelling was fully tested at the PfE Examination.

More detailed highways modelling will be undertaken as part of the as part of the planning application process and this may identify additional mitigation measures to improve accessibility and to mitigate highways impacts arising from the development.

Public transport and active travel will also be provided to provide alternative means of movement in and around the sites.

A further supplementary question was submitted:

It has been widely reported that there is growing frustration with governments new town policies. Traffic congestion is already severe on Heywood Old Road with extended journey time, speeding and ongoing vibration and damage to nearby homes. How can the council justify progressing the Simister Bowlee development, how is this consistent with statutory duties to prevent unacceptable harm to existing residents and with Greater Manchester’s commitment on air quality and CO2 reduction.

Councillor O’Brien reported that what is being proposed is not a ‘new town’. There are substantial improvements set out to the highways within the proposals. These have been tested at public examination and supported by independent experts. Confident it will mitigate an uncontrolled development.

Set out in the proposals are things the developers will have to contribute to, which we will use to hold them to account.

The following question was asked by a member of the public, Danny Jacobs

The council is reducing the live streaming of democratic meetings. I am live streaming the meeting at the moment, and have 200 viewers. The Council is not trying to maximise the number of viewers. What is more important is that we have clipped parts of the council meetings and it has been viewed more times. If we put it on the right platform we may get more viewers.

You have the money to live stream but don't have the willingness to do so. Residents won't go on the Bury Council website to view council meetings. Need to look at it as more of an archive and less as a content stream. Is that a fair assumption?

Responding, Councillor O'Brien reported that all committee meetings are public meetings and there are opportunities for public questions. All Members are elected and representatives of the public.

The Council live streams council and cabinet where key decisions get made. Where there are other meetings where significant will be made it is at the discretion of the chair for the meeting to be streamed. For example, at Overview and Scrutiny last night, the chair and committee members felt it was important for it to be live streamed so arrangements were made to do so.

When we have live streamed in the past, meetings have had a limited number of views, and we took a decision that it was not value for money. We do not think we need to expand the meetings that are livestreamed.

The following question was asked by a member of the public, Angus

As of today, is the council the legal registered owner of the Pinfold Lane library site?

Responding, Roger Frith, Assistant Director of Corporate Assets & Facilities Management reported that we have sold the land however the land registry have yet to complete the registration.

Councillor O'Brien reported that the sale has been agreed and completed by the parties.

CA.117 MEMBER QUESTION TIME

There were no Member questions submitted in advance.

CA.118 MINUTES

It was agreed:

That the minutes of the meeting held on 15 January 2026 be approved as a correct record.

CA.119 ANNUAL HRA BUDGET 2026/27 & RENT SETTING

The Cabinet member for Finance and Transformation presented the report to members. The report highlights the proposed Housing Revenue Account (HRA) Annual Revenue Budget and Capital Investment Plan Programme for 2026-27, including the proposed increases in rents,

garage rents, service charges and any other relevant charges within the HRA for 2026/27 Councillor Vernon advised members that the Overview and Scrutiny Committee did scrutinise the budget at their meeting on 10 February 2026, and thanked the Director of Finance and staff for the work they had undertaken.

Councillor Mike Smith queried rent convergence and whether there is an aim to close the gap between affordable and social rent?

Neil Kissock, Director of Finance advised that there has been a consultation around it however there has been a delay in being able to implement it.

Councillor Mike Smith also sought assurance around the debt peaking on HRA, and whether this was a doomsday scenario.

Neil Kissock, Director of Finance responded that this is worst case scenario and work will be completed over the next few years around this.

Decision Cabinet:

1. Approved the 2026/27 budget for the Housing Revenue Account
2. Agreed and approve the proposed HRA Capital Investment Plan for 2026/27.
3. Approved the setting of individual social formula rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026 (being September 2025 CPI (Consumer Price Index) 3.8% plus 1%).
4. Approved the setting of individual actual affordable rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026.
5. Approved shared ownership rents to be increased by RPI (as at February 2026) plus 0.5% in line with provisions set out within shared ownership agreements with effect from 1 st April 2026.
6. Approved an increase in Garage rents of 4.8% with effect from 1st April 2026.
7. Approved an increase in Sheltered Management and Support Charges of 4.8% from 1 st April 2026.
8. Approved an increase in Service and Amenity Charges of 4.8% from 1st April 2026.
9. Approved an increase in Support and Heating charges of 4.8% from 1st April 2026.
10. Approved an increase in Furnished Tenancy charges of 4.8% from 1st April 2026.
11. Approved continuation of the policy that when a social rent property is re-let to a new or transferring tenant the rent level will be revised to match the formula rent (target rent) for that property.
12. Noted in accordance with the Rent Standard, that where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent (including service charges where applicable) for a similar property at the time of letting or the formula rent for the property, whichever is the greater.
13. Approved in principle in line with Government's commitment confirmed in January 2026, the re-introduction of Rent Convergence for Bury's HRA stock, which will come into effect from April 2027, with an additional rent charge of £1 per week in 2027-28, and £2 per week from 2028-29 onwards until Rent Convergence is achieved.
15. Noted that Government has confirmed its commitment to the re-introduction of rent convergence from April 2027, with a proposed additional £1 per week charge from April 2027 and £2 per week from April 2028. Until the changes are finally confirmed the additional income has not been assumed in the revenue plan.
16. Noted that following the Cabinet decision to wind down and close Six Town Housing
17. (STH), a working group has been set up to oversee this process, led by Management Consultants Campbell-Tickell. This process will take at least 12-18 months, and at this stage it is not possible to state what implications if any

there will be for the Council's General Fund and HRA. The options as to what will happen to the remaining assets currently held by STH will be presented to Cabinet at the appropriate time for any decisions to be made.

18. Noted and approved the revisions made to the HRA 30-Year Business Plan.

Reasons for decisions:

To ensure that there is a balanced budget in place for the HRA, covering both revenue and capital requirements for 2026/27. The approval of these budget plans for 2026/27 will mean that Bury Council can continue to provide critical housing services to our current tenants and invest in maintaining and improving their homes. This sits within a core set of key policy principles for the housing service: -

- Ensure the application of the principles of economy, efficiency and effectiveness.
- Continue to invest in the existing stock to maintain the Decent Homes Standard.
- Maintain and develop effective engagement with tenants.
- Continually monitor the impact of welfare changes such as Universal Credit on tenants and ensure that they have the appropriate support.
- Work with private landlords to improve their stock where appropriate.
- Undertake environmental improvements to estates if and when possible, acknowledging the impact that this can have in creating safe and clean estates.
- Support the delivery of Affordable Homes across the Borough.
- Undertake direct development, acquisition and refurbishment to bring properties back into use if appropriate and affordable.
- Create sustainable tenancies and maximise rental income collection.
- Undertake sustainability measures across the housing stock as appropriate and affordable to help address the Climate Change Emergency.

CA.120 THE COUNCIL'S 2026/27 REVENUE BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY (MTFS) FOR 2027/28 THROUGH TO 2028/29

The Cabinet Member for Strategic Growth presented a report that sets out key elements of budget proposals. It makes available the latest financial information that will underpin the budget and MTFS and

- Proposes a legal budget that demonstrates we are making strides to reduce funding gaps and reliance on reserves
- Enables us to continue to deliver key strategic objectives
- Continues the work to support our continuing financial sustainability

Councillor Bernstein thanked the Finance Director and Councillor Thorpe for the briefings over the last few months around the budget. He sought reassurance whether Q3 was likely to increase the need to go into reserves and how challenging it would be to some of the political issues. He questioned whether there would be an argument that if we had chosen to do something about the real living wage, the call on reserves would be significantly less.

Councillor Thorpe responded that participating in real living wage is the morally right thing to do. Whilst these are some of the least paid people in our economy, we rely on them heavily for some important work. If we lost these staff wouldn't be able to look after some of the most vulnerable residents in the Borough. Councillor Thorpe assured Councillor Bernstein that nothing is off the table, and we will consider all the options.

Councillor Mike Smith queried whether the efficiencies being looked at were a short term fix. Is it more realistic that a whole rethink needs to be had about how councils are financed?

Councillor Thorpe responded that around 70% of the council's budget goes on statutory services in adult and children's social care. Demand is not abating and unlikely to do so at any point in the future. Plan over next few years is to review services to ensure they are more efficient. There is a case for reforming the system and the government have already reviewed the settlement provided for councils. Government yesterday announced additional funding for SEND for all Local Authorities.

Councillor Mike Smith queried the increase in income around EV cross pavement charges and what they are?

Councillor Thorpe advised that this was essentially setting a channel in pavements. It is being trialled in councils across both Manchester and nationally.

Councillor O'Brien confirmed that options are being explored and we will wait to see the outcomes of these trials.

Councillor Bernstein questioned the overspend in Q2 and whether this was likely to increase or reduce?

Councillor Thorpe confirmed that pressures aren't abating. Neil Kissock, Director of Finance confirmed we are not in a position to discuss Q3 at the present time. An update will be provided to the March cabinet meeting.

Councillor Bernstein observed that there had been lots of debate about housing developments and when we look at council tax income, it is significantly less than all other Local Authorities. Additional properties will help to increase the income to the council

Councillor Thorpe confirmed this was a good point. There will be challenges in next 2-3 years. Need to maintain sustainability.

Councillor O'Brien remarked that if the council had developed homes at the level to meet the demand over the last decade, it would have had the benefit of supporting council tax income and local economies.

Decision:

Cabinet:

1. Approved the Medium-Term Financial Strategy to 2028/29 and the assumptions regarding resources and spending requirements.
2. Approved the Council Tax base for Bury Council for 2026/27 of 58,709.94 Band D equivalent dwellings, this is the basis on which the Council Tax funding has been calculated (Appendix 1).
3. Approved the net revenue budget of £252.135m for 2026/27.
4. Approved the Council Tax requirement of £124.224m and the increase in Council Tax in 2026/27 of 2.99% in terms of General Council Tax and a further 2% for the Adult Social Care precept for 2026/27 (Appendix 1).
5. Approved the budget assumptions of £29.364m in 2026/27.

6. Approved new revenue budget proposal relating to additional Place Directorate income to be achieved across 3 areas: car parking, moving vehicle offences and EV cross pavement fees. Delivery plans will be brought forward for consideration by Cabinet in the new financial year, including the detail of any specific consultation exercises that
7. may be required to be undertaken. The consultation outcomes will be considered by Cabinet before implementation along with any financial implications adopted in the 2027/28 budget proposed by Cabinet to Council.
8. Noted the remaining budget gap of £21.155m over the medium-term to 2028/29.
9. Approved the use of £3.977m of reserves from the budget stabilisation reserve for 2026/27.
10. Noted the forecast position on reserves over the medium-term to 2028/29.
11. Approved the recommendations set out in the Treasury Management Strategy (Appendix 2):
 - i. To approve the Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy.
 - ii. To approve the Treasury Management Policy Statement.
 - iii. To approve the Minimum Revenue Provision (MRP) Policy Statement.
12. Approve the Capital Strategy and the Programme for 2026/27 – 2028/29 (Appendix 3).
 - Cabinet to recommend and council to approve the use of £2m flexible use of capital receipts in 2026/27. 23.
13. Approved the Dedicated Schools Grant budget for 2026/27 at £257.345m and approved the allocations between the four funding blocks as set out in Appendix 4 of this report.
 - i. The Schools and Academies 2026/27 funding unit values as recommended by Schools Forum and detailed at Annex 1 to appendix 4.
 - ii. Approve the 2026/27 hourly rates for all early year's providers as follows: i.
14. £5.77 per hour for 3- and 4-year-olds. ii. £8.35 per hour for 2-year-olds. iii. £11.30 per hour for under 2's. 24. Note the Equality Impact Assessment for the budget report (Appendix 5).
15. Noted the Chief Finance Officer (Director of Finance) statement on the robustness of estimates and adequacy of financial reserves in setting the budget (Appendix 6).

Reasons for decisions:

The Council has a legal requirement annually to set a balanced budget and Council Tax and where necessary undertake consultation with the public, businesses, stakeholders and internally with staff and through Overview & Scrutiny Committee.

Alternative options considered and rejected:

- The current assumption within the 2026/27 budget and medium term is for an ongoing 4.99% annual Council Tax increase (2.99% general precept and 2% adult social care precept). The government's Core

Spending Power calculations include the assumption that Councils will increase the Council Tax by these percentages.

- An alternative option could be made to increase its 'relevant basic amount of council tax' above the levels set out in the Provisional 2026/27 Local Government Finance Settlement published in December 2025 of 4.99%, but this would require holding a local referendum and a majority vote.
- A 1% increase or decrease in Council Tax is the equivalent to c.£1.242m

CA.121 CHILDREN'S SERVICES - YOUTH JUSTICE SERVICE PROPOSAL

The Deputy Leader and Cabinet Member for Children and Young People introduced the report to bring youth justice service back into Bury whilst achieving better outcomes for children and young people

Decision:

Cabinet:

1. Approved the establishment of a standalone Bury Youth Justice Service. With a target go-live date of 1 September 2026, subject to discussion and agreement with Rochdale Brough Council.
2. Approved the termination of the current Youth Justice Collaborative Agreement dated 12 th November 2015 with Rochdale Borough Council.
3. Authorise officers to identify and secure an appropriate local venue within Bury from which the Youth Justice Service will operate.
4. Delegate authority to the Executive Director for Children's Services, in consultation with the Portfolio Holder, to take all necessary steps to implement the new service arrangement, including any TUPE transfer of staff, whilst ensuring compliance with Youth Justice Board requirements and inspection expectations.
5. Consider the proposal in line the wider Families First Partnership reforms, and the development of a targeted adolescent service which is outlined below.

Reasons for decisions:

The recommendation is driven by the need to ensure that Bury's Youth Justice provision is fully aligned with national expectations, including the Youth Justice Board's child-first, trauma informed approach and the focus on prevention, diversion, and reducing reoffending.

Establishing a local service will enable stronger oversight of quality and performance, improved partnership engagement, and greater responsiveness to the specific needs and profiles of Bury's children and young people. Delivering our own Youth Justice Service will provide us with a greater opportunity to develop the service tailored to local demographics and priorities supported by the ability to make decisions locally.

The original agreement was put in place to achieve economies of scale with shared staffing and management, training, case management tools, and the input of specialist services which would have been less affordable if Bury had delivered the service alone. In addition, working in partnership with Rochdale Council was considered to be beneficial due to joint governance arrangements with Police, Health and Education driving service improvement and performance leading to improved outcomes for young people.

Both Bury and Rochdale Children's Services now consider it to be in the best interests of both Local Authority areas to separate and deliver local Youth Justice Services.

If agreed we would take the opportunity to redesign the service under one Directorate ensuring effective use of resources aligned to local services around our wider adolescent offer for example Youth Service, Prevention, Keeping Families Together, and Complex Safeguarding ensuring a more tightly joined up approach and greater impact.

Alternative options considered and rejected:

- Option 1: Continue the partnership arrangement with Rochdale Council. This option was rejected due to limited local control, reduced visibility of performance, and challenges in ensuring services are delivered close to where Bury young people live.
- Option 2: Enter a partnership with another local authority. This option was rejected as it would continue to create dependency on external governance arrangements and would not fully support the integration of youth justice with Bury's wider children's services.
- Option 3: Commission the service from an external provider. This option was rejected due to higher costs, potential instability, and reduced direct accountability to the Council and statutory partners.

CA.122 WALSHAW DEVELOPMENT FRAMEWORK - CONSULTATION DRAFT

The Leader and Cabinet Member for Strategic Growth recommended the Members take questions of all three reports together, Member agreed with this approach.

Councillor O'Brien introduced the reports and explained that as we have heard tonight, these big decisions do cause questions and concerns.

The papers for the meeting are the detailed development frameworks that start to fill in some of the gaps around infrastructure that is required and what safeguards and assurances we can give to the public to ensure we get the right things in at the right time.

Councillor Vernon advised that members of Overview and Scrutiny Committee had a long discussion about the framework at their meeting on 10 February 2026. Queries and concerns raised at the committee covered biodiversity, infrastructure, housing and housing density. Members considered the format of publication.

The Overview and Scrutiny Committee thanked officers for their work and Councillor Vernon confirmed that a further scrutiny meeting will be held to discuss the plans again as well as the Bury West Transport Framework and the Local Plan.

Councillor O'Brien agreed that the frequently asked question accompanying the consultation document would be amended and confirmed this has been completed.

Councillor Mike Smith queried the living wage and that many properties are unaffordable for residents.

Councillor O'Brien advised that the technical definition of 'affordable housing' is subjective. For some people it is affordable for others it isn't. The Council have to use planning language and terminology.

Councillor Mike Smith queried what protections were in place to prevent land banking?

Councillor O'Brien confirmed that the legal powers to the Council are limited. Developers leading on the sites have spent a lot of time, money and effort to get to this stage. Council would work to ensure these risks are limited as far as possible.

Councillor Quinn highlighted there will be a problem with a shortage of skilled individuals to undertake the building work.

Councillor O'Brien confirmed that work is being carried out in Greater Manchester to ensure skills supply is there to meet the demand alongside a £10m pot from government to focus on construction skills.

We have also had confirmation that a technical excellence college in Wigan and Leigh is being set up. The Leader is also convening a meeting with Councillor Craig and Councillor Dennett to develop this work.

Councillor O'Brien confirmed a range of property types, tenures and densities were needed to support rented and supported housing.

Councillor Morris commented that a case was made that this development wasn't needed in Walshaw, which the council agreed with. This was overruled by the planning inspectorate. Councillor Morris is pleased to see the framework come forward and will be encouraging residents to engage with the consultation.

Councillor Lucy Smith commented that this is not just talking about houses, it's talking about how we create homes and communities.

Councillor Arif expressed concerns that green belt land is not just waiting to be built on. These areas cannot be replaced once destroyed and the council must use brownfield land first.

Councillor O'Brien commented that this isn't a repeat debate about Places for Everyone as the principles have been agreed and reminded Members that over half of the Borough would remain as green belt.

Each recommendation was considered as follows -

Decision Cabinet:

1. Approved the draft Walshaw Development Framework Supplementary Planning Document (Appendix 1) as the basis for public consultation for six week period commencing on 13th February 2026.
2. Delegated power to the Executive Director of Place to make minor nonmaterial editorial amendments to the draft Walshaw Development Framework Supplementary Planning Document before consultation commences.

Reasons for decision

To enable stakeholders to have the opportunity to submit comments on the draft Walshaw Development Framework and to comply with the statutory requirements for consultation.

Alternative options considered and rejected

To not approve the WDF for consultation. This would prevent stakeholders from commenting on the WDF and would prevent the Council from being able to proceed to adopt the WDF as a Supplementary Planning Document because it is a statutory requirement that such documents must be consulted on before adoption.

CA.123 ELTON RESERVOIR DEVELOPMENT FRAMEWORK - CONSULTATION DRAFT

Decision

Cabinet:

1. Approved the draft Elton Reservoir Development Framework Supplementary Planning Document (Appendix 1) as the basis for public consultation for six-week period commencing on 13th February 2026.

2. Delegated power to the Executive Director of Place to make minor nonmaterial editorial amendments to the draft Elton Reservoir Development Framework Supplementary Planning Document before consultation commences.

Reasons for decisions:

To enable stakeholders to have the opportunity to submit comments on the draft Elton Reservoir Development Framework and to comply with the statutory requirements for consultation.

Alternative options considered and rejected

To not approve the ERDF for consultation. This would prevent stakeholders from commenting on the ERDF and would prevent the Council from being able to proceed to adopt the ERDF as a Supplementary Planning Document because it is a statutory requirement that such documents must be consulted on before adoption.

CA.124 SIMISTER BOWLEE DEVELOPMENT FRAMEWORK CONSULTATION DRAFT

Decision

Cabinet:

1. Approved the draft Simister Bowlee Development Framework Supplementary Planning Document (Appendix 1) as the basis for public consultation for a six-week period commencing on 13 February 2026.
2. Delegated power to the Executive Director of Place to make minor nonmaterial editorial amendments to the draft Simister Bowlee Development Framework Supplementary Planning Document before consultation commences.

Reasons for decisions:

To enable stakeholders to have the opportunity to submit comments on the draft Simister Bowlee Development Framework and to comply with the statutory requirements for consultation.

Alternative options considered and rejected:

To not approve the SBDF for consultation. This would prevent stakeholders from commenting on the SBDF and would prevent the Council from being able to proceed to adopt the SBDF as a Supplementary Planning Document because it is a statutory requirement that such documents must be consulted on before adoption.

CA.125 BURY WEST TRANSPORT FRAMEWORK

The Leader and Cabinet Member for Strategic Growth introduced the report advising that on top of the development frameworks this transport framework has been produced to identify and set out the types of infrastructure we need to support the plans.

Significant challenges come with development and this report shows how we can deliver better public transport solutions across this part of the borough.

Councillor Bernstein welcomed the paper and commented that it gives reassurance that we have listened to residents and have sought to mitigate the challenges.

Councillor Walmsley welcomed the report. Area where there is piecemeal development sites that are having an impact on local residents. Shows forward planning that is needed.

Decision Cabinet:

1. Endorsed the Bury West Transport Framework and delegate authority to the Executive Director of Place to make non-material adjustments to the document as the Elton Reservoir and Walshaw projects progress.

Reasons for decisions:

The Bury West Transport Framework sets out the transport vision for the Bury West area, and its endorsement will support sound decision making through the planning process alongside the proposed Supplementary Planning Documents. The Framework will also be a critical tool in making the case for and securing the investment needed to deliver the required transport infrastructure, from a number of funding sources, including financial and nonfinancial contributions from the private sector.

Alternative options considered and rejected:

The development of a Transport Framework is a best practice planning requirement to set the vision-led strategy for these sites. The public sector has developed the Bury West Transport Framework to ensure it adequately reflects planning and transport policy requirements and can be applied to applications across these sites as they come forward. The alternative option for each developer to produce a Transport Plan for individual application areas, risks a noncohesive approach and would undermine the overall strategy to develop these sites.

CA.126 BURY FLEXI HALL - OPERATOR CONTRACT AWARD - PART A

The Leader and Cabinet Member for Strategic Growth introduced the report. Following public consultation, a name has been agreed for the flexi hall, 'Casewell's'.

Councillor O'Brien thanked everyone who has been part of the project up until now.

Councillor Mike Smith ask a question regarding Radcliffe Market Councillor Morris confirmed she would contact Cllr Smith to update on the matter.

Councillor Tariq highlighted that this is a significant step forward for the borough and will benefit the local community.

Councillor Walmsley welcomed the development and is assured it will improve the town centre.

Decision

Cabinet:

1. Approved the grant of a lease for a term of 15 years with an option to grant a further 10-year term to MEB to occupy the ground floor and if required part of the 1st floor for use as a food and events hall.
2. Approved a 12-month rent free period.
3. Approved the loan to MEB of up to £1.1m.
4. Delegated any minor variations to the final Heads of Terms and Key Performance
5. Indicators (KPIs) to the Assistant Director for Corporate Assets and Facilities Management.
6. Delegated the commercial terms of the loan facility to the Section 151 Officer.
7. Delegated the signing of all the required documents to complete the transaction, including the Agreement for Lease, Lease and Loan Agreement to Director of Law and Governance.
8. Noted that the name selected for Bury Flexi Hall as 'Casewells'.

Reasons for decisions:

MEB has a strong track record in delivering and operating successful food, drink and events venues, providing confidence in their ability to activate and manage Casewells effectively.

Granting the lease and enabling the associated loan for fitout works will ensure the operator can deliver a high-quality food and events venue, supporting the Council's regeneration objectives for the town centre.

Alternative options considered and rejected

- Do not proceed with the lease and loan to MEB and Bury Council operate and manage the facility directly. This option has been discounted due to lack of internal capacity and experience of operating modern food and entertainment facilities.
- Lease to another third party. The Council undertook a procurement exercise to secure best terms for a third party and this bid aligns with the Council's objectives and timescale for delivery. To rerun the exercise would delay the opening of Casewells and incur further cost to the Council and could negatively impact the Council's reputation.

CA.127 IN-HOUSE DELIVERY OF BIODIVERSITY NET GAIN ON COUNCIL-OWNED LAND - PART A

The Cabinet Member for Environment, Climate Change and Operations introduced the report which sets out how these receptor sites can be brought forward through in-house delivery now that the options available to the Council have evolved following Defra's grant of Responsible Body status to Greater Manchester Combined Authority (GMCA).

Councillor Mike Smith queried the Defra calculations Councillors Quinn and O'Brien confirmed that these were specialist calculations carried out by the GM ecology unit.

Councillor Mike Smith queried whether planning applications would be legally restricted.

Councillor Quinn confirmed no development would be allowed.

Decision Cabinet:

1. Noted the opportunities identified in relation to in-house delivery of BNG on Council owned land.
2. For the six Council-owned receptor sites, authorised the Executive Director of Place, Head of Property and Director of Law and Governance, in consultation with the relevant portfolio holders to:
 - a. engage in works to prepare the sites for delivery;
 - b. enter into an agreement with the GMCA for the commissioning of the GMCA Responsible Body service, and agree to use the service for a period of three years;
 - c. sign a legal agreement securing the sites for 30 years, if terms can be agreed; and d) submit the sites to the Department for Environment, Food & Rural Affairs for inclusion on their register of biodiversity gain sites to enable the Council to advertise the units for sale.
3. Noted the intention to initially submit two pilot receptor sites at Hollins Mount and Chesham (if legally secured with GMCA) to the Department for Environment, Food & Rural Affairs for inclusion on their register of biodiversity gain sites;
4. Approved the in-house self-management of the sites and authorise up-front investment required to bring these sites to market, recognising that this work will require a dedicated resource to track and manage the delivery of Biodiversity Net Gain in the Borough; and
5. Authorised the Director of Finance to ringfence income from Biodiversity Unit sales to cover 30-year management and, maintenance costs along with any profits to support resourcing demands and, where relevant, implement other nature related projects across the Borough in accordance with the Bury Biodiversity Strategy.

Reasons for decisions:

To help ensure that the benefits of biodiversity net gain from development in the Borough are secured locally, as opposed to regionally or nationally.

To improve management of, and maximise investment in, Council-owned greenspace.

To have the ability to redirect any surpluses/profits to support the growth of resources to implement other nature related projects across the Borough.

To support and facilitate the delivery of development in Bury which meets the statutory BNG requirements.

Alternative options considered and rejected:

- To take no action. The lack of opportunities for developers to deliver off-site BNG within Bury is likely to result in developers delivering this outside of the Borough meaning that Bury would not benefit from biodiversity enhancements.
- Furthermore, the Council would lose the opportunity to secure investment in and enhancement of its land.

CA.128 STRATEGIC DIRECTION FOR BURY'S LEISURE CENTRES

The Cabinet Member for Adult Care, Health and Public Services thanked everyone involved in this piece of work. The report presents a proposed strategic approach for the Council's leisure services in the context of the wider 2026/27 budget-setting process.

Councillor Quinn congratulated the team on the work completed.

Councillor Bernstein welcomed the Local Authority leisure provision but queried whether closure was an option.

Councillor Tariq responded that investment was required and there were benefits from retaining leisure facilities.

Councillor Cummins confirmed her delight in still have leisure offer in Ramsbottom and across the Borough.

Decision

Cabinet:

1. Approve enabling repair and maintenance investment totalling £4.5million across Ramsbottom (£1 million) and Castle Leisure Centre (£3.5 million), ensuring facilities remain safe, operational, and capable of supporting enhanced commercial activity.
2. Approve the implementation plan for repairs, commercialisation, and opening of the Radcliffe leisure offer within the new Radcliffe Hub.
3. Approve the commercialisation programme, including pricing changes (including a 10% increase per year over 3 years), enhanced income-generation activity, and service modernisation.
4. Note that performance and income will be monitored quarterly through the Council's financial reporting cycle, with a commitment to bring a further Cabinet report should targets not be achieved with alternative proposals.
5. Note the consultation outcomes.

Reasons for decisions:

To maintain safe, legally compliant facilities, to protect valued public health assets and to unlock commercial potential.

To deliver required savings while protecting services, to reflect consultation feedback and to improve long term sustainability of the leisure offer.

To ensure robust financial oversight, provide transparency and accountability and allow for reconsideration of options should income not materialise as planned.

To demonstrate decisions have been informed by feedback along with openness and transparency.

Enables an organised timely delivery programme, supports a coordinated transition linked to Radcliffe and ensures service can meet revenue targets.

Alternative options considered and rejected

- Reduce the estate - (e.g., close one site) to achieve savings through reduced operating costs. It was clear through the consultation that it was important to the public to retain all sites and commercialise.
- Do nothing – This would make achieving the savings unattainable.

CA.129 URGENT BUSINESS

There was no urgent business.

CA.130 EXCLUSION OF PRESS AND PUBLIC

Decision:

That the press and public be excluded from the meeting under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, for the reason that the following business involves the disclosure of exempt information as detailed against the item.

CA.131 BURY FLEXI HALL - OPERATOR CONTRACT AWARD - PART B

The Leader and Cabinet Member for Strategic Growth presented the Part B report containing the full financial information.

Decision

Cabinet:

- Approved the grant of a lease for a term of 15 years with an option to grant a further 10-year term to MEB to occupy the ground floor and if required part of the 1st floor for use as a food and events hall.
- Approved a 12-month rent free period.
- Approved the loan to MEB of up to £1.1m.
- Delegated any minor variations to the final Heads of Terms and Key Performance Indicators (KPIs) to the Assistant Director for Corporate Assets and Facilities Management.
- Delegated the commercial terms of the loan facility to the Section 151 Officer.
- Delegated the signing of all the required documents to complete the transaction, including the Agreement for Lease, Lease and Loan Agreement to Director of Law and Governance.
- Noted that the name selected for Bury Flexi Hall as 'Casewells'.

Reasons for the decision:

As set out for the Part A report.

Alternative options considered and rejected:

As set out for the Part A report.

CA.132 IN-HOUSE DELIVERY OF BIODIVERSITY NET GAIN ON COUNCIL-OWNED LAND - PART B

The Cabinet Member for Environment, Climate Change and Operations presented the Part B report containing the full financial information

Decision

Cabinet:

- Noted the opportunities identified in relation to in-house delivery of BNG on Council owned land.
- For the six Council-owned receptor sites, authorised the Executive Director of Place, Head of Property and Director of Law and Governance, in consultation with the relevant portfolio holders to:
 - a. engage in works to prepare the sites for delivery;
 - b. enter into an agreement with the GMCA for the commissioning of the GMCA Responsible Body service, and agree to use the service for a period of three years;
 - c. sign a legal agreement securing the sites for 30 years, if terms can be agreed; and d) submit the sites to the Department for Environment, Food & Rural Affairs for inclusion on their register of biodiversity gain sites to enable the Council to advertise the units for sale.
- Noted the intention to initially submit two pilot receptor sites at Hollins Mount and Chesham (if legally secured with GMCA) to the Department for Environment, Food &
- Rural Affairs for inclusion on their register of biodiversity gain sites;
- Approved the in-house self-management of the sites and authorise up-front investment required to bring these sites to market, recognising that this work will require a dedicated resource to track and manage the delivery of Biodiversity Net Gain in the Borough; and
- Authorised the Director of Finance to ringfence income from Biodiversity Unit sales to cover 30-year management and, maintenance costs along with any profits to support resourcing demands and, where relevant, implement other nature related projects across the Borough in accordance with the Bury Biodiversity Strategy.

Reasons for the decision:

As set out for the Part A report.

Alternative options considered and rejected:

As set out for the Part A report.

COUNCILLOR E O'BRIEN

Chair

(Note: The meeting started at 6.00pm and ended at 8.10pm)



Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Council	Date: 25 February 2026
Subject:	2026 Council Tax Support Scheme technical amendment	
Report of	Cabinet Member for Finance and Transformation	

Summary

Approval is sought for a technical amendment to the earnings band thresholds stated within the Council Tax Support (CTS) Scheme for 2026/27, prior to implementation on 1 April 2026.

Following Council approval of the revised draft scheme on 21 January 2026, system testing and configuration by officers identified that an incorrect table had been used within Cabinet and Council papers to illustrate the earned income bands being introduced in the new scheme. This table contained a higher maximum earnings threshold than was intended.

If adopted the increased income threshold could increase the council's exposure to future expenditure risk by expanding eligibility beyond the intention of the scheme principles. (This would also represent an expansion of eligibility beyond the current CTS scheme levels and caseload).

The proposal is to correct the upper earnings thresholds within the table to the intended level and safeguard against those on a higher level of earned income being able to access the scheme from April 2026 onwards.

Under regulation, Council Tax Support schemes must be finalised by 11th March, and so it is necessary to seek Full Council approval for this correction prior to that date.

Recommendation(s)

To approve the technical correction of the income bands within the scheme to their intended level

Reasons for recommendation(s)

To protect future council expenditure beyond intended scope and safeguard the scheme's intended scope and principles.

Alternative options considered and rejected

Adopting the scheme including the incorrect income band table.

Report Author and Contact Details:*Name: Chris Brown**Position: Head of Corporate Collection and Support**Department: Finance**E-mail: chris.brown@bury.gov.uk***Background**

Approval is sought for a technical amendment to the earnings band thresholds stated within the Council Tax Support (CTS) Scheme for 2026/27, prior to implementation on 1 April 2026.

Following Council approval of the revised draft scheme on 21 January 2026, system testing and configuration by officers identified that an incorrect table had been used within Cabinet and Council papers to illustrate the earned income bands being introduced in the new scheme. This table contained a higher maximum earnings threshold than was intended.

Table and income bands used in documentation

Discount	Single	Single +1 Child	Single +2 Child	Single +3+ Child	Couple	Couple +1 Child	Couple +2 Child	Couple +3+ Child
80%	£0	£0	£0	£0	£0	£0	£0	£0
60%	£100	£200	£300	£300	£100	£200	£300	£300
40%	£500	£700	£800	£800	£600	£700	£800	£800
20%	£900	£1100	£1200	£1200	£1000	£1100	£1200	1£200
10%	£1400	£1600	£1800	£1800	£1500	£1700	£1800	£1800
0%	£2000	£2200	£2300	£2300	£2100	£2200	£2300	£2300

The table indicated that - for example - a single person in receipt of between £900 and £1400 earned income per month would receive 10% Council Tax Support.

The table did not make it clear enough that the income levels stated were the maximum levels within the band e.g. £100 per month was the maximum amount a single person could earn to qualify for 60% Council Tax Support.

Corrected table and income bands

Dis- -count	Single	Single +1 Child	Single +2 Child	Single +3+ Child	Couple	Couple +1 Child	Couple +2 Child	Couple +3 Child
80%	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
60%	£0.01 - £100	£0.01 - £200	£0.01 - £300	£0.01 - £300	£0.01 - £100	£0.01 - £200	£0.01 - £300	£0.01 - £300
40%	£100.01 - £500	£200.01 - £700	£300.01 - £800	£300.01 - £800	£100.01 - £600	£200.01 - £700	£300.01 - £800	£300.01 - £800
20%	£500.01 - £900	£700.01 - £1100	£800.01 - £1200	£800.01 - £1200	£600.01 - £1000	£700.01 - £1100	£800.01 - £1200	£800.01 - £1200
0%	Over £900	Over £1100	Over £1200	Over £1200	Over £1000	Over £1100	Over £1200	Over £1200

The corrected table illustrates that – for example – a single person may earn a maximum of £900 per month before becoming ineligible for Council Tax Support.

The corrected table is also much clearer in detailing for residents the range of earned income they can earn to qualify for each level of discount. For example, a couple with 1 child who earn between £700.01 and £1,100 per month would qualify for 20% in Council Tax Support.

The correction of the table does not impact the current CTS caseload as it only prevents those on a higher level of earned income, and who do not currently qualify for CTS under the current scheme, from qualifying for CTS under the new scheme. And system testing confirms that the revised thresholds result in no material change to the overall scheme impact.

Whilst the proposed amendment revises the upper earnings thresholds, it does not alter the policy intent or design of the scheme.

The scheme was subject to public consultation in 2025. The consultation was based on the principles of the new scheme and requested resident feedback on the changes to the design of the scheme. The income band table did not form part of the consultation documentation and was not specifically consulted on.

Following approval of the new scheme at January council, the finalised Council Tax Support Scheme regulations are now also included with this report prior to implementation on 1st April 2026.

Links with the Corporate Priorities:

Reduce Child Deprivation – the remodelled scheme aims to provide increased financial support to families on low incomes.

Inclusive Economic Growth – through providing greater financial support to families, the scheme enables and supports employment chances for those residents balancing employment with childcare costs.

Equality Impact and Considerations:

*Please provide an explanation of the outcome(s) of an initial or full EIA and make **specific reference regarding the protected characteristic of Looked After Children**. Intranet link to EIA documents is [here](#).*

An Equality Impact Assessment has been completed and published for the scheme previously.

The analysis assessed households by disability and family composition. Current protections for disabled adults, carers, and lone parents perform well. However, lower-band caps and tight capital limits restrict support for other low-income groups.

The proposed scheme maintains protections and increases awards for families with children, aligning with the Council’s Public Sector Equality Duty to advance equality and reduce child poverty.

Environmental Impact and Considerations:

*Please provide an explanation of the Environmental impact of this decision. Please include the impact on both **Carbon emissions** (contact climate@bury.gov.uk for advice) and **Biodiversity** (contact c.m.wilkinson@bury.gov.uk for advice)*

1. Not applicable

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Amendment to the scheme may not be lawful without reconsulting.	External legal opinion sought and assurance provided.

Legal Implications:

To be completed by the Council’s Monitoring Officer.

Following the case of *LL & Anor, R (on the application of) v Trafford Metropolitan Borough Council* [2025] EWHC 2380 (Admin) CTS schemes must be formally

adopted by Full Council under s.67(2)(aa) Local Government Finance Act 1992. Adoption by Cabinet or delegation would be unlawful.

Schemes must also:

- Avoid double-counting income already deducted in Universal Credit.
- Clearly specify disregards for UC elements (carer, disabled-child, etc.).
- Evidence compliance with the Equality Act 2010 through an Equality Impact Assessment (EIA).

Section 13A of the Local Government Finance Act 1992 (“the 1992 Act”), as amended by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022, requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the billing authority considers are in financial need.

The original scheme has been consulted on; the extent of the amendment is set out above. External legal opinion has been sought, it has been confirmed that the Council is not required to reconsult on the amendment.

Financial Implications:

Approval of the report will ensure that the scheme will remain broadly cost neutral and have no impact on the 2026/27 budget and medium term financial strategy assumptions.

Appendices:

Background papers:

Bury Council: Council Tax Support Scheme 2026/27

This page is intentionally left blank



COUNCIL TAX SUPPORT SCHEME

2026-2027

Contents

(Use ctrl and click to link from the contents directly to the appropriate section of the document)

Introduction	4
Overview of the scheme	4
Pension-age applicants	4
Working-age applicants	5
Calculation of earnings – working-age applicants.....	7
Earnings from employment	7
Self-employment.....	7
Treatment of earnings for applicants receiving Universal Credit	8
Other income	8
Treatment of capital	9
Notional capital	9
Calculation of capital	9
Calculation of council tax reduction	10
Maximum council tax reduction.....	10
Where income is more than the amount for living expenses (pensioners only)	11
Other aspects of the calculation	11
Non-dependant deductions	11
Non-dependant deductions for pensioners.....	12
Non-dependant deductions for working-age applicants.....	13
Temporary Absences	14
Extended support - the run-on	15
People treated as not in Great Britain.....	16
Students.....	19
Effective dates.....	19
Date entitlement begins	19
Date from which changes in circumstances take effect	19
Application procedure /online applications	20
Date on which an application is made.....	21
Advance applications.....	22
Date applications are treated as made and backdating	22
Evidence and information.....	23
Duty to notify changes in circumstances	23
Decisions and awards	24
Use of information	25

Revisions and written statements	25
Appeals	26
Discretionary awards	26
Electronic communication	26
Annex 1 – Glossary of terms	28
Annex 2 - Polygamous marriages	35
Annex 3 – Treatment of income - pensioners.....	36
Earnings from employment	36
Self-employment.....	37
Other income	37
Childcare charges	38
Annex 4 - Definition of earnings as an employed earner	39
Annex 5 - Calculation of self-employed earnings.....	40
Annex 6 - Calculation of income other than earnings	41
Annex 7 - Income which is treated as capital (and capital treated as income)	41
Annex 8 - Students	42
Appendix 1 - Living expenses (pensioners only)	45
Disabled child premium	46
Carer Premium	46
Enhanced disability premium.....	47
Severe disability premium	47
Appendix 2 - Alternative Maximum Council Tax Reduction (pensioners only).....	48
Appendix 3 - Earnings that are ignored fully or in part (pensioners only).....	50
Earnings paid before the first day of entitlement	50
Earnings paid when council tax reduction has been awarded.....	50
Appendix 4 - Income other than earnings that is ignored fully or in part (pensioners only)	52
Income wholly ignored – expenses:	52
Income wholly ignored – other:	52
Income partially ignored.....	54
Appendix 5 - Capital that is ignored	55
Property	55
Benefits	56
Compensation	57
Other.....	58

Introduction

1. Since April 2013, all council tax billing authorities in England are required to set up a scheme to help people in financial need pay their council tax. This document describes the scheme set up by Bury Council for the period 1st April 2026 until 31st March 2027.
2. The scheme is called a council tax reduction scheme because any support usually takes the form of a reduction in council tax liability, and therefore a reduction in the applicant's council tax bill.
3. Although this document provides a comprehensive, plain English account of the scheme in Bury, further information on those aspects which must be followed in all schemes can be found [here](#) in the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (and subsequent amendments). Where these prescribed requirements regulations contain details not covered in this document, the regulations are to be regarded as part of the Bury scheme.
4. The provisions of this scheme apply to all applicants unless otherwise stated.

Overview of the scheme

Pension-age applicants

5. The Government has decided that pensioners¹ should have broadly the same level of support that they had in the old Council Tax Benefit scheme. This means that the Council must follow the rules decided by central Government and has no discretion to alter them.²
6. Subject to some overall conditions (see paragraph 13 below), there are three groups of pensioners in financial need who the scheme is designed to help:
 - those whose income is no greater than the set amount allowed for living expenses; these pensioners qualify for 100% reduction on their council tax bill;
 - those whose income is greater to a certain extent than the set amount allowed for living expenses; these pensioners will have 20% of the difference between their income and the amount for living expenses deducted from the maximum amount of council tax reduction that would otherwise be payable;

¹ See [Annex 1](#) (Glossary) for definitions of 'pensioner' and 'working age'. A pensioner is person who has reached the qualifying age for State Pension Credit and is not (or where there is a partner the partner is not) receiving a working-age income-related benefit. This means that a mixed-age couple, where neither the applicant nor the partner is in receipt of working-age income-related benefit, are eligible for the pensioner scheme. However, the definition of a pensioner does include those who have reached pension age and are receiving Universal Credit because of the closure of Working Tax Credit.

² Set out in the [Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) Regulations 2012](#) (as amended from 2013 to 2026).

- those where there is a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so; these pensioners will see a reduction in their council tax bill of either 7.5%, 15%, 25% or 100%, depending on the circumstances of the second adult living in the household (see [Appendix 2](#)).
7. In the calculation of council tax reduction for pensioners, there is an amount allowed for living expenses which is made up of the following components:
- an amount for the applicant or, if they are a member of a couple, an amount for both of them;
 - if appropriate, an amount for children³ or young persons who are members of the applicant's family;⁴
 - if appropriate, additional amounts, or premiums, as set out in [Appendix 1](#), for example to cover expenses associated with disability.
8. There are special arrangements for polygamous marriages (see [Annex 2](#)).

Working-age applicants

9. The Council has devised its own scheme for working-age applicants. Subject to some overall conditions (see paragraph 13 below), the working-age applicants in financial need who the scheme is designed to help are those whose monthly earnings are within any earnings band prescribed by the Council as set out in the table below.

³ An applicant is treated as responsible for a child or young person who is normally living with them. Where a child or young person spends broadly equal amounts of time in two separate households, or if there is a question as to which household a child or young person lives in, the person who receives Child Benefit (or who has applied for Child Benefit) in respect of that child or young person is treated as responsible. In the absence of a Child Benefit claim, the person who has primary responsibility is treated as responsible. For the purposes of this scheme, only one person can be responsible for a child or young person in any one council tax reduction week.

⁴ The number of children or young persons included in the calculation for pensioners was limited to two from 1st April 2018, but this limitation was removed from April 2025. This follows amendments to the prescribed requirements regulations.

Band	Monthly earned income								Discount
	Single	Single +1 child	Single +2 child	Single +3 child	Couple	Couple +1 child	Couple +2 child	Couple +3 child	
1	0	0	0	0	0	0	0	0	80%
2	0.01-100	0.01-200	0.01-300	0.01-300	0.01-100	0.01-200	0.01-300	0.01-300	60%
3	100.01-500	200.01-700	300.01-800	300.01-800	100.01-600	200.01-700	300.01-800.00	300.01-800.00	40%
4	500.01-900	700.01-1100	800.01-1200	800.01-1200	600.01-1000	700.01-1100	800.01-1200	800.01-1200	20%
6	Over 900	Over 1100	Over 1200	Over 1200	Over 1000	Over 1100	Over 1200	Over 1200	Nil

10. The weekly earnings to be applied are based on the earnings of the applicant and, where appropriate, their partner. The percentage reduction awarded depends on where the applicant's earnings fall in the ranges listed in the table. The net weekly earnings of those applicants who do not receive Universal Credit are calculated in accordance with [paragraphs 15-20](#) of this scheme. For applicants receiving Universal Credit, the amount of earnings determined by DWP in the assessment of Universal Credit is used in the calculation, in accordance with [paragraphs 21-23](#) of this scheme.
11. In addition, households living in a property in a higher council tax band than band B are restricted to the amount of council tax liability for a band B property, unless they are in a protected group.
12. The protected groups are:
- an applicant or partner receiving War Disablement Pension, War Widows Pension, Armed Forces Compensation Payment or War Widows Disablement Pension;
 - an applicant or partner receiving Disability Living Allowance, Attendance Allowance, Personal Independence Payments (all components), and Employment Support Allowance (Support component only);
 - an applicant or partner receiving a Carer's Allowance or has underlying entitlement to Carer's Allowance;
 - a lone parent who resides with and is responsible for a child under 5 years old; or
 - where there has been a bereavement within the household in the last 12 months and the deceased person is either the applicant, partner or any dependent child.
13. The overall conditions for all applicants to receive financial assistance from the scheme are that they:
- live in the property as their main home; and

- are liable to pay council tax; and
- meet the residence rules; and
- have capital not exceeding £16,000 (£8,000 for working-age applicants); and
- have made an application for assistance from the scheme.

Calculation of earnings – working-age applicants⁵

14. The earnings of an applicant's partner are treated as belonging to the applicant.

(Paragraphs 15-20 apply to working-age applicants not receiving Universal Credit)

Earnings from employment

15. In the calculation of council tax reduction, an applicant's net earnings are taken into account, after deductions have been made from their gross earnings for: income tax, class 1 National Insurance contributions, and 50% of contributions to occupational or personal pension schemes.

16. Where a working-age applicant not receiving Universal Credit has earnings from employment, the weekly amount of earnings is calculated using an average that the Council considers to be a fair representation of the applicant's contractual income, covering a period of no more than 52 weeks (not including earnings received from more than one financial tax year).

17. Earnings are taken into account from the date of application even if they were not received during the week of application. Where an applicant starts work after an application for council tax reduction has been made, earnings are taken into account from the first reduction week after they began work, even if they were not actually received in that week. Similar arrangements are made when earnings change.

18. See [Annex 4](#) for the definition of earnings as an employed earner.

Self-employment

19. An applicant for council tax reduction is treated as self-employed⁶ if they are gainfully employed but not as an employed earner.

20. Where an applicant is self-employed, weekly earnings are estimated over a reasonable period but no more than over 52 weeks.

⁵ See [Annex 3](#) for the calculation of earnings and other income for pensioners.

⁶ See [Annex 1](#) (Glossary) page 33

Treatment of earnings for applicants receiving Universal Credit

21. For applicants receiving Universal Credit, the scheme uses the assessment of earnings in the Universal Credit claim⁷, which is provided to the Council by the Department for Work and Pensions. However, if the Council considers that the assessment of earnings provided by DWP is inaccurate, for example because of fraud, the Council may substitute the DWP figure for its own figure. In doing this, the Council would calculate the earnings based on the evidence available in the same way as described in paragraphs 15 to 20.
22. The amount of earnings which relates to the relevant Universal Credit assessment period⁸ is taken into account. If an applicant ceases to be entitled to Universal Credit because of an increase in their earnings, the amount of earnings used in the current Universal Credit assessment period is taken into account until evidence of the new level of earnings is received by the Council.
23. Monthly figures are converted to weekly figures by multiplying by 12 and dividing by 52.

Other income

24. Income other than earnings (including Universal Credit) is ignored in the calculation of council tax reduction for working-age applicants – the reduction to be applied is based entirely on earnings. For pensioners, most income is taken into account unless specified. See [Annex 3](#).
25. If it appears to the Council that an applicant has come to an arrangement with a non-dependant member of the household specifically to take advantage of the council tax reduction scheme, where the income and capital of the non-dependant exceeds that of the applicant, the income and capital of the non-dependant is treated as if it were the applicant's, and the applicant's income is ignored.

⁷ The calculation of income and capital in Universal Credit is set out in Part 6 of the [Universal Credit Regulations 2013](#).

⁸ The assessment period is a monthly period which starts on the day a person makes a claim for Universal Credit. Payment of Universal Credit is usually made a week after the end of each assessment period.

Treatment of capital

(Paragraphs 26-33 apply to pensioners and working-age applicants not receiving Universal Credit)

26. The figure for capital used in the assessment of Universal Credit may also be used for the calculation of council tax reduction, but the Council will use its own figure where it considers it more appropriate to do so.
27. If an applicant has more than £16,000 (£8,000 for working-age applicants) in capital, no council tax reduction is applied under this scheme.
28. All capital is taken into account in the calculation of the award, including income treated as capital, unless it is listed in [Appendix 5](#) in which case it is ignored. The capital of a child or young person⁹ who is a member of the applicant's family is also ignored. The capital of an applicant's partner is treated as if it belonged to the applicant.
29. Certain types of income are treated as capital (and vice versa). See [Annex 7](#) for a full list.

Notional capital

30. If an applicant deliberately disposes of capital in order to obtain council tax reduction, it is assumed that the applicant still possesses that capital, and it is therefore taken into account. This notional capital is reduced over time¹⁰ by the amount that the applicant would have received in council tax reduction if they had not been treated as having that capital. With certain exceptions, where an applicant fails to realise capital which they own, that capital is also taken into account. Most payments of capital made to a third party on behalf of the applicant are taken into account.¹¹

Calculation of capital

31. Capital which an applicant possesses in the United Kingdom is calculated at its current market or surrender value less:
 - 10% if there are expenses attributable to its sale, and
 - the amount of any monetary claim secured against it.
32. Capital which an applicant possesses outside the United Kingdom is treated in the same way except that it is calculated:

⁹ See [Annex 1](#) (Glossary) page 35

¹⁰ The Council will make calculations every thirteen weeks.

¹¹ See paragraphs 34 and 35 of Schedule 1 to the Council tax reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

- at its current market or surrender value in that country if it can be transferred to the United Kingdom; or
 - if it cannot be transferred to the United Kingdom, at a price which it would realise if it were sold in the United Kingdom to a willing buyer, less:
 - 10% for sales costs, if appropriate, and
 - the amount any monetary claim secured against it.
33. Where an applicant owns capital jointly with one or more persons, each share is treated as equal unless there is evidence to the contrary.
34. Where a pensioner applicant has capital exceeding £10,000, income of £1 is assumed for every complete £500 up to a maximum of £16,000. In making this calculation, if the final part of the excess is not a complete £500, an income of £1 is nevertheless taken into account.

Calculation of council tax reduction

Maximum council tax reduction

35. Council tax is calculated on a daily basis. For any day for which a pensioner applicant is liable to pay council tax, the maximum amount of council tax reduction is 100% of the amount of council tax set by the council for the applicant's dwelling, less any appropriate discount, divided by the number of days in that financial year.
36. For working-age applicants, the maximum amount of council tax reduction is the lower of:
- 80% of the amount of council tax set by the council for the applicant's dwelling, after the deduction of any appropriate discount, or
 - in the case of households living in a property in a higher council tax band than band B, 80% of the amount of council tax liability for a band B property, after the deduction of any appropriate discount, unless they are in a protected group.¹²

These amounts reduce as earnings increase in accordance with the table at paragraph 9.

37. For working-age applicants, the calculation of council tax reduction is made in the following order:
- a. the actual liability for council tax, capped at a band B property charge;
 - b. apply the maximum council tax reduction in accordance with the table at paragraph 9;
 - c. apply any non-dependant deductions set out in paragraph 51.

¹² See paragraph 12 and the Annex 1 (Glossary) for a list of the protected groups.

Where income is more than the amount for living expenses (pensioners only)

38. Where a pensioner applicant's income is greater than the amount allowed for living expenses in their case, council tax reduction is withdrawn gradually (sometimes known as the taper) as income increases, until entitlement is extinguished altogether.¹³ This avoids a cliff-edge effect of suddenly ending all support as soon as income becomes greater than the amount for living expenses.
39. For example, if an applicant's weekly maximum council tax reduction is £15, and the amount for living expenses in their case is £100 a week, they are entitled to maximum support of £15 providing their income is not greater than £100. If their income increases to £120, a sum equal to 20% of the difference between their income (£120) and the amount for living Expenses (£100) is deducted (20% of £20 = £4) from their Maximum council tax reduction, so they receive £15 less £4 = £11 a week. If their income increases further to £180, the amount deducted from their maximum council tax reduction is £16 (20% of £80 is £16) and there is, therefore, no entitlement to council tax reduction because £16 is greater than the maximum of £15.

Other aspects of the calculation

40. In calculating the amount of council tax reduction, fractions of less than half a penny are rounded down and fractions of half a penny or more are rounded up.
41. For working-age applicants, there is a minimum weekly entitlement of £1.00 a week. This means that if the calculation results in an amount less than £1.00 a week, no reduction is awarded.
42. Where an applicant is jointly liable for council tax with other residents at the same dwelling, the council tax set by the authority (less any discount) is divided by the number of people jointly liable and the applicant's council tax reduction is based on their share. This does not apply in the case of a student where they are excluded from entitlement to council tax reduction, or a partner of the applicant.

Non-dependant deductions

43. A non-dependant is a person living as a member of the applicant's household who is not their partner or a child/young person for whom they are responsible. There are certain exceptions such as joint-occupiers, boarders and paid carers, who are not treated as non-dependants. Non-dependants aged 18 or over are usually expected to contribute to household expenses such as council tax.

¹³ See paragraph 6 above. Council tax reduction is withdrawn at the rate of 20% of the difference between an applicant's income and the amount allowed for living expenses.

44. In the case of non-dependant couples only one deduction is made, but all their gross income is taken into account.
45. Where there is joint liability for council tax in a household, other than joint liability between an applicant and their spouse or civil partner, and there is a non-dependant who is a non-dependant of two or more of the liable persons, the deduction is divided equally between the liable persons. If the non-dependant is a non-dependant of one liable person, the full rate of the deduction is applied solely to that liable person.
46. No non-dependant deductions are applied if the applicant or their partner:
 - is severely sight-impaired or blind;
 - is receiving Attendance Allowance, the care component of Disability Living Allowance or Scottish Adult Disability Living Allowance, the daily living component of Personal Independence Payment, or an Armed Forces Independence Payment, or a Pension Age Disability Payment, including where these benefits and payments are temporarily suspended, for example through hospitalisation.

Non-dependant deductions for pensioners

47. For pensioners, the weekly deduction for a non-dependant aged 18 or over in work is normally £15.95 and for a non-dependant aged 18 or over not in work, £5.20. However, where the applicant can demonstrate that a non-dependant in work has relatively low gross weekly earnings, the deduction is as follows:
 - less than £279.00, the deduction is £5.20.
 - not less than £279.00 but less than £485.00, the deduction is £10.60.
 - not less than £485.00, but less than £605.00, the deduction is ££13.30.
48. In the case of a non-dependent couple, only one deduction is made. The deduction to be made is the highest that would apply to either member of the couple were they a single person, so either £15.95 if one of them is in work or £5.20 if they are both not in work. Where a modified deduction because of relatively low gross weekly earnings applies (see paragraph 47), the calculation of earnings is based on their combined gross income.
49. No non-dependant deductions are applied where the non-dependant:
 - normally lives elsewhere;
 - is receiving a training allowance paid as part of a youth training scheme;
 - is a full-time student;
 - has been a hospital in-patient for more than 52 weeks;
 - is not living with the applicant because they are a member of the armed forces away on operations;
 - is receiving a payment for a disability caused by the Thalidomide drug;

- is receiving payments from specified trusts and compensation schemes;¹⁴
- is receiving Income Support, State Pension Credit, income-based Jobseeker's Allowance or income-related Employment and Support Allowance;
- is entitled to an award of Universal Credit where the award is calculated on the basis that the non-dependant does not have any earned income;
- is a person disregarded for the purposes of council tax discount.

50. In calculating a non-dependant's income, the following are ignored:

- Attendance Allowance, Disability Living Allowance, Scottish Adult Disability Living Allowance, Child Disability Payment, Personal Independence Payment, Adult Disability Payment, Pension-Age Disability Payment or Armed Forces Independence Payment;
- payments made under certain specified trust funds and compensation schemes¹⁵ including analogous payments.

Non-dependant deductions for working-age applicants

51. For working-age applicants, a standard deduction is applied for non-dependants aged 18 or over. The deduction is £40.00 a month. Weekly amount shall be determined by multiplying the amount by 12 and dividing by 52. In the case of a non-dependent couple, only one deduction is made.

52. No non-dependant deductions are applied where the non-dependant:

- normally lives elsewhere;
- is receiving a training allowance paid as part of a youth training scheme;
- has been a hospital in-patient for more than 52 weeks;
- is not living with the applicant because they are a member of the armed forces away on operations;
- is receiving a payment for a disability caused by the Thalidomide drug.
- is receiving payments from specified trusts and compensation schemes¹⁶;
- is receiving Income Support, State Pension Credit, income-based Jobseeker's Allowance or income-related Employment and Support Allowance;
- is entitled to an award of Universal Credit where the award is calculated on the basis that the non-dependant does not have any earned income;
- is a person disregarded for the purposes of council tax discount.

¹⁴ The specified trusts and compensation schemes are listed in Appendix 5, page 57 under 'compensation'.

¹⁵ See also paragraph 8 (9) and (10) of schedule 1 to Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 for a full list of trust funds and compensation schemes.

¹⁶ The specified trusts and compensation schemes are listed in Appendix 5, page 57 under 'compensation'.

(Paragraphs 53 to 117 of this scheme generally apply to all applicants)

Temporary Absences

53. An applicant can be regarded as living in their home and therefore eligible for council tax reduction even if they are temporarily absent for certain periods. Council tax reduction is payable during periods of temporary absence if the applicant:
- is liable for council tax and the address they are temporarily absent from is their sole or main residence;
 - intends to return to live in their home¹⁷;
 - is not letting or sub-letting that part of the home that they normally occupy;
 - is unlikely to be away for more than the time allowed (see below).
54. In calculating the period of absence, the first day of absence is included and the day of return is excluded.
55. With one exception (see paragraph 56), a period of absence from home must not be (or must not be expected to be) more than 13 weeks. However, this is extended to 52 weeks where the applicant is:
- a remand prisoner awaiting trial or sentence;
 - living in a bail or probation hostel, or bailed to live away from home;
 - a hospital patient (or similar medical institution);
 - receiving (or whose partner or child is receiving) medically approved treatment or care, in accommodation other than residential accommodation;
 - providing medically approved care to someone else, or caring for a child under 16 whose parent or guardian is away from home because they are receiving medically approved care;
 - absent because of fear of violence in the home or domestic abuse;
 - on an approved training course;
 - a student who is eligible for council tax reduction and they have to study abroad as part of their course;
 - in a residential care home, other than on a trial basis.
56. For pensioners, a period of absence from home outside Great Britain must not be (or must not be expected to be) more than 4 weeks.¹⁸ However, if the applicant is absent from Great Britain because of the death of a close relative and it is

¹⁷ This includes a situation where an applicant moves into residential care on a trial basis and intends to return their home only if the care home doesn't suit their needs.

¹⁸ In the case of absences outside Great Britain, the period of temporary absence for pensioners was reduced from 13 weeks to 4 weeks by the [Council Tax Reduction Schemes \(Prescribed Requirements\) England Amendment\) Regulations 2016](#). The Council has decided not to apply this policy change to working-age applicants.

unreasonable for them to return within the first 4 weeks, the Council may decide that council tax reduction can be paid for up to 8 weeks.

57. The 4-week period can also be extended to 26 weeks where the applicant is:
- a member of the armed forces on operations overseas;
 - receiving medical treatment in hospital or similar institution;
 - absent because of fear of violence in the home or domestic abuse;
 - undergoing (or their partner or dependent child is undergoing) medical treatment or medically approved convalescent care in accommodation other than residential accommodation;
 - present in a country or territory immediately before the Government advised them to leave, or arranged an evacuation from that country or territory, and it would not have been reasonable to expect them to return earlier;
 - a mariner or continental-shelf worker.

Extended support - the run-on

58. Extended council tax reduction (sometimes known as the run-on) can be awarded to working-age people who have been (or their partners have been) receiving Income Support, income-based Jobseeker's Allowance or income-related Employment Support Allowance for at least 26 weeks, and who come off that benefit because they or their partners start employment as an employed or self-employed earner, or increase their hours or earnings, where that employment is expected to last 5 weeks or more. This also applies to those, including pensioners, who were receiving certain contributory benefits which end for the same reason. The qualifying contributory benefits are Incapacity Benefit, contributory or new-style Employment and Support Allowance, and Severe Disability Allowance. The qualifying rules are broadly the same as for those coming off income-related benefits.
59. Extended support can be made for up to 4 weeks starting from the beginning of the week after entitlement to a qualifying benefit ends. Support lasts for 4 weeks unless the applicant's liability for council tax ends first.
60. The amount of the extended payment is usually the amount that the applicant was entitled to during the last week that they were receiving a qualifying benefit. However, if for any reason entitlement to council tax reduction after the change of circumstances is higher, the higher amount is paid.
61. Where an applicant who is entitled to extended support moves from one local authority to another, extended support may take the form of a payment from one local authority to the other, or directly to the applicant. The amount of extended payment remains the same, that is, the amount payable in respect of the last week before entitlement to a qualifying benefit ceased. Where an applicant continues to

be liable for council tax, the second authority must reduce the new amount of council tax reduction by the amount of the extended support already awarded.

62. Entitlement to council tax reduction does not end until the end of the extended support period, even if entitlement would otherwise have ended based on the applicant's new circumstances. The general rules for calculating changes of circumstances do not apply.
63. In order to ease the transition to retirement, an applicant will continue to receive a council tax reduction for a period of 4 weeks from the day after a claim for a working-age income-related benefit has ceased because they have reached the qualifying age for State Pension Credit, or for four weeks after their partner has claimed State Pension Credit.

People treated as not in Great Britain

64. Council tax reduction is payable only to those applicants who live in Great Britain and, in some circumstances, people are treated as if they are not in Great Britain and are therefore excluded from the scheme. This applies where they do not satisfy the habitual residence test and where they are subject to immigration control.
65. The habitual residence test is in two parts: first, an applicant must show that they are habitually resident (intend to settle and make their home in the UK, Channel Islands, Isle of Man, or the Republic of Ireland). Secondly, EEA nationals (people from EU countries together with Norway, Iceland, Switzerland and Liechtenstein) must have a legal right to live in the UK and claim benefits, i.e. a 'right to reside' in the UK (known as the residence rules). These rules are satisfied if the applicant is, for example:
 - a worker or is self-employed in accordance with the EEA regulations;¹⁹
 - a family member of such a worker or self-employed person;
 - a worker who has ceased activity, for example because of retirement or incapacity, or a family member of such a worker;
 - a family member of a deceased worker;
 - a refugee;
 - is receiving Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance (but this does not apply if a new applicant is receiving income-based Jobseeker's Allowance and their right to reside was decided only on the basis that they were a jobseeker or the family member of a jobseeker); or
 - is receiving Universal Credit.

¹⁹ [The Immigration \(European Economic Area\) Regulations 2016](#). These regulations were repealed in 2020 but some provisions, including definitions, were retained under the [Citizens' Rights \(Application Deadline and Temporary Protection\) \(EU Exit\) Regulations 2020](#).

66. However, there are some circumstances in which EEA nationals have been granted leave to enter or remain in the United Kingdom but who do not satisfy the habitual residence test for the purposes of applying for council tax reduction. An EEA national who is a jobseeker is not treated as having the right to reside for the purposes of applying for council tax reduction simply by being a jobseeker. With some exceptions in respect of Northern Ireland, EEA nationals who are granted leave to enter, or remain in, the United Kingdom solely as a result of satisfying the special immigration rules that allowed EEA citizens to remain in the UK after the withdrawal from the EU (the settlement scheme), do not satisfy the habitual residence test simply because of these provisions.²⁰
67. British citizens returning to the UK after a period of living or working abroad have an automatic right to reside in the UK, but they do need to show that they are habitually resident in the UK.
68. An applicant who has entered the UK from Afghanistan is treated as habitually resident in the UK if they:
- have been granted leave to remain in accordance with the Afghan Relocations and Assistance Policy, the Afghan Citizens Resettlement Scheme or the previous scheme for locally employed staff in Afghanistan; or
 - left Afghanistan in connection with the collapse of the Afghan government that took place on 15 August 2021.
69. An applicant who has entered the UK from Ukraine is treated as habitually resident in the UK if they:
- were living in Ukraine immediately before the 1st January 2022 and left Ukraine in connection with the Russian invasion which took place on 24th February 2022; and
 - have been granted leave to enter or remain in accordance with the immigration rules; or
 - have a right of abode in the United Kingdom because they are British or in some cases Commonwealth citizens, or do not require leave to enter or remain because they are Irish citizens.²¹
70. An applicant who has entered the UK from Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon is treated as habitually resident if they:
- were living in any of the above areas immediately before 7th October 2023 and left those areas in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the escalating violence in the region following the attack;

²⁰ See regulation 12 of the Council Tax Reduction) Prescribed Requirements (England) Regulations 2012, paragraphs 4, 4A and 4B, for a full list of circumstances where an applicant has been given leave to enter or remain in the UK but who does not satisfy the habitual residence test.

²¹ As defined in sections 2 and 3ZA of the [Immigration Act 1971](#).

- have been granted leave to enter or remain in accordance with the immigration rules; or
- have a right of abode in the United Kingdom because they are British or in some cases Commonwealth citizens, or do not require leave to enter or remain because they are Irish citizens.

71. An applicant who has entered the UK from Sudan is treated as habitually resident if they:

- were living in Sudan before 15th April 2023 and left in connection with the violence on 15th April 2023 in Khartoum, and across Sudan;
- have been granted leave to enter or remain in accordance with the immigration rules; or
- have a right of abode in the United Kingdom because they are British or in some cases Commonwealth citizens, or do not require leave to enter or remain because they are Irish citizens.

72. An applicant is treated as habitually resident if they were living in a country or territory where the Government has advised British nationals to leave, or has arranged evacuation and they:

- have left that country or territory and are currently living in Great Britain;
- have a right of abode in the United Kingdom because they are British or in some cases Commonwealth citizens, or do not require leave to enter or remain because they are Irish citizens;
- have been granted leave to enter or remain in accordance with the immigration rules; or
- have been granted leave on a discretionary basis outside the immigration rules.

This provision applies only for six months from the date the advice was given, or the evacuation started.

73. An applicant is treated as habitually resident if they have, as part of a safe and legal humanitarian immigration route, been granted leave to enter or remain in the United Kingdom, either in accordance with the immigration rules or on a discretionary basis outside those rules.

74. An applicant is also treated as habitually resident if they have been granted, or are deemed to have been granted, leave outside the rules made under section 3(2) of the [Immigration Act 1971](#).

75. Non-EEA and non-UK nationals may be subject to immigration control and an applicant who is subject to immigration control is excluded from applying for council tax reduction. For example, this applies where an applicant:

- needs permission to enter or remain in the UK but does not yet have permission;

- has permission to enter or remain in the UK, but only if they do not claim benefits or use other public services;
- has been given permission to enter or remain in the UK because someone formally agreed to support them.

Students

76. A property that is wholly occupied by full-time students, for example a hall of residence, is exempt from council tax. Most students are not eligible for council tax reduction but some students who are liable for council tax can get support in specified circumstances. See [Annex 8](#) for a full account. Including the treatment of student income.

Effective dates

Date entitlement begins

77. An applicant's entitlement to council tax reduction normally begins from the start of the reduction week (Monday to Sunday) which follows the date of application.²² However, if an applicant becomes liable for council tax for the first time²³ in respect of a property in which they reside, and they are entitled to council tax reduction, their entitlement begins from the first day that they are legally liable to pay council tax, providing they apply in that reduction week.

Date from which changes in circumstances take effect

78. Changes in circumstances also take effect from the Monday following the date of change, apart from these exceptions:
- changes in an applicant's income arising from legislative changes affecting rates of income tax, personal tax reliefs, National Insurance contributions, and tax credit rates are ignored for a period of up to 30 weeks;
 - where entitlement to a benefit ceases the change takes effect from the first day of the reduction week following the day immediately after the benefit ceases;
 - a change in the amount of council tax payable takes effect from the date of change;
 - if an applicant notifies the Council of a change of address in the Council area within one month of the date on which the move took place, any change in the amount of council tax reduction is effective from the date of change;
 - a change in the amount a person is liable to pay by way of council tax (for example changes to a discount) also takes effect from the date of change;

²² See paragraph 85 for a definition of when an application is treated as made in the case of applicants receiving Universal Credit.

²³ including those liable to pay council tax for the first time in their home, for example after an exemption ends, as well as those who move into a property where they become liable to pay council tax.

- if the change applies to an applicant who now has a partner, or a partner has died, or they have separated, it takes effect from the date of the change;
 - backdated payments of income are generally taken into account over an appropriate period as if they had been paid on time.
79. Where a non-dependant joins a pensioner household, or where the non-dependant's earnings increase, the change to that pensioner's council tax reduction takes effect 26 weeks after the date on which the change took place.
80. Where an applicant receives an increase in State Pension Credit and, as a result, their award of council tax reduction increases, the change usually takes effect from the week the amount of State Pension Credit alters. However, where an award of council tax reduction decreases, the change either takes effect from the week the authority is notified of the change in State Pension Credit or the date on which State Pension Credit changes if this later.
81. Where two or more changes occur in the same week, and at least one of which is treated as taking effect from the date of change in accordance with paragraph 78, all the changes are deemed to take effect from the date of change (or the earliest date of change where two or more changes satisfy paragraph 78).

Application procedure /online applications

82. Only one partner in a couple (or a polygamous marriage) can apply for council tax reduction in respect of the same dwelling. If the partners cannot agree who should apply, the Council will decide for them.
83. Where a person who is liable to pay council tax is unable to act for themselves, and someone has been appointed to act on their behalf (for example an attorney), the person appointed can make an application on behalf of that person. Where there is no-one to act on the person's behalf, the Council may appoint someone to act. An appointee must be aged over 18 and must apply for the appointment in writing or online. The Council may accept as an appointee someone who has already been appointed by the Department for Work and Pensions to act in respect of a social security benefit. The Council has the power to revoke the appointment at any time and the appointee may resign on giving 4 weeks' notice. If, subsequently, another person is authorised to act on the applicant's behalf (for example, an attorney) the former appointeeship ceases. The appointee must take full responsibility for all aspects of the application and is made fully aware by the Council of the duties involved, including the consequences of failing to comply with those duties.
84. An application may be made:
- in writing; or
 - online; or

- by telephone, although the applicant will subsequently need to provide a signed statement and any other documentation necessary to support the application.

If an applicant has difficulty in completing a written form, the Council can make alternative arrangements to assist.

85. An application made in writing must be made to the Council office on a form provided by the Council free of charge. Where an application is made on the correct form but is not properly completed, the Council may ask the applicant to complete the form correctly. Where an application is made in writing but not on the correct form, the Council may either supply the applicant with the correct form or ask for further information and evidence.
86. An applicant may amend or withdraw an application, in writing, at any time before a decision has been made.
87. If an application is made online and the Council considers that all the required information has not been provided, the Council will give the applicant the opportunity to provide the required information.

Date on which an application is made

88. The date to be taken as the date on which the application is made is normally the date the application is received by the Council, or the date the applicant first notified the Council of their intention to apply, if this is followed up within one month by a properly completed application. There are some exceptions to this general rule:
 - if an applicant has been awarded State Pension Credit which includes a guarantee credit, Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, and the council tax reduction application is received within one month of the claim for any of the above-listed benefits, the date of application for council tax reduction is the first day of entitlement to one of those benefits;
 - if an applicant or their partner is in receipt of one of the above listed benefits, when they become liable for council tax for the first time, and the council tax reduction application is received within one month of becoming liable, the date of application for council tax reduction is the date on which they became liable.
 - where a person's council tax banding notification is delayed on moving into a new property, and an application for council tax reduction is made within one month of receiving the banding notification, or the date liability is set up, whichever is later, the date of application is treated as the date on which council tax liability begins;
 - if an applicant (or where appropriate DWP) notifies the Council of a change of address into the Council area within one month of the date on which the move took place, the date of application for council tax reduction is treated as the date

the change of address took place, as long as both the change of address and the notification fall in the same financial year;

- where a couple's relationship comes to an end either due to separation or the death of one of them and the former partner was entitled to council tax reduction and the application is made within three months of the death or separation, the date of application for council tax reduction is the date of death or separation;
- where an application is not properly completed and is corrected within one month (or longer if the Council considers reasonable) the date of application is the date on which the first contact is made. If the incomplete application is not corrected within one month or other reasonable period, the date of application for council tax reduction is the date when sufficient information becomes available to decide the application;
- where an applicant's award of Universal Credit notification from DWP is treated as an application for council tax reduction, the date of application is the beginning of the Universal Credit assessment period²⁴ for which the award notification is received.

Advance applications

89. An applicant may apply up to 8 weeks in advance if they anticipate that they will become liable to pay council tax during that period. The application is treated as made on the day on which liability for council tax begins.
90. Other than where an applicant is a person treated as not being in Great Britain, the Council may treat an advance application as made in the reduction week before the first week of entitlement to council tax reduction. This applies where an applicant is not entitled to council tax reduction in the week after the actual date of application, but the Council considers that they will become entitled within the next 13 weeks (17 weeks for a pensioner) unless there is a change in circumstances.

Date applications are treated as made and backdating

91. Where a pensioner applies and qualifies for council tax reduction, their application is treated as made 3 months before it was actually made (effectively all applications from pensioners are automatically backdated for a period of 3 months). Where an applicant applies for council tax reduction within one month of being awarded State Pension Credit including the guarantee credit, the three-month period cannot go back any earlier than the date of their State Pension Credit claim.

²⁴ The assessment period is a monthly period which starts on the day a person makes a claim for Universal Credit. Payment of Universal Credit is usually made a week after the end of each assessment period.

Evidence and information

92. Where appropriate, the Council can accept evidence submitted online or by telephone to support an application.
93. An applicant to council tax reduction must provide a National Insurance number for themselves and if appropriate, others for whom they are applying, or evidence that they have applied for a National Insurance number. This requirement does not apply to a:
 - child or young person;
 - person from abroad;
 - person subject to immigration control.
94. An applicant to council tax reduction must provide such evidence in support of their application as the Council considers reasonable, within one month of being notified of their duty to do so (or a longer period if the Council so decides). This does not apply to an applicant who is a pensioner in respect of specified income which is ignored in the calculation of council tax reduction or whose income has been verified by The Pensions Service, where the Council has been notified of that income. The Council informs the applicant of their duty to notify any change of circumstances, and if asked by the applicant, which change of circumstances must be notified.
95. The Council can require an applicant to whom council tax reduction has been awarded (or any partner) who is at least the qualifying age for State Pension Credit, to supply information about pension fund holders and suppliers of pension fund schemes.
96. Before a decision has been made on an application, an applicant may amend or withdraw the application by notifying the Council either in writing, by electronic communication or by telephone.

Duty to notify changes in circumstances

97. An applicant, or a person acting on behalf of the applicant, has a duty to report changes in circumstances either before an application has been decided by the Council or after council tax reduction has been awarded. The changes to be reported are those which the applicant might reasonably be expected to know would affect entitlement, and the changes must be notified in writing, by telephone or online within a period of one calendar month from the day when the change occurs, or as soon as reasonably practicable afterwards. Some types of change of circumstance do not need to be reported:
 - changes in the amount of council tax payable to the Council;

- changes in the ages of the applicant and their family or any non-dependants except where someone ceases to be a child or young person;
 - changes which affect the amount of Income Support, income-based Jobseeker's Allowance, or income-related Employment Support Allowance or but not the amount of council tax reduction, except where one of the benefits listed above ceases.
98. An applicant who receives State Pension Credit and who has been awarded council tax reduction does not need to report changes in circumstances except:
- any changes relating to a non-dependant's income or residency;
 - any absence from the home exceeding or likely to exceed 13 weeks, or 4 weeks if absent abroad.
99. Where State Pension Credit comprises only of Savings Credit, the applicant does not need to report changes in circumstances except the changes listed in paragraph 99 above and in addition:
- changes affecting a child living with them which may result in the amount of council tax reduction (but they do not need to report changes in the age of the child);
 - a change in an applicant's capital which takes, or may take, the total to more than £16,000;
 - certain changes in the income or capital of a non-dependant or partner.²⁵

Decisions and awards

100. Once the Council is satisfied that an application for council tax reduction has been completed in the proper manner together with all the required evidence and information, it will make the decision within 14 days or as soon as practicable thereafter.
101. Having made the decision on an application, the Council will notify the applicant, or a person appointed to act on behalf of the applicant, immediately or as soon as reasonably practicable afterwards. In the case of any other decision, the Council will notify the applicant within 14 days or as soon as reasonably practicable afterwards. The notification of a decision on an application is normally in the form of a notification letter together with a revised council tax bill which includes:
- a reminder about the duty to report changes in circumstances and an explanation of the consequences of failing to do so;
 - examples of changes that might affect entitlement to council tax reduction or its amount;

²⁵ See paragraph 9 (8) (c) of Schedule 8 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- information about the effect of the decision on the applicant's council tax liability;
 - information about appeal procedures.
102. A new council tax bill will be issued by the Council. This will include the discount awarded as a council tax reduction and information about the appeals process.
103. An applicant who receives the Council's notification of a decision may, within one month of the date of the notification of that decision, request in writing that the Council provides a written statement setting out the reasons for its decision. The Council will send this explanation to the applicant within 14 days or soon as reasonably practicable afterwards.

Use of information

104. Where it is lawful to do so, the Council uses information provided by the Department for Work and Pensions and His Majesty's Revenues and Customs in order to calculate entitlement to council tax reduction. Similarly, the Council shares information with those departments when it is required to do so.
105. The Council may receive, obtain, verify, record and store information relating to applications for council tax reduction, from:
- the applicant;
 - other persons in connection with applications;
 - other local authorities;
 - central government departments.
106. The Council may forward information to anyone in the Council or others authorised to act on behalf of the Council, in processing applications for council tax reduction. This is in accordance with the Council's privacy notice and the General Data Protection Regulation (GDPR).

Revisions and written statements

107. The Council may change or further change a decision at any time.
108. The Council may terminate an award of council tax reduction, in whole or in part, if the Council considers that:
- the application is fraudulent and/or there is deliberate misrepresentation of the facts in order to take advantage of the scheme;
 - the conditions of entitlement have not been met;
 - the applicant has failed to provide information requested.

109. Where the applicant has failed to provide information requested, they must provide the evidence required within one month beginning with date the request for information was sent, or such longer period as the Council considers necessary. Or they must satisfy the Council within one month that it is not possible to obtain the evidence requested.
110. An applicant who receives the Council's notification of a decision, or a revised decision, may, within one month of the date of the notification of that decision, request in writing that the Council provides a written statement setting out the reasons for its decision. The Council will send this explanation to the applicant within 14 days of a request, or as soon as reasonably practicable afterwards.

Appeals

111. If an applicant is dissatisfied with the Council's decision on entitlement to council tax reduction or the amount awarded, they may write (including by email) to the Council setting out why they are dissatisfied. The Council will then consider the matter and notify the applicant in writing (usually by email), either that they do not have a case stating the reasons why, or that action has been taken to address their concerns. If the applicant is still dissatisfied, or if the Council does not address their concerns within 2 months, they may appeal to the Valuation Tribunal.

Discretionary awards

112. The Council may use its discretion to reduce council tax liability because of exceptional hardship.²⁶ This is irrespective of whether an application has been made for council tax reduction under the main scheme, described in this document.
113. An application may be made in writing, online or by telephone (although the applicant will subsequently need to provide a signed statement and any other documentation necessary to support the application).

Electronic communication

114. The Council may use electronic communication (for example via computer networks or mobile phones) in administering council tax reduction and may receive electronic communications including applications online, subject to the following conditions:
- there is an explicit authorisation given by the Council's chief executive;
 - there is an approved method of authentication;
 - approved forms are used;
 - records are maintained in a way specified by the chief executive.

²⁶ Under section 13A(1)(c) of the [Local Government Finance Act 1992](#), as amended.

115. Any applications which are not submitted in the approved manner are treated as invalid. The Council may authorise another person or persons to act as intermediaries in connection with the delivery of information electronically and its authentication.

116. Any information delivered electronically is treated as if it were delivered in any other way required by the Council's scheme if the above conditions are met. Information is treated as not delivered until it is accepted by the Council's official computer system. If, for legal reasons, it becomes necessary to prove the identity of the sender or recipient of information sent or received electronically, it is presumed to be the person named on the official computer system. Similarly, if it is necessary to prove that information sent electronically has actually been delivered to the Council, it is treated as received if it is recorded on the official computer system. Similarly, if it is not recorded as received on the official computer system it is treated as not received. And the time, date and content of any electronic communication is presumed to be that recorded on the computer system.

Annex 1 – Glossary of terms

Alternative maximum council tax reduction (pensioners only)	A way of calculating council tax reduction where there is a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so.
Amount for living expenses (pensioners only)	An amount of money assumed to be sufficient to cover day-to-day living expenses. ²⁷
Applicant	A person who has made an application to the Council for council tax reduction.
Application	An application for council tax reduction.
Approved blood scheme	A scheme established or approved by the government, or a trust set up with funds provided by the government, to provide compensation for someone infected by contaminated blood products.
Armed Forces Independence Payment	A payment made in accordance with an armed and reserve forces compensation scheme.
Attendance Allowance	A benefit for people of state pension age and over that helps with the extra costs of long-term illness or disability, which can be either physical and/or mental. It is paid regardless of income and savings and is tax-free.
Benefit cap	A limit to the total amount of some benefits that most working-age people can receive. There are different levels of cap for London and the rest of the country.
Boarder	A person who resides with the applicant and who makes payments to the applicant or their partner, on a commercial basis, in return for accommodation and some meals. A boarder is not a non-dependant.
Carer's Allowance	A benefit for someone caring for another person for at least 35 hours a week. It is paid regardless of income and savings but can be taxable.
Caxton Foundation	A charitable trust funded by the government primarily to help someone suffering from hepatitis C.
Child	A person under the age of 16.
Child Benefit	A non-means-tested benefit (below income of £60k) to help with the cost of children. It is usually paid monthly to a person who is responsible for a child either aged under 16 or aged 16 to 20 in full-time education or training.
Child Tax Credit	A payment to help with the cost of children aged under 16, or 16 to 20 in full-time education or training, for whom a person is

²⁷ The amounts for pensioners are set out in Schedule 2 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, and subsequent amendments.

	responsible. It is income-related and paid in addition to Child Benefit to people in work and out of work.
Close relative	A parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister. Where any of these close relatives is one member of a couple, the definition includes the other member of that couple.
Concessionary payment	A payment made in certain circumstances to compensate a person for the non-payment of a benefit or a tax credit.
Council	Bury Council, as the billing authority.
Council tax reduction scheme	A scheme designed to help people in financial need pay their council tax.
Couple	Two people living in the same household who are married to, or civil partners of, each other, or are living together as though they were married or civil partners.
Disability Living Allowance	A non-means-tested, non-taxable benefit paid to people who need supervision or help with their daily or nightly care, or who have mobility problems. It has now been replaced for most people by Personal Independence Payment but is still paid for children.
Earnings	Any remuneration or profit derived from employment.
Eileen Trust	A charitable trust funded by the government to pay grants to non-haemophiliac people infected with HIV through treatment with NHS blood or blood products.
Employed earner	A person who is gainfully employed under a contract of service.
Employment and Support Allowance	A benefit paid to working-age people who have an illness, health condition or a disability which makes it difficult or impossible to work. Contribution-based Employment and Support Allowance is not means-tested but based on National Insurance contributions. Income-related Employment and Support Allowance is means-tested.
Estrangement	A breakdown of a relationship between 2 persons.
Extended reduction	A set amount of council tax reduction awarded for a specified period, usually 4 weeks.
Family	A couple, or a couple where one or both have responsibility for a child or young person living in the same household, or a lone parent who has responsibility for a child or young person living in the same household.
Financial or tax year	The period beginning 6 th April in one year to 5 th April in the following year.
Grenfell Tower support payment	A payment made for the purpose of providing compensation or support in respect of the fire on 14 th June 2017 at Grenfell Tower.

Historical child abuse payment	A payment made under various compensation schemes and redress programmes to acknowledge the harm caused by child abuse and provide support to survivors.
Household	Not defined as such but is given its every-day meaning, taking account of factors such as the overall relationship between the parties, living arrangements and the degree to which facilities are shared. Children and young people are treated as part of the household even when temporarily absent but are not part of the household in certain specific circumstances, such as when they are living in care or formally placed with the applicant.
Housing Benefit	An income-related (means-tested) benefit paid to tenants on low incomes (either in or out of work) to help pay their rent. The scheme is administered by local authorities in accordance with national legislation.
Income Support	An income-related (means-tested) benefit paid to working-age people on low income such as carers and lone parents. It is not usually paid to someone receiving Jobseeker's Allowance or Employment and Support Allowance.
Jobseeker's Allowance	A benefit paid to working-age people who are not working (or working less than 16 hours a week) and who are available for, and actively seeking full-time work. Contribution-based Jobseeker's Allowance is not means- tested but depends on National Insurance contributions. Income-based Jobseeker's Allowance is means-tested.
Joint occupier	A person who is either the co-owner (with the applicant or their partner) of the residence or liable (with the applicant or their partner) to pay council tax. A joint occupier has a legal right to occupy the property. A joint occupier is not a non-dependant.
LGBT Financial Recognition Scheme Payment	A payment under the Lesbian, Gay, Bisexual and Transgender Financial Recognition Scheme, authorised by the Secretary of State for Defence.
Local authority	An authority responsible for issuing council tax bills and providing a scheme for council tax reduction.
London Bombings Relief Charitable Fund	The company and registered charity set up to help victims (and their families or dependants) of the terrorist attacks in London on 7 th July 2005.
London Emergencies Trust	A company and registered charity set up to distribute public donations to those affected by a major emergency such as terrorist attacks or other civil disasters in London.
Lone parent	A person who has no partner and who is responsible for a child or young person living in the same household.

Macfarlane Trust	A charitable trust established to help relieve poverty or distress among those suffering from haemophilia.
Maternity leave	A period during which a woman is absent from work because she is pregnant or has given birth to a child, and after which she has the right to return to work.
Medically approved	Certified by a medical practitioner.
MFET Ltd	A company set up to make payments, under arrangements made by the government, to those who have HIV as a result of treatment by the NHS with blood or blood products.
Minimum Income Floor	The Minimum Income Floor is an assumed level of earned income for self-employed people who report very low or no earnings. The assumed level of earned income is calculated using the National Minimum Wage multiplied by either the number of hours worked (as declared by the applicant to either the Council or a central government department) or the number of hours they are expected to look for and be available for work.
Miscarriage of Justice Compensation Payment	A compensation payment made under Section 133(1) of the Criminal Justice Act 1988; or any other payment made for a miscarriage of justice in criminal proceedings or for being wrongly charged with a criminal offence.
National Emergencies Trust	A registered charity set up to distribute public donations to those affected by a major national emergency or disaster.
National Minimum Wage	The minimum amount that legally must be paid to an employed earner.
National Insurance	A form of taxation on earnings and self-employed profits paid into a fund from which some social security benefits are paid. The Department for Work and Pensions issues National Insurance numbers which are unique to each person and are required when applying for council tax reduction.
Net earnings	The amount of earnings after specified deductions such as income tax and National Insurance contributions.
Net profit	The amount treated as self-employed earnings which is the applicant's total profit less specified deductions such as allowable expenses.
Non-dependant	A person living as a member of the applicant's household who is not their partner, or a child or young person for whom they are responsible, with certain exceptions such as joint-occupiers, boarders and paid carers.

Non-dependant deduction	A set amount deducted from an applicant's council tax reduction as a contribution made by a non-dependant towards household expenditure.
Occupational pension	Any pension or other periodical payment made under an occupational pension scheme.
Official computer system	A computer system maintained by or on behalf of a local authority for sending, receiving, processing or storing of any information.
Paid carer	A person who lives with the applicant in order to care for them or their partner, who is employed by a charity or voluntary organisation, and where a charge is made for their services. A paid carer is not a non-dependant.
Partner	The person who is the other member of a couple.
Paternity leave	A period of leave during which a father or partner is absent from work in order to care for their new-born or newly adopted child, after which they have the right to return to work.
Pensioner	A person who has reached the qualifying age for State Pension Credit and is not (or where there is a partner the partner is not) receiving a working-age income-related benefit. This means that a mixed-age couple where neither the applicant nor the partner is in receipt of working-age income-related benefit are eligible for the pensioner scheme. The definition of a pensioner includes those who have reached pension age and are receiving Universal Credit as a result of the closure of Working Tax Credit.
Personal Independence Payment	A replacement benefit for Disability Living Allowance designed to provide help to people over 16 who need care or who have mobility needs. It is not means-tested or Taxable.
Personal pension scheme	A pension that a person arranges individually which is based on how much is paid into the scheme and how successful the pension provider's investments are.
Polygamous marriage	Any marriage where one party is married to more than one person, and the ceremony of marriage took place under the law of a country which permits polygamy.
Post Office compensation payment	A payment made by the Post Office or the government for the purpose of providing compensation or support either in connection with the failings of the Horizon system or following the judgment in Bates and Others v Post Office Ltd (No 3) "Common Issues".
Protected groups	An applicant or partner receiving War Disablement Pension, War Widows Pension, Armed Forces Compensation Payment or War Widows Disablement Pension; An applicant or partner receiving Disability Living Allowance, Attendance Allowance, Personal Independence Payments (all

	<p>components), and Employment Support Allowance (Support component only);</p> <p>An applicant or partner receiving a Carer's Allowance or has underlying entitlement to Carer's Allowance;</p> <p>A lone parent who resides with and is responsible for a child under 5 years old; or</p> <p>Where there has been a bereavement within the household in the last 12 months and the deceased person is either the applicant, partner or any dependent child.</p>
Public authority	A body or organisation which has a public function, for example the NHS and local authorities.
Relative	A close relative (as defined above) as well as a grandparent, grandchild, uncle, aunt, nephew or niece.
Remunerative work	Where a person is working for at least 16 hours a week (which may be an average) for which payment is made or which is done in expectation of payment.
Resident	An applicant is resident in a dwelling if they occupy it as their sole or main home.
Residence rules	Qualifying conditions whereby an applicant must establish that they have the right to live in the UK and intend to settle in the UK, Isle of Man, Channel Islands or Ireland and make it their home.
Revision	A previous decision is changed (revised) from the same date it originally took effect from. It allows for a review of the original decision, which may lead to changes based on new information or errors.
Scottish Infected Blood Support Scheme	A scheme that provides support to people in Scotland who were historically infected with hepatitis C and/or HIV following treatment with NHS blood or blood products.
Second adult reduction (or second adult rebate) – pensioners only	Another term for alternative maximum council tax reduction (see above).
Self-employed earner	A person who is gainfully employed in Great Britain otherwise than in employed-earners employment.
Service user	A person who is consulted by, or on behalf of, certain public bodies.
Skipton Fund	A scheme set up to make payments to people suffering from hepatitis C.
State Pension Credit	An income-related (means-tested) benefit paid to pensioners on a low income. It has two components: the minimum guarantee and an

	additional 'savings credit' designed to reward those who have put by savings and income for retirement.
Sports award	An award made by certain specific sports councils from funds derived from the National Lottery.
Student	A person who is attending or undertaking a course of study at an educational establishment or on a qualifying course. ²⁸
Supersession	A previous decision is changed from a later date. It is a way to address changes in circumstances or errors in the original decision.
Support or reduction week	A period of 7 days commencing on a Monday and ending on a Sunday.
Temporary absence	A period not exceeding a specified number of weeks where a person is temporarily absent from their home and intending to return to that home and has not sub-let that part of the home they normally occupy.
The Trusts	The Macfarlane Trust, the Macfarlane (Special Payments Trust) and the Macfarlane (Special Payments) (No.2) Trust.
Universal Credit	An income-related (means-tested) benefit for people of working-age who are on a low income. It replaces four existing means-tested benefits, including Housing Benefit, and two tax credits.
Vaccine Damage Payment	A payment made if you are severely disabled as a result of a vaccination against certain diseases.
Victims of Overseas Terrorism Compensation Scheme	A government funded scheme designed to compensate victims who sustain a relevant injury which is directly attributable to their being a direct victim of a designated act of terrorism overseas.
Voluntary organisation	A body other than a public or local authority whose activities are carried out on a not-for-profit basis.
War Disablement Pension	A payment paid to people who have been injured or disabled as a result of any service in His Majesty's Armed Forces. The amount paid depends on the severity of the disablement.
War Widow's Pension	A pension payable to the widow, widower or in some circumstances the children of someone killed in the Armed Forces or who died later because of injury in the Armed Forces.

²⁸ A qualifying course as defined for the purposes of parts 2 and 4 of the [Jobseeker's Allowance Regulations 1996](#). The course must be employment-related which helps a person to acquire or enhance skills for employment, for seeking employment, or for a particular occupation. It must last for no more than 12 consecutive months and it must be a course at an appropriate level. See also [Annex 8](#) for more comprehensive definitions relating to students.

We Love Manchester Emergency Fund	A charity set up to co-ordinate, administer and distribute the monies donated in response to the Manchester Arena attack on 22 May 2017.
Windrush Compensation Scheme	A scheme set up by the government to compensate people who have suffered loss because they are unable to demonstrate their lawful status in the UK.
Working-age applicant	A person who has not reached the qualifying age for State Pension Credit or who has reached that age but is receiving (or where there is a partner the partner is receiving) a working-age income-related benefit.
Working Tax Credit	An income-related payment made to someone in paid work but on a low income. Different qualifying conditions apply depending on age and hours worked.
Young person	A person who is a qualifying young person for Child Benefit purposes. The young person must be 16 or over and under 20 and on a course of full-time, non-advanced education or in approved training, or in appropriate full-time education.

Annex 2 - Polygamous marriages

(This annex applies only to pensioners)

A polygamous marriage means any marriage where one party is married to more than one person, and the ceremony of marriage took place under the law of a country which permits polygamy. The amount for living expenses for polygamously married couples is calculated by awarding the highest amount applicable to the applicant and one of their partners.

An additional amount is awarded for each additional spouse in the same household, as set out in the table below:

Category of applicant	Amount for each additional spouse
Pensioner (one or more members of the marriage have attained pension age before 1 st April 2021)	£127.35
Pensioner (all members of the marriage have attained pension age on or after 1 st April 2021)	£125.25

The amounts awarded for children and other components are the same as for other applicants.

Where an applicant is polygamously married they are treated as possessing the income and capital of all partners to the marriage with whom they share the household.

Where a person who is polygamously married lives as a non-dependant member of an applicant's household, only one non-dependant deduction is made, but the amount deducted is the highest applicable after taking account of the circumstances and income of all partners in the marriage.

Annex 3 – Treatment of income - pensioners

(This annex applies only to pensioners)

In the calculation of council tax reduction for pensioners, most income is taken into account, although some types of income are ignored in whole or in part. The definition of income includes earnings, benefits and pensions and the following paragraphs explain how various types of income are treated in the calculation. The income of an applicant's partner is treated as belonging to the applicant.

Income is calculated on a weekly basis. In order to arrive at the weekly amount of earnings and other income to be taken into account, a monthly payment is multiplied by 12 and divided by 52; a three-monthly payment is multiplied by 4 and divided by 52; where the payment is for a year, the amount is divided by 52; in other cases, the amount is converted to a daily amount and multiplied by 7. An assumed income from capital is added (see paragraph 34).

Earnings from employment

In the calculation of council tax reduction, an applicant's net earnings are taken into account, after deductions have been made from their gross earnings for: income tax, class 1 National Insurance contributions, and 50% of contributions to occupational or personal pension schemes.

Where a pensioner applicant has earnings from employment, the weekly amount of earnings is averaged over 5 weeks prior to the first week in which support is payable if the applicant is paid weekly, and 2 months if the applicant is paid monthly. However, where an applicant's earnings fluctuate, earnings can be averaged over any reasonable period. If an applicant has been working for less than 5 weeks or 2 months, the average weekly earnings are estimated based on either any earnings received, if representative of future earnings, or an estimate provided by their employer. If earnings change during the period of an applicant receiving council tax reduction, average earnings are estimated over any reasonable period but not more than 52 weeks (not including earnings received from more than one financial tax year).

Earnings are taken into account from the date of application even if they were not received during the week of application. Where an applicant begins remunerative work after an application for council tax reduction has been made, earnings are taken into account from

the first reduction week after they began work, even if they were not actually received in that week. Similar arrangements are made when earnings change.

See [Annex 4](#) for the definition of earnings as an employed earner.

Self-employment

An applicant for council tax reduction is treated as self-employed if they are gainfully employed but not as an employed earner.

Where an applicant is self-employed, weekly earnings are estimated over a reasonable period but no more than over 52 weeks. See [Annex 5](#) for a description of how self-employed earnings are calculated.

Other income

Income other than earnings is fully taken into account unless specified in [Appendix 4](#) which lists income that is ignored. Weekly income other than earnings is also estimated over a reasonable period but no more than over 52 weeks. Any tax payable on gross income is ignored. See [Annex 6](#) for a description of how income other than earnings is calculated.

Benefit income is taken into account over the period in which it is paid. The period over which a tax credit payment is taken into account varies depending on whether the payment is a daily, weekly, two-weekly or four-weekly instalment. Benefit income taken into account is normally the gross amount before any deductions are made from it. If Working Tax Credit is subject to overpayment recovery, the amount of Working Tax Credit taken into account is the net amount, i.e. after the deduction for the overpayment has been made. Capital paid by instalments in some circumstances, and annuity payments, are treated as income.

Where a pensioner is receiving the guarantee part of State Pension Credit, their income and capital are ignored for the purposes of council tax reduction, so the pensioner receives a 100% reduction on their council tax bill. Where a pensioner is receiving only the savings credit part of State Pension Credit, the amount of income and capital used in the Department for Work and Pensions assessment is used for the calculation of council tax reduction.

In most cases, income that the applicant has not obtained (for example, a deferred pension) but is available on application is treated as possessed by them, but only from the date on which it could be obtained. With some exceptions, payments made to third parties on behalf of the applicant are treated as possessed by the applicant.

If it appears to the Council that an applicant has come to an arrangement with a non-dependant member of the household specifically to take advantage of the council tax reduction scheme, where the income and capital of the non-dependant exceeds that of the applicant, the income and capital of the non-dependant is treated as if it were the applicant's, and the applicant's income is ignored.

Childcare charges

Where relevant and subject to certain conditions, childcare charges are deducted. The weekly maximum amounts to be deducted are £175 for one child and £300 for two or more children.

Where incurred, childcare charges can be deducted from income where the applicant is:

- A lone parent who is working at least 16 hours a week;
- A member of a couple both of whom are working at least 16 hours a week;
- A member of a couple one of whom is working and the other is incapacitated, in hospital or in prison.

For the purposes of childcare charges an applicant can be treated as working during the first 28 weeks of a period of sickness providing they were in work immediately before getting a specified sickness or disability benefit (or appropriate National Insurance credits). Also, an applicant can be treated as working if they are absent from work, on maternity, adoption, parental bereavement leave, shared parental or paternity leave, providing they were in work immediately before the leave began and is entitled to statutory, maternity, adoption, paternity, or shared parental pay; or maternity allowance.

To be eligible, the childcare charges must be:²⁹

- paid by the applicant or their partner;
- in respect of a child who is a member of the applicant's family;
- in respect of a period from the birth of a child until the day before the first Monday in September following the child's 15th birthday (16th birthday if the child is disabled);
- for care provided by specified care providers, for example registered child minders;
- for care provided out of school hours by a school, on school premises, or by a local authority. This applies to children aged from 8 years until the day before the first Monday in September following their 15th birthday (16th birthday if disabled).

The following childcare charges are ineligible:

- payments in respect of the child's compulsory education;
- payments made by an applicant to their partner (or vice versa) in respect of any child for whom they are responsible;
- payment for care provided by a relative of the child which wholly or mainly takes place in the child's home.

²⁹ See regulation 25 (5-8) to schedule 1 of Council Tax Reduction (Prescribed Requirements (England) Regulations 2012 for a full list of eligible charges and care providers.

Childcare charges are estimated over an appropriate period of no more than one year in order to arrive at an accurate average weekly charge.

Annex 4 - Definition of earnings as an employed earner

(This annex does not apply to applicants receiving Universal Credit³⁰)

The definition of earnings includes the following:

- any bonus or commission;
- payments to compensate for loss of earnings but not redundancy payments;
- payments in lieu of notice or payments intended as compensation for loss of employment;
- holiday pay but not if it is paid more than 4 weeks after employment ends;
- payments made for a period when no actual work has been carried out, for example a retainer;
- any expenses which are not 'wholly, exclusively and necessarily incurred' in connection with employment such as travelling expenses between home and work;
- compensation for unfair dismissal from work and any other payment made under employment rights legislation;
- any statutory sick pay, maternity pay, paternity pay, adoption pay, and statutory parental bereavement pay;
- payments made by or on behalf of an employer to an applicant who is on maternity or paternity leave, adoption leave or is absent from work because of illness;
- non-cash vouchers which have been counted when calculating liability to pay National Insurance contributions.

The definition of earnings does not include:

- payments in kind except for non-cash vouchers as above;
- Expenses which are 'wholly, exclusively and necessarily incurred' in connection with employment;
- any occupational pension;
- expenses arising from participation in consultation exercises on behalf of specified public authorities;
- In respect of pensioners, any payment of compensation from an employment tribunal in respect of unfair dismissal or unlawful discrimination.

³⁰ The scheme uses the Universal Credit earnings figure provided by DWP which is based on the definition of earnings as an employed earner given in paragraph 55 of the Universal Credit Regulations 2013. This definition is similar but not exactly the same as the one in this Annex.

Annex 5 - Calculation of self-employed earnings

(This annex does not apply to applicants receiving Universal Credit³¹)

The earnings of a self-employed earner are the gross income from the employment. Local authority payments to foster parents, and certain kinship carers, are not treated as self-employed earnings but as income other than earnings.³² The following are also not regarded as self-employed earnings: payments by a boarder living in the applicant's accommodation, and sports awards.

Royalties, copyright, design, patent, trademark and Public Lending Right Scheme payments are taken into account over a set period of weeks. The number of weeks is obtained by dividing the amount of the payments by the amount of council tax reduction which would be payable had the applicant not received the payments, plus the amount that would normally be ignored in their case.

The earnings to be taken into account are the net profit from the business less, in the case of pensioners, any amount which is ignored under Appendix 4. Where a self-employed applicant is a partner (or a share fisherman) the net profit is their share of the profit.

In order to arrive at a figure for net profit, the following expenses are deducted from gross earnings:

- any expenses 'wholly and exclusively' incurred including repayments of capital on business loans for the replacement of equipment or machinery, or the repair of existing business assets (after any insurance payments);
- appropriate income Tax and National Insurance contributions;
- one half of any sum paid periodically in respect of a personal pension scheme;
- net payments of VAT and interest payments on loans taken out for the purposes of the applicant's business.

The following items are not considered to be expenses:

- capital expenditure.
- depreciation of any capital asset;
- any sum earmarked for setting up or expanding the business;
- losses incurred before the period over which the earnings are calculated;
- repayment of capital on business loans;
- any debts owed to the business except certain irrecoverable debts;
- expenses that the Council consider have not been reasonably incurred.

³¹ The scheme uses the Universal Credit earnings figure provided by DWP which is based on the definition of self-employed earnings given in [para 57 of the Universal Credit Regulations 2013](#). This definition is similar but not exactly the same as the one in this annex.

³² See paragraph 21 of Schedule 1 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 for a full definition.

Special arrangements apply in assessing the net profit of childminders. The net profit is one third of the earnings less income tax, National Insurance contributions and one half of the payments to a personal pension scheme.

Where an applicant has more than one employment as a self-employed earner, any losses incurred in any one of their employments cannot be offset against their earnings in any other of their employments.

Annex 6 - Calculation of income other than earnings

(This annex does not apply to applicants receiving Universal Credit)

The following are examples of how an applicant's income other than earnings is calculated:

- where a benefit payment, for example Income Support, includes a deduction to recover an overpayment, it is the gross amount of the benefit that is taken into account;
- where an applicant is receiving a reduced rate of contributory Employment and Support Allowance because of a sanction, it is the full amount that is taken into account;
- where a tax credit for the current tax year includes a deduction to recover an overpayment of tax credits for the previous year, it is the Tax credit less the deduction that is taken into account;
- where a student applicant in receipt of a student loan leaves their course prematurely, they are treated as having the same weekly income from the loan as if they had completed the course, but only for the period during which they attended the course.

Annex 7 - Income which is treated as capital (and capital treated as income)

(This annex does not apply to applicants receiving Universal Credit)

The following income is treated as capital:

- occasional bonus payments to part-time coastguards, fire-fighters, and those manning lifeboats;
- refunds of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E;
- any holiday pay which is paid more than 4 weeks after the employment ends;
- with some exceptions (see [Appendix 5](#)) any income derived from capital but only from the date it is normally due to be credited to the applicant's account;
- any advance of employed earnings or any loan made by the applicant's employer;
- except for payments made by certain specified³³ trust funds, any charitable or voluntary payment which is not made, or due to be made, at regular intervals;

³³ For the full list of specified trusts, see [Appendix 5](#) to this scheme under 'Compensation' on page 57.

- the gross receipts of any commercial activity undertaken by a self-employed applicant receiving council tax reduction, but only if those receipts were payable into a special account;
- any arrears of subsistence allowance which are paid to an applicant as a lump sum;
- in the case of pensioners, any arrears of Working Tax Credit, Child Tax Credit or state pension credit paid after an award of council tax reduction has been made;
- in the case of working age applicants, any arrears of working Tax credit and child Tax credit;
- any payment made through an approved trust for providing assistance to a disabled person whose disabilities were caused by the Thalidomide drug.

The following capital is treated as income:

- capital paid by instalments outstanding at the date the application is made (or treated as made) which, together with other capital, would take the applicant over the capital limit;
- payments received under an annuity;
- a career development loan paid under section 2 of the Employment and Training Act 1973;
- periodic payments to the applicant as a consequence of personal injury.

Annex 8 - Students

(This annex does not apply to applicants receiving Universal Credit)

Pensioner students are eligible for council tax reduction if they are liable for council tax and satisfy the other eligibility conditions. The student income of a pensioner is not taken into account in any award.

To be eligible for council tax reduction, a working-age student must be liable for council tax, satisfy the other eligibility conditions, and be in one of the following categories:

- receiving Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance;
- a lone parent;
- a student who has a full-time student partner one of whom has responsibility for a child or young person;
- disabled and entitled to Disability Living Allowance or Personal Independence Payment;
- a single foster carer;
- treated by the Department for Work and Pensions as incapable of work (or having limited capability for work) for a continuous period of at least 196 days;
- under 21 and not in higher education;
- under 20 and someone receives Child Benefit for them;
- receiving a Disabled Student's Allowance for deafness;

- have interrupted their course due to illness or caring responsibilities (with the approval of their college or university) for the period between their illness or caring responsibilities ending when they return to University, but only if they do not receive student finance during that time;
- covered by medical evidence saying that they have not been able to work due to illness or disability for at least 28 weeks;
- a part-time student.

Student income, such as grants and loans, is ignored in the calculation of council tax reduction for working-age applicants.

For the purposes of this scheme, the following definitions apply:

Academic year - the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September, according to whether the course begins in the winter, the spring, the summer or the autumn. But if students are required to begin attending the course during August or September and continue attending through the autumn, the academic year of the course begins in the autumn rather than the summer.

Course of study - any course of study, whether or not it is a sandwich course, and whether or not a grant is made for undertaking or attending it.

Full-time student - a person who is attending or undertaking a full-time course of study, including a student on a sandwich course. A funded course of study is usually regarded as full-time if it involves over 16 hours of guided learning a week. Whether or not an unfunded course is full-time depends on the nature of the course as a whole.³⁴

Period of study - this is defined as follows:

- 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 any year other than the final year of the course, the period beginning with that 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 their studying throughout the year; or (ii) in any other case, the day before the start of the normal summer vacation appropriate to their 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.

Qualifying course - as defined for the purposes of parts 2 and 4 of the [Jobseeker's Allowance Regulations 1996](#). The course must be employment-related which helps a person to acquire or enhance skills for employment, for seeking employment, or for a particular occupation. It must last for no more than 12 consecutive months, and it must be a course at an appropriate level.

³⁴ For a fuller definition of full-time course of study used in this scheme see regulation 53 (1) of the [Housing Benefit Regulations 2006](#).

Sandwich course³⁵ – consists of alternate periods of full-time study in an institution and periods of work experience. The student attends full-time study for at least 18 weeks in each year.

Student - a person who is attending or undertaking a course of study at an educational establishment or who is on a qualifying course.

³⁵ See regulation 2(9) of the [Education \(Student Support\) Regulations 2008](#) for more detail.

Appendix 1 - Living expenses (pensioners only)***(This appendix applies only to pensioners)***

The amounts for living expenses consist of amounts for the applicant and, where appropriate, their partner (known as personal allowances), amounts for children and young people, and additional amounts, known as premiums, mainly for disability and caring responsibilities.

Amounts for the applicant	£ per week
Single person or lone parent who has reached pension age before 1 st April 2021	256.00
Single person or lone parent who has reached pension age on or after 1 st April 2021	238.00
Couple, where one or both members have reached pension age before 1 st April 2021	383.35
Couple, where both members have reached pension age on or after 1 st April 2021	363.25
Amounts for children, young people	£ per week
Dependent child/young person aged under 20 ³⁶	87.88
Premiums	£ per week
Disabled child premium (for each child)	84.46
Carer premium	48.15
Enhanced disability premium for a single applicant	22.00
Enhanced disability premium for a couple	31.40

³⁶ This was limited to 2 children/young persons from 1st April 2018 in the prescribed scheme which applies to pensioners, but this limitation was removed from April 2025.

Enhanced disability premium for a child	33.99
Severe disability premium for a single applicant	86.05
Severe disability premium for a couple (one qualifies)	86.05
Severe disability premium for a couple (both qualify)	172.10

A brief explanation of qualifying conditions for the various premiums:

Disabled child premium

This applies where an applicant or partner is responsible for a child or young person living in their household who meets at least one of the following conditions:

- is registered as severely sight-impaired or blind;
- receives Disability Living Allowance;
- receives Scottish Adult Disability Living Allowance at the highest or middle rate;
- receives Child Disability Payment;
- receives Personal Independence Payment;
- receives the Adult Disability Payment;
- receives an Armed Forces Independence Payment; or
- would receive one of these benefits if they were not in hospital.

The disabled child premium is paid for each child who satisfies one of the above conditions. It is also paid for a period of 8 weeks following the death of child or young person, provided that Child Benefit is paid following the death.

Carer Premium

This applies where an applicant or partner is entitled to Carer's Allowance³⁷ (including where Carer's Allowance is not paid because of overlapping benefit rules) or a Carer Support Payment. The applicant must have made a claim for Carer's Allowance or Carer Support Payment in order for the premium to apply.

Entitlement to the carer premium continues for eight weeks after caring or entitlement to Carer's Allowance or Carer Support Payment ceases, or where the person being cared for has died. The period of eight weeks begins on the Sunday following the death, or from the date of the death if this is a Sunday.

³⁷ See [Annex 1](#) (Glossary) page 28

If entitlement to Carer's Allowance or Carer Support Payment ends for any other reason, the premium will continue to apply for eight weeks.

If both the applicant and their partner qualify for a carer premium, two premiums are paid.

Enhanced disability premium

This applies where an applicant or their partner or a member of their family is under the qualifying age for State Pension Credit and receiving the disability premium or income-related Employment Support Allowance, and one of the following:

- Personal Independence Payment daily living component at the standard or higher ('enhanced') rate;
- Armed Forces Independence Payment;
- Disability Living Allowance care component at the highest rate;
- Scottish Adult Disability Living Allowance at the highest or middle rate;
- The care component of Child Disability Payment at the highest rate.
- The daily living component of the Adult Disability Payment at the enhanced rate, or
- would receive one of these benefits if they were not in hospital.

Or an applicant is in the support group for income-related Employment Support Allowance.

Severe disability premium

This applies where an applicant is receiving one of the following qualifying benefits:

- Personal Independence Payment daily living component;
- Armed Forces Independence Payment;
- Disability Living Allowance care component at the middle or highest rate;
- Scottish Adult Disability Living Allowance at the highest or middle rate;
- Attendance Allowance (or Constant Attendance Allowance paid with Industrial Injuries Disablement Benefit or War Pension).
- Pension Age Disability Payment
- The daily living component of Adult Disability Payment at the standard or enhanced rate, or
- would receive one of these benefits if they were not in hospital.

A further condition is that there are no non-dependants aged 18 or over is living with the applicant, unless they are in one of these situations:

- they receive a qualifying benefit;³⁸

³⁸ The qualifying benefits are Attendance Allowance, the care component of Disability Living Allowance at the highest or middle rate, the care component of the Scottish Adult Disability Living Allowance at the highest or middle rate, or the daily living component of Personal Independence Payment at the standard or enhanced rate.

- they are registered blind;
- they are a boarder or sub-tenant (but not a close relative);
- they make separate payments to the landlord.

The severe disability premium is not paid if someone is receiving Carer's Allowance, a Carer Support Payment, or the carer's element of Universal Credit, for looking after the applicant.

Couples receive the higher amount of severe disability premium if both of them are eligible, or the lower amount if:

- someone receives Carer's Allowance, a Carer Support Payment, or the carer's element of Universal Credit, for looking after only one member of the couple; or
- only one member of the couple meets the eligibility criteria and the other is registered blind.

Appendix 2 - Alternative Maximum Council Tax Reduction (pensioners only)

(This appendix applies only to pensioners)

Applicants may qualify for council tax reduction through the alternative maximum council tax reduction route, sometimes known as the second adult reduction or rebate. This is where there is a second adult (or adults) sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so. The amount of the reduction depends on the income of the second adult:

Income of second adult	Percentage reduction applied
Where the second adult or all second adults are in receipt of Income Support, income-related Employment and Support Allowance, income-based Jobseeker's Allowance or State Pension Credit.	25% ³⁹
Where the gross income of the second adult, or where there is more than one second adult, their aggregate income (ignoring income from income-related benefits) is less than £289 per week.	15%
As above, but where the income is £289 per week but less than £375 per week.	7.5%
Where a dwelling would be wholly occupied by students (who are not entitled to council tax reduction under the main scheme) but for the presence of one or	100%

³⁹ Where an applicant is jointly liable for council tax with one or more persons in the household (other than their partner), the amounts in this table are divided by the number of persons who are jointly liable.

more second adults in receipt of an income-related benefit.	
---	--

In calculating a second adult's gross income, payments of Attendance Allowance, Disability Living Allowance, Personal Independence Payment or Armed Forces Independence Payment are ignored. Payments from certain specified trusts such as the Macfarlane Trust are also ignored.

Appendix 3 - Earnings that are ignored fully or in part (pensioners only)***(This appendix applies only to pensioners)****Earnings paid before the first day of entitlement*

Where an applicant ceases employment as an employed earner because of retirement and is entitled to retirement pension (or would be if they satisfied the contribution conditions), their earnings are ignored from the date after the employment has been terminated.

Where an applicant ceases employment as an employed earner, for reasons other than retirement, before the first day of entitlement to council tax reduction, their earnings are ignored except for certain specified payments.⁴⁰

Where an applicant has not ceased employment, but their working hours have decreased to fewer than 16, or they are ill before the first day of entitlement to council tax reduction, the earnings are ignored other than specified payments such as statutory sick pay, statutory maternity pay, paternity or shared parental pay.

The above paragraphs also apply when an applicant has been working part-time (fewer than 16 hours a week) and that employment either comes to an end or is interrupted.

Similar arrangements apply when employment or part-time employment as a self-employed earner comes to an end: earnings, other than royalties or analogous payments, are ignored from the date the employment ended.

Earnings paid when council tax reduction has been awarded

The applicant's earnings which are ignored are shown in the table below. The amounts shown are not cumulative.

Amount ignored	Circumstances which must apply
All	Where the applicant is receiving Pension Credit
£20	Entitled to a disability or severe disability premium, Scottish Adult Disability Living Allowance, Adult Disability Payment, Pension Age Disability Payment, work-related activity or support component of Employment and Support Allowance or a carer premium. (NB £20 in total for couples.)
£25	Lone parent.
£10	Couples where £20 is not ignored.
£20	Where the applicant receives earnings from employment as a part-time fire fighter, auxiliary coastguard, manning or launching a lifeboat or being a member of any territorial or reserve force. (NB £20 in total for couples if they are both employed in this way.)
£5	Single person where £20 is not ignored.

⁴⁰ The specified payments are retainers, compensation for unfair dismissal, payments deemed to be earnings, guarantee payments, and remuneration on suspension from work on medical or maternity grounds following a complaint to an employment tribunal.

All	Earnings of a child or young person.
-----	--------------------------------------

Where £20 of an applicant's earnings are ignored under the above provisions within a period of 8 weeks of reaching pension age, and they continue in employment, £20 of their earnings continue to be ignored, providing there is entitlement to council tax reduction. This also applies if there is a break which does not exceed 8 weeks in either their employment or entitlement to council tax reduction, following the first day in respect of which an award of council tax reduction is made under this scheme.

If earnings are paid abroad and cannot be transferred to the United Kingdom they are ignored whilst the situation exists. If earnings paid in a different currency have to be converted into sterling, any banking charge or commission is ignored.

In addition to the amounts listed in the table above a further £17.10 is ignored where the applicant:

- qualifies for a 30-hour element in the calculation of their Working Tax Credit;
- is aged at least 25 and who works for at least 30 hours a week or who has a partner who does so;
- has a partner and one of them is working 16 hours or more a week and whose family includes at least one child or young person;
- is a lone parent working 16 hours a week or more;
- is working or their partner is working 16 hours or more a week and is entitled to a disability premium, a work-related activity component or a support component of Employment and Support Allowance.

Appendix 4 - Income other than earnings that is ignored fully or in part (pensioners only)

(This appendix applies only to pensioners)

Income wholly ignored – benefit payments:

- Attendance Allowance, Disability Living Allowance, Scottish Adult Disability Living Allowance, Personal Independence Payment Armed Forces Independence Payment and any mobility supplement paid to members of the armed forces;
- War Disablement Pension, a War Widow's or War Widower's Pension and certain analogous payments;
- Christmas bonus for pensioners;
- Guardian's Allowance;
- Child Benefit;
- Housing Benefit;
- Discretionary Housing Payments;
- payments made under a local welfare provision (formerly part of the Social Fund);
- any increase in the rate of social security benefits for a dependant who is not a member of the applicant's family.
- any amount of Carer Support Payment that is in excess of the amount the applicant would receive if they had an entitlement to Carer's Allowance.

Income wholly ignored – expenses:

- any payment made for travelling or other expenses relating to participation in a recognised work programme;
- any payment made for expenses incurred for unpaid voluntary work;
- payments arising from participation in consultation exercises undertaken by certain public bodies;
- payments for expenses to attend a court of law (for example, travel, subsistence and accommodation), for example to attend jury service or when acting as a witness;
- payments for NHS travelling expenses and remission of charges made by the NHS;
- any payment of expenses in respect of an employed earner that is 'wholly, exclusively and necessarily incurred'.

Income wholly ignored – other:

- charitable and voluntary payments, but not where the payment is made by a former partner of the applicant, or former partner of any member of the applicant's family or the parent of a child or young person where they are a member of the applicant's family;
- any of the following payments made to the applicant in consequence of their personal injury: from a trust, from an annuity following any agreement or court order or from funds derived from a payment made, or from a payment received under any agreement or court order; but not where the payment is made by a former partner of the applicant, or former partner of any member of the applicant's

family or the parent of a child or young person where they are a member of the applicant's family;

- any payment made to the applicant as a holder of the Victoria Cross, the George Cross or any analogous payment;
- payments made from the Macfarlane and similar trusts, and certain analogous payments;
- any payment made under the Assisted Prison Visit's Scheme set up to help relatives or other persons to visit persons in custody;
- payments akin to education maintenance allowance;
- training allowances paid under section 2 of the Employment and Training Act 1973 except where they are paid instead of a social security benefit or they are paid for cost-of-living expenses;⁴¹
- any payment made under the Employment Services Access to Work scheme for disabled people;
- direct payments made to disabled people to buy services and direct payments in lieu of health care;
- payments made by a local authority to enable the applicant or their partner to live independently;
- payments made in consequence of a reduction in council tax;
- where an applicant makes a parental contribution towards maintenance payments for a student aged under 25, whether the student either does not have a grant or a loan or is receiving certain specified awards, the equivalent amount up to a specified extent is deducted from the applicant's other income, if any;⁴²
- payments made to the applicant by a child, young person or non-dependant;
- child maintenance payments except when paid by the applicant or their partner (working-age applicants);
- certain payments made in respect of adoption, fostering and provision of respite care;
- payments made in lieu of vouchers for Healthy Start food and vitamins or for milk tokens;
- income in kind;
- income derived from capital in most circumstances;
- income from abroad that cannot be transferred to the United Kingdom;
- any banking charges or commission to convert a payment of income into sterling;
- payments received under an insurance policy taken out against the risk of being unable to maintain certain loan repayments, but only to the extent that the payments cover the applicant's loan commitments together with any premiums;
- income from an annuity purchased with a loan, taken out by a pensioner and secured on a home in which the applicant lives;

⁴¹ These cost-of-living expenses are for food, ordinary clothing or footwear, household fuel or rent, or any council tax or water charges for which the applicant (or a member of their family) is liable.

⁴² For full details see paragraphs 18 and 19 of Schedule 5 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

- discretionary payments made to a pensioner by a trust (unless paid to meet living expenses or housing costs in which case only up to £20 of the income is ignored);
- Tax on income which is otherwise taken into account;
- payments of income which are treated as capital under this scheme;
- payments in respect of certain NHS charges, for example dental treatment;
- sports awards, unless they are intended for specified basic needs.⁴³
- payments made in connection with the Homes for Ukraine scheme.⁴⁴
- Any other payments made by the Government to help with the cost of living.

Income partially ignored

- £15 of any Widowed Mother's Allowance or Widowed Parents' Allowance;
- £15 of maintenance payments in respect of a child or young person (pensioners);
- £20 of payments to the applicant made by sub-tenants of the applicant's home with a formal liability to pay rent;
- £20 of payments made by a boarder plus half the amount in excess of £20;
- payments of Working Tax Credit up to £17.10 where the full £17.10 cannot be ignored under [Appendix 3](#) of this scheme.

(Some income ignored is subject to an overall maximum of £20.)

⁴³ See footnote 41 above for the definition of basic needs.

⁴⁴ the Homes for Ukraine scheme means the Homes for Ukraine sponsorship scheme which was announced in Parliament on 14th March 2022. See regulation 17 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, inserted by the [Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) \(Amendment\) Regulations 2023](#).

Appendix 5 - Capital that is ignored⁴⁵

(This appendix does not apply to applicants receiving Universal Credit⁴⁶)

Property

- the dwelling normally occupied by the applicant as their home including any garden, garage and outbuildings;
- premises occupied wholly or partly by a partner, relative or any member of the applicant's family as their home where that person has attained the qualifying age for State Pension Credit or is incapacitated;⁴⁷
- premises occupied by a former partner as their home providing that the applicant is not estranged or divorced from their former partner, nor where the applicant had formed a civil partnership that has been dissolved;
- any premises that the applicant acquires, or is taking legal advice or proceedings to possess, and intends to occupy as their home within 26 weeks from the date of acquisition, or from the date on which they took legal advice or proceedings, or within a longer period if the Council considers reasonable;
- any sum solely attributable to the sale of premises formerly occupied by the applicant as their home which is to be used for the purchase of other premises that they intend to occupy as their home within 26 weeks of the sale, or a longer period if the Council considers reasonable and necessary to secure the purchase;
- the applicant's former home which they left following estrangement, divorce or dissolution of a civil partnership for a period of 26 weeks from the date on which the applicant left the home. Where the applicant's former home is occupied by the former partner who is a lone parent, the value of the home is ignored so long as the former partner continues to occupy the home;
- for 26 weeks or longer if reasonable, the value of any premises which the applicant is taking reasonable steps either to dispose of, or to obtain possession of, or which they intend to occupy after essential repairs or alterations;
- for 26 weeks or longer if reasonable, any grant made by a local authority in order to help purchase premises that an applicant intends to occupy as their home or for essential repairs or alterations to be carried out and make fit for occupation;
- deposits held by a housing association, and (for 26 weeks or a longer period if the Council considers reasonable) deposits that were so held and earmarked for buying a home;
- for a period of 52 weeks, any sum of money paid to, or on behalf of, the applicant for the sole purpose of buying a property which they intend to occupy as their home, or to meet the cost of essential repairs or alterations to that home;

⁴⁵ See Schedule 6 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 for a full list.

⁴⁶ Subject to paragraph 26 of this scheme (circumstances where the Council uses its own figures for capital). In most cases, the Council uses the amount of capital decided by DWP in the Universal Credit claim and this will exclude capital disregarded in accordance with [Schedule 10 of the Universal Credit Regulations 2013](#).

⁴⁷ The term 'incapacitated' is not defined but should be given its broad meaning.

- any future interest in property (for example where a person has been left property for life that the applicant is due to inherit on their death) but not where the applicant has granted a lease or tenancy including sub-leases or sub-tenancies;
- payments for repair to, or replacement of, personal possessions, repairs or improvements to the home, for a period of 26 weeks or a longer period if the Council considers it reasonable;
- for a period of 52 weeks, payments under an insurance policy for the loss or damage to the property, occupied by the applicant as their home, and their personal possessions;
- the business assets owned wholly or partly by the applicant while working for the business, but where they cease working, the value of the business assets are ignored only for a period in which the Council decides is reasonable to allow for the disposal of such assets;
- the business assets owned wholly or in part by the applicant where they would be working but for an illness or disability, and intends to re-engage in that business on recovery, for a period of 26 weeks, or within a longer period that the council considers reasonable.

Benefits

- capital already taken into account when the applicant is receiving, Income Support, income-based Jobseeker's Allowance, or income-related Employment and Support Allowance;
- payments of arrears or compensation in respect of any specified benefit⁴⁸, discretionary housing payment, and tax credit, for a period of 52 weeks from the date of receipt of those arrears;
- payments made under a local welfare provision (formerly part of the Social Fund) sometimes known as occasional assistance;
- any payment of a Widowed Parent's Allowance made to the survivor of a cohabiting partnership following the death of their partner, who was entitled to Widowed Parent's Allowance before 9th February 2023, and in respect of the period ending the day before a claim for Widowed Parent's Allowance is made. The payment is ignored for a period of 52 weeks from the date of receipt or 1st April 2024, whichever is later;
- any payment of a Bereavement Support Payment made for the first month of entitlement, for a period of 52 weeks from the date of receipt of the payment;
- any payment of a Bereavement Support Payment made to the survivor of a cohabiting partnership, following the death of their partner, who was entitled to Bereaved Support payment before 9th February 2023 at the higher rate and the payment is for more than one month's entitlement. The payment is ignored for a period of 52 weeks from the date of receipt or 1st April 2024, whichever is later;

⁴⁸ See paragraph 21(2) of Schedule 6 to Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (as amended) for a list of specified benefits.

- any payment to rectify or compensate for an official error relating to specified social security benefits, but where the payment is £5,000 or more, only as long as the payment is made on or after the date on which council tax reduction is awarded and only for the duration of that award;
- where an applicant is entitled to council tax reduction solely through the alternative council tax reduction route (see [Appendix 2](#)), all their capital is ignored.

Compensation

- any payments made from 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, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies trust or the London Bombings Relief Charitable Fund; any Grenfell Tower support payment, a historical child abuse payment, a Windrush payment, the Victims of Overseas Terrorism Compensation Scheme, Post Office compensation payment, or a Vaccine Damage Payment, any LGBT Financial Recognition Scheme payment, or any miscarriage of justice compensation payment.
- any payment out of the estate of a person made under the Scottish Infected Blood Scheme or an approved blood scheme where the payment is made to the person's son, daughter, step-son or step-daughter;
- any payment out of the estate of a person, which derives from a payment made under or by the Scottish Infected Blood Support Scheme or an approved blood scheme to the estate of the person as a result of that person having been infected from contaminated blood products.
- any lump-sum payments made from the Armed Forces Compensation Scheme;
- any payment made to the applicant or their partner as a result of personal injury but only for a period of 52 weeks;
- compensation paid to children and young people for personal injury, or the death of a parent, while the capital is held by a court or administered by a responsible person;
- any £10,000 ex gratia payment made as a result of imprisonment or internment by the Japanese during the Second World War;
- the value of certain trust funds derived from payments made as a result of personal injury;
- certain trust payments made to the applicant or a member of their family to compensate those who suffer from or who have died from variant Creutzfeldt-Jakob disease;
- payments made to people who were slaves or forced labourers, suffered property loss or personal injury, or who were parents of a child who died during the Second World War;
- payments made to those with an annuity policy from the Equitable Life Assurance Company.

Other

- personal possessions unless they have been bought to secure or increase entitlement to council tax reduction;
- cash payments made by a local authority to help children in need;
- payments made by a local authority to a person aged 18 or over who was formerly in the applicant's care and continues to live with the applicant and who gives the payments to the applicant;
- payments made by a local authority under the Energy Rebate Scheme 2022⁴⁹
- any other payments made by the Government to help with the cost of living;
- any payment made in connection with the Homes for Ukraine scheme;⁵⁰
- any payments in kind made by a charity, or made from 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, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies trust or the London Bombings Relief Charitable Fund; any Grenfell Tower support payment, a historical child abuse payment, a Windrush payment, the Victims of Overseas Terrorism Compensation Scheme, Post Office compensation payment, or a Vaccine Damage Payment, any LGBT Financial Recognition Scheme payment, or any miscarriage of justice compensation payment.
- any payment other than a training allowance made to assist disabled people to obtain or retain employment;
- any payment made for travelling or other expenses relating to participation in a recognised work programme;
- payments made to help people select, train for, obtain and retain employment under the Employment and Training Act 1973;
- for 52 weeks, any payment to a self-employed person in order to establish or develop their business;
- any payment made by a local authority to a blind homeworker under specified provisions;
- any payment made to the applicant as holder of the Victoria or George Cross;
- payments akin to an education maintenance allowance;
- for 52 weeks, any arrears of subsistence allowance;

⁴⁹ 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. See regulation 16 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, inserted by the Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 – SI 2022/127.

⁵⁰ the Homes for Ukraine scheme means the Homes for Ukraine sponsorship scheme which was announced in Parliament on 14th March 2022. See regulation 17 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, inserted by the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2023.

- for 52 weeks, payments made by a local authority intended to enable an applicant or their partner to live independently in their accommodation;
- any direct payments for health care;
- certain payments made in respect of adoption, fostering and guardianship support;
- for 52 weeks, payments made in respect of certain NHS charges, hospital travel costs, payments in lieu of Healthy Start food vouchers, milk tokens or the supply of vitamins, and for assisted prison visits;
- the surrender value of annuities or the right to receive income under them;
- the surrender value of any life insurance policy;
- where a payment of capital is made by instalments, the value of the right to receive outstanding instalments;
- for 26 weeks, sports awards unless intended for basic needs;⁵¹
- the value of the right to receive any income payable abroad which cannot be transferred to the United Kingdom;
- any banking charges or commission to convert a payment of capital into sterling;
- the right to receive any income under a life interest or life rent;
- the value of any funeral plan contract;
- the value of the right to receive an occupational or personal pension;
- the value of the right to receive any rent except where the applicant has a reversionary interest in the property where rent is due;
- the value of any funds held under a personal pension scheme;
- any lump sum payments of retirement pension, graduated retirement benefit, or state pension when entitlement to a pension has been deferred, for as long as the applicant chooses the lump sum option.⁵²

⁵¹ The basic needs are food, ordinary clothing or footwear, household fuel or rent, or any council tax or water charges for which the applicant (or a member of their family) is liable.

⁵² The circumstances where a lump sum option is available are set out in Schedule 5 and 5A to [Social Security Contributions and Benefits Act 1992](#), Schedule 1 to the [Social Security \(Graduated Retirement Benefit\) Regulations 2005](#), and section 8(2) of the [Pensions Act 2014](#).

This page is intentionally left blank