

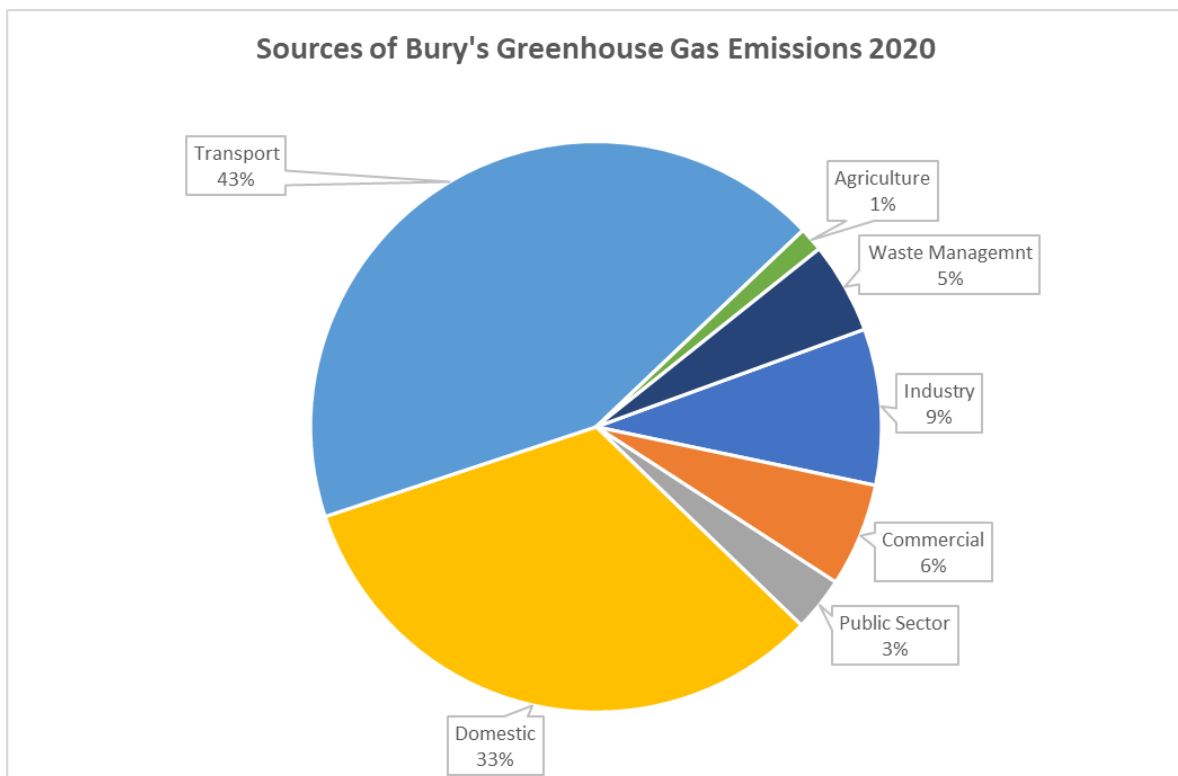
REPORT FOR AUDIT COMMITTEE			
To:	Audit Committee		
Contact Officer:	Assistant Director of Operations Strategy		
Risk Reference:	CR6		
Risk Description:	Climate Change		
Reason for Briefing Note:	Information <input type="checkbox"/>	Analysis & Discussion <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>

1. Context

In 2019 Bury Council declared a Climate Emergency and went on to set a target to be carbon neutral by 2038.

Latest figures available from the Government indicate that Bury's total carbon emissions for 2020 were 838 ktCO₂e and the proportional sources of these emissions are shown in Chart 1 below. To get to carbon neutrality the Council needs to drastically reduce emissions, and this means specifically targeting our main sources which are transport and domestic energy use.

Chart 1



To set out what the transition to carbon neutrality might look like, the council worked with Energy Systems Catapult to produce a Local Area Energy Plan (LAEP) in 2022.

This plan indicates that to reach carbon neutrality we will have to:

- Retrofit insulation and energy efficiency measures in up to 76,000 houses.
- Install up to 75,000 heat pumps in Bury's private and public sector housing stock.
- Provide heat networks to provide decarbonised heat in areas with closer density of housing (approximately 12,000 houses).
- Install solar PV on much of the roof space across the borough and ground mounted systems where feasible.

- Provide EV (Electric Vehicle) charging infrastructure for 90,000 local EV's which will require 65,000 domestic EV chargers in houses with off-street parking and numerous public charging hubs for those who do not.

The LAEP (Local Area Energy Plan) document estimates that this transition requires a total energy system and building level investment of £3.5bn.

Recent research by GMCA (Greater Manchester Combined Authority) has shown that the city region is currently 9.9MTCO₂e above our carbon budget for the period of 2015-2019 and on our current trajectory our carbon budget will expire in 2025. This indicates that we will require a significant step change in activity by everyone (not just public bodies) if we are to get back on track to meet our targets.

It is extremely unlikely, verging on impossible that we will stay within our carbon budget, and we need to be aware that there is a significant amount of climate change that will still take place no matter how much we reduce our carbon emissions in the future. This will bring warmer and wetter weather and we need to start adapting and preparing for this now.

The degree of change required from our residents, businesses and infrastructure is huge and presents a major challenge to all councils, Government and those agencies that influence our communities.

In 2019 GMCA produced a 5-year Environment Plan for Greater Manchester 2019-2024, which described how Greater Manchester will progress towards a 2038 carbon neutral target. To align with this and to take a strategic planned approach to this challenge in Bury, we developed and published our own Climate Action Strategy and Climate Action Plan in 2021. We then refreshed our Climate Action Plan in 2023 to reflect progress and detail areas for further attention.

To help mobilise all sectors of our communities we have set up a Climate Action Board with membership from key partners including representatives from Team Bury, our business community, Bury's youth parliament and community groups.

2. Key Potential Impacts

The most significant risk is that the Council fails to meet the 2038 carbon neutral target. The risks that could lead to this outcome are detailed below:

2.1 General Community Risks

- The necessary transition will require funding, and this presents one of the most significant risks if funding and investment are not forthcoming from either Government or private industry.
- Moving our communities to electric focused heat involves changes to building fabric and internal heating systems (e.g., changes to doors, windows, larger radiators, and improved controls). These changes come with costs (heat pumps are more expensive to install than gas boilers) and works are often more disruptive. It is vital therefore that Government works with local business, local authorities, and other relevant stakeholders to provide suitable incentives to encourage this change. Without these incentives the necessary transition will not be achieved.
- Meeting our 2038 carbon neutral target requires change in a challenging timescale and to ensure this happens we need to urgently scale up and develop skills and supply chains in the low carbon/energy efficiency sector. Again, this requires investment to stimulate the market to increase local demand for carbon neutral goods and services. If the local supply chain and skills are not developed the progress to decarbonisation will be slowed. There is also the major risk that the borough's business sector will not be able to take advantage of the economic opportunities that a decarbonised society presents.
- Without changes to national policy, wider energy market reforms or the introduction of suitable support mechanisms, energy bills are forecasted to increase, mainly because heating buildings using electricity can be more expensive than using gas. If the Government fails to address this matter, we could see an increase in financial hardship within our communities, impacting both residents and businesses.
- Schemes to encourage the installation of carbon neutral measures must be targeted at those most in need to ensure their properties are fit for the future with energy bills that are as low as possible. Without this there is a further risk of financial hardship to our vulnerable residents which will worsen existing inequalities in our communities.

- In addition to decarbonising properties, we will also need to move people away from private car use towards more active travel and use of public/shared transport options. Unfortunately, people are very attached to their cars, and most have built their lives around using a private vehicle. We have also seen local opposition to some active travel infrastructure schemes eg the new Cyclops junction outside the Town Hall and some of the Low Traffic Neighbourhoods. This change is clearly a huge challenge, and it is essential that we work with our communities to ensure they are ready to accept these changes and that the changes suit their lifestyles. This careful approach to transition will require adequate officer and financial resource.
- All heavier vehicles within our communities will also need to move to a carbon neutral solution. However, zero carbon vehicles available now are prohibitively expensive. Currently, there are not financially viable zero carbon options for the heavier vehicles on our roads. It is expected that hydrogen may provide a solution, but this requires suitable fuelling infrastructure and for the technology to become more accessible and affordable. Until a suitable financially viable option is available for heavier vehicles, there is a risk that some of our local businesses will not be able to decarbonise their fleets.
- We are already experiencing climate change, and our communities are and will continue to be subject to more extremes of hot and cold weather and more extreme weather events. The Boxing Day floods of 2015 demonstrate the level of damage and disruption that such events can inflict on our infrastructure and on the health of our residents. We have an Emergency Plan and various systems in place for tackling extreme heat and cold, but it is important that we systematically address all the risks that the projected change in climate will bring over the next 10–20 years. Due to limited officer and financial resource, there has been very little progress on this area of work so far and it is vital that this is stepped up. Looking at climate adaptation and resilience is a priority for this year. If we do not plan for Climate Change and take action, we will fail to protect the health and wellbeing of our communities.

2.2 Council specific Risks

2.2.1. Officer resources

- The council currently has a very limited officer resource to drive the climate change agenda across the council. There are currently 2FTEs (1x Climate Change officer and 1x Climate Action Intern) both on temporary contracts. There is a limit to what these officers can achieve, and their lack of job security creates issues around retention and the potential to lose their acquired knowledge and expertise. We will continue to explore opportunities for funding to enable the posts to be made permanent in the future.
- Encouraging active travel is an essential part of our carbon neutral transition as it brings health benefits as well as environmental benefits. Moving our residents and businesses away from the car is a significant challenge in a society that has developed and prioritised car use for many years. To tackle this difficult issue, Bury Council have 1FTE Move More Officer on a temporary contract. Again, there is limit to what 1FTE can achieve and the temporary contract causes issues with officer retention. Options to enable the post to be made permanent will continue to be explored.
- Our Local Area Energy Plan shows that we need to retrofit improved insulation in 76,000 houses and install heat pumps in 75,000 houses before 2038. This is a huge challenge and work towards these targets needs to be progressing now. Most of our housing is privately owned and therefore the council have a significant role to play in helping residents to achieve this level of change. We have mentioned above that this requires Government and industry to provide sufficient investment along with suitable incentives. However, the council will need sufficient officer resource to help and encourage our residents to access any funding and also to administer any locally based schemes.
- Without sufficient permanent Climate Action roles there is a real risk that the council will fail to deliver sufficient progress and generate adequate momentum in our communities to make sufficient progress and achieve our target.

2.2.2. Council Property and Activities

- It is important that the council decarbonises our own estate and that we make progress towards our target. This will also help to stimulate the local low carbon supply chain and set an example to our communities. Decarbonisation currently means replacing our gas boilers with heat pumps. However, heat pumps are considerably more expensive than gas boilers and can also require additional work such as replacing radiators. This additional cost makes the business case very challenging which can make gaining approval difficult under current financial limitations. This challenge creates a risk that Bury Council will not be able to justify the additional expense of decarbonisation options, and this will severely limit progress.

- There are opportunities for Bury council to influence regeneration projects either directly where we are project owners or indirectly where we have some leverage or a part stake in the development. Most regeneration schemes rely on Government funding and the mechanisms for awarding this funding demand that schemes meet specific “value for money” requirements. Unfortunately, many of these regeneration sites are on brownfield land and have challenges that generate additional costs and therefore impact on viability. It therefore becomes very difficult, if not impossible, to also add ambitious decarbonisation measures to the project and keep within the set “value for money” criteria. Consequently, some residential schemes, for example in the Radcliffe Regeneration Project, will be built with gas boilers. To reach our 2038 target these boilers, and probably their radiators, will all need to be replaced within the next 15 years.
- All council vehicles will need to be decarbonised by 2038. This process has already commenced with the replacement of some diesel vans with equivalent electric vehicles. However, as mentioned in the “General Community Risks” zero carbon solutions for larger vehicles such as refuse collection vehicles are prohibitively expensive. Currently, there are not financially viable zero carbon options for the heavier vehicles in our fleet. It is expected that hydrogen may provide a solution, but this requires suitable fuelling infrastructure and for the technology to become more accessible and affordable. Until a suitable financially viable option is available for heavier vehicles, there is a risk that we will not be able to decarbonise the entire vehicle fleet.

3. Current Controls

The Council, along with our Team Bury partners, have made a good level of progress so far and created a foundation to generate and mobilise activity across the community. Significant actions are described below:

- We have published our Climate Action Strategy and Action Plan which describes our strategic planned approach to addressing climate change in Bury.
- We have established a Climate Action Board which is part of the Team Bury structure with representatives from key partners and our community.
- The Council’s Greenhouse Gas Emissions Report for 2021/22 shows the Council has reduced greenhouse gas emissions by 63% since 2008/09.
- The Council awarded £100k of community action funding to 12 community groups and most projects are now completed.
- Successful bid from Six Town Housing (STH) and the Council to decarbonise 200 properties on the Chesham Estate in Bury.
- 70% of council vehicles are now replaced with low emission vehicles and the remaining 30% are on order including, 19 small tippers, 5 small Luton vans, 2 RCV's, 1 Ranger pick-up, HGV tipper and 11 electric vans (there will be 15 in total).
- Infrastructure for charging electric vans installed at Bradley Fold and Bury Cemetery.
- Public sector Decarbonisation Funding awarded to Bury and used to decarbonise several council buildings - completed June 2022.
- 2x Business climate events hosted.
- Schools’ Climate Event took place 7th July 2022.
- E-Car Club Pilot operating from Prestwich and Bury.
- Procurement of an Electric Vehicle Charging Infrastructure provider to deliver charge points in many of our council car parks free of charge.
- Carbon literacy course made mandatory for council employees and 750 staff have completed.
- Internal communications campaign was delivered to highlight energy saving opportunities within corporate buildings.
- Team Bury Away day used to raise awareness re: current Team Bury actions and to inspire more accelerated actions across our partners and communities.

4. Planned Actions

Planned actions/priorities for 2023/24 are listed below:

- 23 council assets and schools put forward to receive GMCA funded consultancy support to assess the feasibility of solar PV. It is anticipated that this will lead to a number of significant solar PV installations that will both reduce the carbon footprint and the demand on grid electricity from the schools.
- 7 council assets and schools to receive decarbonisation feasibility studies with GMCA funding. These will present business cases for the work required so that the council and schools can consider how best to approach this.
- Street lighting column replacement and LED replacement programme to reduce the electricity use and carbon footprint of our street lighting.
- Produce the annual Greenhouse Gas Report for the council so that we can monitor our progress towards decarbonisation and highlight areas where more focussed action is required.
- Utilise £2 million of CRTS and LEVI (Local Electric Vehicle Infrastructure) funding to significantly increase public Electric Vehicle charge point infrastructure to increase charging infrastructure by 100%. This will help to encourage our communities to make the transition to electric vehicles.
- Deliver energy efficiency measures to 80 low-income households using ECO4 grants to reduce the carbon footprint of these houses and to help protect low-income occupants from rising energy prices.
- Publish the case study report and video to demonstrate the outcomes of our Community Climate Action Fund.
- Improve community engagement using dynamic multi-channel communications to engage with all sections of our communities. Raising awareness and encouraging action will help to build momentum to achieve the level of behaviour change that is needed in our communities.
- Integration of 15 Electric Vehicles into the Council fleet to move towards the decarbonisation of council operations.
- Incorporate single use plastic into the procurement policy to reduce both the amount of waste produced by the council and the carbon cost of dealing with this waste.
- Continue the promotion of the mandatory Climate Change e-learning and provide means for those without easy access to a computer to undertake the training.
- Produce the annual update of the Climate Action Plan to maintain a relevant document, monitor progress and highlight areas for more focussed action.
- Commence climate adaptation and resilience planning to progress the council's preparedness for expected changes in climate and resulting potential health impacts in our communities.
- Continue to look for opportunities to use Government PSDS (Public Sector Decarbonisation Scheme) funding to further progress the decarbonisation of council assets.
- Secure permanent employment contracts for the existing officer resource delivering Climate Action and Active Travel functions to demonstrate the council commitment to this agenda and to help with officer retention.
- Secure in-house Mechanical and Electrical Engineer resource to help generate and deliver decarbonisation projects for our assets.
- Deliver Social Housing Decarbonisation Fund Wave 2 project to progress decarbonisation of a further 200 properties on the Chesham Estate.
- Deliver another School's Climate Change event to engage our young people to ensure their voices are heard and we take onboard their thoughts and ideas.
- Expand the existing number of Schools Streets to encourage walking and cycling to school and to reduce the number of car miles covered by the "school run". This will improve air quality and reduce carbon emissions.

Report to	Audit Committee
From	Head of Homelessness & Housing Options
Risk Reference	CR28
Risk Description	Asylum & Immigration
Recommendation	For analysis and discussion

Context

Bury has a long history of supporting and welcoming Asylum seekers, immigrants and refugees into the Borough and this commitment remains.

The past restructure of the Homelessness and Housing options service has focused delivery on statutory and non-statutory provision to work smarter and align resources, teams and staffing to be more efficient and effective which has enabled capacity and reinforces the continued commitment within Bury to Asylum and migration.

The development of our place-based approach and the Councils Let Do It! Strategy and how we align Council services locally to target and focus support and deliver services better to this community within Bury.

This commitment is demonstrated with joined up services and support provided to ensure all asylum seekers, immigrants and refugees, either singles, couples or families receive the required support and advice with well-developed pathways and access to services.

Unfortunately, over the past 2 years and since the service restructure there has been further significant external influences on migration with greater demand within the Borough due to the changing Government and Home office approach to asylum and immigration nationally and across the region and Greater Manchester, that is out of our control but will require greater resource and capacity locally.

Current Position

- One manager plus temporary asylum and immigration coordinator post to manage day to day migration demands and outcomes.
- Regional Transitional Outcome Fund (RTOF) – GM external funding to support asylum seekers within the Borough – commissioned service until March 24.
- Lack of staffing capacity to meet projected numbers and demand.
- Lack of affordable and social housing to meet increasing demand.
- Homelessness – numbers increasing due to the cost-of-living impact in addition to increasing migration demands within the Borough
- Circa 440 asylum seekers in Serco / Home office accommodation within the Borough using circa 150 PRS properties. Projected to increased by 100% to 970. High percentage will access homelessness services following Home office asylum decision – either negative or positive decisions.
- Ukrainian crisis – 107 refugees and 62 hosts within the Borough. Permanently rehoused 4 refugee families and families currently placed in statutory temporary accommodation. Refugee crisis ongoing with no conclusion – no longer a temporary / emergency situation with host arrangements ending with the risk of no alternative accommodation that affordable or sustainable.
- Home office fast track system to determine immigration status – projected 70 new cases within Bury over the next 3 months in addition to existing numbers.
- Afghan Bridging Hotels – 8000 refugees nationally, 1500 in the NW with 880 in GM – hotel arrangements to end by Aug 2023 – numbers unknown but could be significant as families can present to any LA, therefore difficult to project, plan and manage.

- Government changes to Housing and Homelessness legislation to provide Afghan and Ukrainian refugees and asylum seekers full access to social housing and LA duty.
- Migration funding streams available but due to unaffordable PRS and lack of affordable and social housing within the Borough this will not provide quick solutions to the demand or quickly increase affordable housing.
- Need future strategy to help mitigate risks and demands on the Local Authority

Key Potential Impacts

All the new Home Office initiatives below are key impacts:-

- Afghan Refugee crisis
- Ukrainian Refugee Crisis
- Home office new dispersal and resettlement programme – now compulsory
- Home office fast track programme
- Closure of Afghan bridging hotels by August 2023.

All the above factors have and are projected to increase asylum and immigration within the Borough.

See embedded recent papers to evidence the work, scope and provide greater detail to further explain and demonstrate the complexities and the continual changing landscape and priorities of asylum and immigration that are generally out of our control and the wider impact projected across the region, GM and Bury.



June 2023 Joint letter to SoS - Afghan Asylu2023_Asyum and reficlosures 26 May 23_vtemplate - Item 11 - CForm -Homes for Ukr. WLT 14 June GMCA_Afghan hotel Bury briefing note Operational Decision

The Borough already supports the Home office Afghan Relocations and Assistance Programme (ARAP) with Bury voluntarily pledging 10 properties in the Private rented sector (PRS) to support 30 / 40 Afghan refugees, which has been successfully delivered via a commissioned provider.

The Ukrainian refugee crisis - due to the Russian invasion we saw 165 refugees arrive in Bury between 1/3/22 to 31/12/22 via the Homes for Ukraine scheme. We currently have 107 refugees accommodated with 62 hosts across Bury. This number constantly changes, including the dynamics due to host arrangement ending. The challenge is then finding new hosts with interim temporary accommodation for these families until new hosts can be found. Bury has also been impacted by the family visa scheme which is also open to Ukrainian refugees, we have already re-settled 6 families into permanent accommodation including providing emergency temporary accommodation through statutory services at a time when wider homelessness pressures have and are continuing to increase due to the cost of living crisis.

The new Home office dispersal and resettlement programme which is no longer voluntary for LA's to support and now compulsory for all Local Authorities. Bury and GM LA's have always supported asylum and immigration resettlement within their Boroughs. At present the Home office via Serco their emergency accommodation provider in the NW currently have 440 asylum seekers placed in circa 150 dispersed properties within the private rented sector in Bury. A high percentage of this co-hort eventually come through our statutory homeless services with only 28 days' notice via existing developed pathways with Serco once the Home office have made their asylum decisions.

April 21 to March 22 – 70 cases presented to the service for support with 20 families owed a duty and placed into temporary accommodation. April 22 to March 23 – 132 families presented to the service with 42 owed a duty and placed into our statutory temporary accommodation awaiting

permanent housing solutions. This is an increase of 100% in the number of cases over a 12 month period and projected to increase further over the next 12 months.

Asylum seekers with negative decisions are also evicted from Home office temporary accommodation with no planned or managed pathways to repatriate failed asylum seekers back to their Country, therefore this cohort end up street homeless and rough sleeping with No Recourse to Public Funds (NRPF). Bury support these people and cost via our non-statutory provision such as ABEN (a bed every night) our rough sleeper support and accommodation service. The Home office's current intention in meeting their asylum pressures are to achieve 1:200 cluster limits across all LA's which means in Bury that the numbers could potentially increase from 440 at present to 970 over the next 12 months. This will add further pressures on our already small and expensive private sector due to market forces with simply supply and demand factors. The extra properties procured in our PRS by Serco will result in rent increases and greater affordability issues and will limit the Authorities scope and intention to greater access the PRS to meet our wider homelessness demands and increase capacity.

We currently have 3 former asylum seekers placed in ABEN due to the risk of rough sleeping because they were evicted from Home office accommodation. In the past 12 months we have had 17 individuals accessing this service and some with no recourse or restricted access to public funds and therefore no income or benefit support.

The Home office fast track scheme – this new scheme is intended to create capacity within the Home office dispersed accommodation portfolio to reduce their backlog of asylum decisions and pass duty and responsibility to LA's following their asylum decisions. The process is flawed as the intention is simply to move people and families out of their emergency and temporary accommodation without a robust assessment. At present the projected number for Bury is circa an additional 70 people extra to the normal numbers coming through the existing dispersed accommodation pathways from Serco and the Home office.

The recent Home Office programme to close all Afghan Bridging hotels by August 2023 will add further pressure to the service and the Local Authority but numbers will be hard to predict and then manage due to the way this programme is being implemented by the Home office but the numbers could be significant across GM and Bury considering there are 8000 nationally in hotels, 1500 in the NW and 880 in GM alone.

Unfortunately, Bury has not been selected by DLUHC to access the new Local Authority Housing Fund (LAHF 1 & 2), which is aimed at sourcing accommodation for larger families and would require 60% capital match funding by the Council to purchase properties. Bury has voluntarily signed up to the 'Find Your Own Accommodation protocol & pathway' aligned with all the other nine GM LA's. This is a scheme to try and move people and families into the PRS across the region to reduce pressures on social housing and homelessness services. The potential issue in Bury is that our PRS is small but extremely unaffordable and its likely that any of these arrangements would not be sustainable and will eventually add further pressure on our homelessness services and social housing stock. This scheme again will be hard to manage due to the unknown impact and numbers that may want to settle in Bury but considering there are 880 in GM alone, again this could be significant. Another factor only recently highlighted is that the Local Authorities that will benefit from the LAHF funding could source accommodation in other Boroughs and the scope of procuring properties is not limited to their own Boroughs. The funding is based on median property values within a Borough, therefore some LA's may take the opportunity to procure properties in other Boroughs where property prices are cheaper which may then add further pressures to the host Authority and services.

Uncontrollable and unmanageable numbers via the Home office - Unable to meet statutory homelessness duty due to staffing capacity but also the lack of emergency temp and permanent accommodation options when factoring in other homelessness pressures such as the cost of living crisis.

The risks are significant if we do not have capacity to meet these demands, and ultimately, we could have increased street homelessness due to the lack of temporary and permanent accommodation.

Capacity is also key from a staffing perspective to manage and prevent this situation but also provide the required support to the families to integrate within our communities with partnership working with key stakeholders across sectors especially the voluntary sector also being a key objective.

An important factor is the ability to source new and extra affordable accommodation to help prevent but also reduce the pressure and impact on our homelessness services, therefore a risk being unable to meet our statutory duty because DLUHC has changed housing and homelessness legislation to ensure this co-hort are protected under existing homelessness and housing legislation and the responsibility and duty of Local Authorities to provide.

Current Controls

- Partnership working with GMCA and NW RSMP to robustly and collectively feedback to the Home office on their new dispersal and resettlement scheme to help ensure numbers placed in GM and Bury are realistic and can be achieved over the next 12 months.
- Development of the Private rented sector to maximise accommodation opportunities. New incentive scheme developed with identified funding.
- New DLUHC match funded PRS Development coordinator role to create capacity to prevent evictions in the PRS with landlord support + develop better relationships with PRS landlords to create greater access to properties.
- Empty Homes Officer to deliver the new empty homes strategy that has identified 1000+ long terms voids in the private sector to target for homelessness & social housing applicants – incentivisation scheme for landlords.
- Maximising and exploring all opportunities with the 20+ registered social landlord providers in the Borough to ensure all new developments supported by the Council or wider that they provide either social or affordable housing that's accessible for homelessness inc. asylum seekers / refugees within those new developments to assist with demand.
- Reviewing the allocations policy to include a common housing register to gain greater access to all social housing across the Borough not just the Council. Appointed / commissioned Housing Quality Network (HQN) to carry out the independent policy review by Nov / Dec 23.
- Co-delivery of the new Homelessness Strategy with Bury Homeless partnership.
- Existing pathways with Serco / Home Office emergency accommodation within the Borough and the Council homelessness team to manage and meet statutory provision and accommodation.
- Existing pathways for non-statutory provision for asylum seekers evicted from Home office accommodation into Council provision such as ABEN.
- Internal Ukrainian operational partnership meeting to support refugees via the Homes for Ukraine and the Family Visa route. Maximising funding now under homeless service control and governance.
- Commissioned service with Stepping Stones to support the ARAP and Afghan refugees with support and accommodation for 3 years.
- Signed up to the 'Find your own accommodation' scheme in the PRS for Afghan refugees from bridging hotels. Funding - £35m national funding package, £9500 per person who presents to a LA - £28 per day for 6 months for support provided - Additional £7100 per household.
- Internal Strategic Migration meeting for all Council services to align.
- External Operational Migration partnership meeting with all relevant stakeholders.

- Management of the external funding streams to maximise all opportunities to increase capacity both accommodation and staffing / resources.

Planned Actions

- Steering group – timescales to have new allocations policy with common housing register by November 2023 with a new Choice based lettings system by April 24.
- ELA partnership: GMCA 'Let Us' - Needs refreshing with targets & outcomes but capacity to deliver.
- New social housing strategy for the Borough to complement the Homelessness Strategy - process and approach to be agreed.
- Increase homelessness staffing levels and capacity to meet support demands and increased numbers aligned to external ring-fenced funding.
- Maximise Asylum & Immigration external funding streams - future business case to increase migration staffing capacity to provide support to successfully integrate within our communities and promote partnership working to increase capacity to explore all accommodation options and maximise the external Home office and DLUHC funding.
- Explore all opportunities to increase emergency & permanent accommodation - Social, affordable & PRS. Develop future strategy with timescales and outcomes to support operational delivery. i.e. – the return of 16 properties leased to Serco by Irwell Valley for permanent asylum use.
- Change in Council policy - use of B&B to mitigate risk of not meeting homelessness duty and demands until more appropriate emergency and permanent housing solutions are found - limitations due B&B provision being used by other GM LA's within the Borough.
- Develop and create capacity to provide support and community integration to work in partnership across all sectors in Bury such as the voluntary, faith, private and public sectors to explore and maximise all opportunities to increase accommodation provision both temporary and permanent with support by all public services such as Education, adults, childrens etc. This will need Council wide commitment and support by all services.

Report to	Audit Committee
From	Director of Education and Skills
Risk Reference	CR21 – Project Safety Valve
Recommendation	For analysis and discussion

Key Potential Impacts

- Risk of Bury Council being withdrawn from Project Safety Valve (PSV) due to increased activity and not being able to eradicate the deficit on the DSG (Dedicated Schools Grant) resulting in a loss of £6m of additional funding and the need to use reserves to pay the remaining of the DSG deficit, when the national dispensation ends.
- Increase in levels of need post Covid and 63% increase in new EHCP assessments mean that the eradication of the deficit will not be achieved within the agreed timescale due to the demand compounded by the continued lack of SEND sufficiency in Borough and the continued need for out of borough places.
- The latest PSV modelling is that despite £6.3m savings achieved in 2022/23, the closing deficit balance was £18.601m.
- There has been joint working across the Council, however modelling including reduced demand through the implementation of a number of strategies including the graduated approach still leaves a deficit on the DSG beyond the original timeframe of the end of 2024/25. Current modelling identifies that the historic deficit will be clear by 2028/29.
- Special educational needs and disabilities improvement adversely impacted by the challenges in regard to the safety valve agreement leading to escalation of complaints.
- Challenges in regard to the special educational needs and disabilities improvement journey result in a poor Local Area SEND inspection.

We remain focused on the original conditions of Project Safety Valve, as agreed with the Department for Education. Despite positive service improvements, in 2022/23 there was an increase in out of borough placements and EHCPs in mainstream schools. Bury was the fifth highest Local Authority for the issuing of EHCP plans and now has the 21st highest proportion of EHCPs per capita and has the 18th highest per capita spend. This is unsustainable and without urgent activity to ensure need is identified and met earlier, spend will continue to escalate and present significant challenges to the DSG deficit eradication.

Background

In January 2021 Bury Council entered into a formal agreement with the DfE on Project Safety Valve to improve SEND services and the experiences and outcomes for children, young people and their families with identified Special Educational Needs and Disabilities and an agreement to eradicate the High Needs Block Deficit by 2024/25.

There are five conditions against which progress and performance are measured in quarterly reports to the DfE:

- Strengthen Special Education Needs assessment and placement process

- Ensure robust planning for future provision, including reducing the use of independent school placements by increasing the availability and suitability of local provision within Bury. This should include developing a model for forecasting future demand.
- Improve quality and timeliness of management information to enable evaluation of impact of central services.
- Support and drive schools in Bury to meet a higher level of need in a more cost effective way within mainstream settings, while maintaining the quality of provision. Develop a culture in which demand is more effectively managed throughout the authority
- Remodel financial practice to ensure accurate contributions from appropriate funding sources

Bury has undertaken extensive work in repairing and rebuilding SEND within the borough in the last two years as part of the Safety Valve programme, this 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. During this period, the council also reviewed its use of the High Needs Block

All of this has had an impact and is ensuring the deficit hasn't risen but this is against a backdrop of unprecedented demand. The original Safety Valve modelling from the start of the programme did not foresee this, but rather anticipated little or no growth. This has been proved to be wrong and has resulted in a necessary change in the deficit reduction profile. The plan has been updated and now embodies our learning from the past two years and our journey in reforming the local SEND system. With the benefit of hindsight, it is clear that the scale of the need to change the culture in Bury was underestimated. Bury was very slow to adopt the SEN reforms and the 2014 Code of Practice and in its 2017 Local Area SEND inspection and in the re-visit in 2019 was issued with a written statement of action. There has been a number of changes in strategic leadership within Bury's Children Services. When Bury entered the Safety Valve Agreement, Bury was paying more for every type of SEND place than national comparator.

Recently published SEN2 data reinforces this as it shows the significant improvements in our EHCP process, timeliness and compliance rates, while also highlighting the severe demand pressures within the local area.

The council and partnership now have the building blocks for reducing demand – a rigorous assessment process, a graduated approach in schools and are also refocusing our efforts in developing multi-agency early years and early help services with health partners to address need earlier in a child's life, but, as the modelling makes plain, numbers of EHCPs will continue to rise until 2026/27. Through this period we will continue to reduce the deficit through our other activities around reducing cost, improving processes and reducing use of independent schools through improving sufficiency in the borough. However, this should not distract from the essential context: the need to change the local culture around EHCPs with our partners, and building the confidence of local parents. This will remain a key focus for the council's political and officer leadership teams and for those of key partner organisations.

In terms of local capacity to meet local need there is a clear deficit between the demand for specialist school places and local maintained special school capacity. This is leading to much higher-than-average numbers of children being placed in non-maintained independent special schools. This has substantial cost implications for the local SEND system. It also means that children are often travelling outside of Bury for their education.

Strategy

Strategies for managing the pressure on the high needs block can be broken down into key strands:

- Reducing demand by identifying and meeting need earlier hence impacting on a more positive experience and outcomes
- Maximising income and ensuring tripartite funding in joint commissioning
- Reviewing and ensuring the Dedicated Schools Grant and high needs block is used appropriately
- Finance strategy focused on best value for all SEND places
- Ensuring robust processes in place for EHCP including review of panel and processes

Over the last two years Bury has had more success in maximising income; reducing unit costs; reviewing the use of the DSG and Bury now has strengthened EHCP process and has recently increased management oversight and has strengthened the panel and decision making process.

Positive progress in regard to tripartite funding on individual packages and a tripartite agreement to joint commissioning has resulted in an increased contribution from the NHS. Bury has thoroughly reviewed the use of the DSG and has disestablished services including the Curriculum Languages Access Service which had been funded from the DSG. We are confident that all spending is now appropriate.

In its finance strategy Bury has made good progress by introducing mainstream EHCP banding in 2022; reviewing the inclusion hubs in 2022; reviewing special school top up values.

However the aspect of our SEND strategy and Safety Valve Agreement that has been most challenging has been reducing demand. We co-produced and launched the Graduated Approach and have launched the ordinarily available provision in Early Years; we strengthened the SENCo networks and provided in-reach training opportunities.

Current controls

Since February 2023 there has been enhanced internal project management capacity and close working between finance and the service. The Governance structure has been revised; terms of reference of the Project safety Valve Board have been strengthened and there have been three multi agency workshops. There have been weekly joint service meetings to ensure alignment between service activity and spend.

Since March 2023 the existing finance panel and EHCP panel has been strengthened with increased multi-agency membership including commissioning and finance.

An additional jointly commissioned fixed term senior post within children's commissioning has been created to enable a review of our commissioning approach to ensure joint partnership working and best value.

Since April 2023 there has been a focus on developing a partnership DSG management plan with clear demand modelling in place alongside finance activity. There has also been a need to re-work the workstreams and a revised project plan has been created with clear interdependencies outlined following significant input from corporate core.

Significant progress has continued with improving the EHCP process and working with parents and Bury2gether to continue to deliver an improved SEND service in Bury. An EHCP Team Manager started in August 2022 and the team has remained stable. This has enabled a greater focus on quality and co-production. Weekly reporting allows for a better understanding of the trajectory of demand to plan resources more effectively to deliver quality plans in a timely manner. The team have mapped out work and robust tracking has ensured improved compliance.

The implementation of the restructure of Children's Services Education and Early Help will support the safety valve agreement by strengthening the SEN support service to ensure that Bury has an increased offer to enable need to be identified and met earlier and to embed the Graduated Approach.

There has been continued commitment to the overall strategy of reviewing expenditure on the DSG; maximising income; reducing demand and implementing the financial strategy. There was a target of £3.3m of savings activity to be achieved in 2022/23 and £6.338m savings activity was achieved in year. Savings were achieved from reviewing expenditure in the DSG, in particular in regard to the education restructure and the disestablishment of the CLAS service and a review of the inclusion hubs. The Finance strategy has continued with a focus on EHCP banding; inclusion funding; special school banding; AP review. There is an ongoing strategy to increase sufficiency in Bury.

A key strand to the Safety Valve project is to increase sufficiency within the borough of Bury to reduce the need for expensive Out of Borough placements. Although significant progress has been made with the creation of Resource Provision places in primary and secondary schools across Bury, there have been ongoing delays with building work which will impact on timings. These places will specialise in Social Emotional and Mental Health (SEMH), Autism Spectrum Conditions (ASC) and Speech, Language and Communication Needs (SLCN) and will be phased in from September 2023 to match need. These places, alongside the creation of the Free Special Schools (2 agreed) will mean Bury will be less reliant on commissioning Independent Non-Maintained provision to meet the needs of pupils. This will have a real impact on the deficit plan as the cost of placing pupils in Independent Non-Maintained Schools is high. Figure 1 below shows the projected DSG deficit at July 2023.

Figure 1 - Summary DSG Position at July 2023

	Indicative						
	2023/24 Forecast £	2024/25 Forecast £	2025/26 Forecast £	2026/27 Forecast £	2027/28 Forecast £	2028/29 Forecast £	2029/30 Forecast £
HNB Expenditure	47,023,365	47,607,349	48,252,906	50,670,599	50,942,302	51,031,357	50,662,254
HNB Allocation (including recoupment, block transfers, clawbacks and Health contributions)	(47,129,755)	(48,480,016)	(51,870,784)	(53,303,276)	(54,778,742)	(54,298,472)	(55,863,794)
In Year DSG (Surplus) / Deficit	(106,390)	(872,666)	(3,617,878)	(2,632,676)	(3,836,440)	(3,267,115)	(5,201,540)
PSV Spend	800,126	419,300	0	0	0	0	0
PSV Income	(3,000,000)	(3,000,000)	0	0	0	0	0
Programme Safety Valve	(2,199,874)	(2,580,700)	0	0	0	0	0
In Year High Needs DSG Position including PSV	(2,306,264)	(3,453,366)	(3,617,878)	(2,632,676)	(3,836,440)	(3,267,115)	(5,201,540)
DSG Deficit B/F	18,600,523	16,758,259	13,304,893	9,687,015	7,054,338	3,217,899	(49,216)
DSG Deficit In Year (Other blocks) - projected	464,000						
DSG Deficit	19,064,523	16,758,259	13,304,893	9,687,015	7,054,338	3,217,899	(49,216)
Revised DSG Deficit after In Year and PSV Income	16,758,259	13,304,893	9,687,015	7,054,338	3,217,899	(49,216)	(5,250,756)

Planned actions

Work is continuing to further develop the finance deficit project plan through the reworking of the DSG management plan. There is an immediate need to reduce demand for EHCps through increased focus on earlier identification and meeting need more consistently at SEN support. Bury's SEND Graduated Approach Toolkit has been created and will now be embedded in the Local Offer. There is a rolling training programme, with the first set completed by the end of October 2023. The Graduated Approach will also be embedded in the induction of all education staff. To support delivery of the approach, Barnardo's has been commissioned to create a volunteer network in Bury to signpost professionals to the support available. This is an important step as the Approach is embedded and pupils are supported. Expected outcomes are:

- An increase in the number of pupils receiving SEN support.
- A decrease in the number of requests for EHCPs.

We expect to see a difference in the number of pupils receiving SEN support by July 2024.

We have reviewed all the workstreams and there is a focus on ensuring that Early Years pathways support early identification and intervention. Other enabling workstreams include a strengthening of the panel decision making and governance. Workstreams also include reviewing the funding of the pupil referral unit and a review of all commissioning arrangements for independent non maintained schools.

Within the plan there are actions to review all EHCP plans; a plan to focus on SEND support; implement the Education restructure with enhanced Outreach offer; embed the Graduated Approach toolkit; and review Bury's Education Psychology Offer. Please see a summary of the agreed workstreams below.

	Workstream	Purpose	Delivery Group
1	Early Years provision	Review early years offer and explore the impact this would have on our SEND cohort	Start Well (sub-group of CPSB)
2	Finance Panels (enabler for change)	Ensure stringent procedures and decision making processes are in place to agree any spend against the Dedicated Schools Grant (DSG)	PSV workstream
3	Review of current EHCPs and bandings (enabler for change)	Reviewing current banding descriptions and reviewing EHC plans against banding descriptions	PSV workstream
4a 4b	Out of Area Placements: Block commissioning Individual review	Address spend on out of area placements through a review of the commission to renegotiate new terms and individual review of young people to identify whether there is another provision in area that can meet their needs	PSV workstream
5	Joint commissioning arrangements (new commissions) (enabler for change)	Review of the commissioning arrangements for new commissions, ensuring robust systems and processes	PSV workstream
6	Graduated approach, SEND support & universal OAP	Earlier identification of need, earlier intervention resulting in less escalation of need to an EHCP and ensure increased amount of need met at SEN support	Existing SEND sub-group
7	Post-16	Stronger planning for adulthood and transitions so that more children and young people transfer from special provision to local mainstream college provision, and fewer young people staying out of borough post-16	Existing SEND sub-group
8	Alternative Provision (including section 19)	Design and implement commissioning model for AP; review AP placements commissioned for permanent exclusion, medical need and EHC assessments and ensure effective funding model considering school contributions	PSV workstream
9	School sufficiency	Ensuring sufficiency of high quality local provision in borough for children with SEND	PSV workstream
10	Sensory service review	Review sensory service to ensure cost efficient delivery of service	PSV workstream