

BUDGET AND FINANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Budget and Finance Scrutiny Committee held on Tuesday, 31st July 2012 at 6.30pm in the Scrutiny Meeting Room, Civic Offices, Telford

PRESENT: Councillors S. Reynolds (Chair), R. Evans, A. Lawrence, C. Mollett, M. Smith, R. Sloan and R. Williams (Co-optee).

Also attending: Cllr. W. McClements, Cabinet Member Resources & Service Delivery; K. Clarke, Assistant Director Finance, Audit & Information Governance; S. Jones, Scrutiny Officer.

BFSC-1 MINUTES

RESOLVED – that the minutes of the meeting of the Budget and Finance Scrutiny Committee held on 15th May 2012 be confirmed and signed by the Chairman with the amendment to show Cllr. S. Reynolds in attendance.

BFSC-2 APOLOGIES FOR ABSENCE

Cllrs. K. Austin, A. Stanton.

BFSC-3 DECLARATIONS OF INTEREST

None

BFSC-4 SERVICE & FINANCIAL PLANNING REPORTS

The Chairman welcomed members to the first meeting of the Committee of the municipal year. The first agenda item was to remind and update the Committee on three recent Service & Financial Planning Reports. The Cabinet Member and Assistant Director were invited to give a short introduction to each report before answering questions from the Committee.

The **Service & Financial Planning Report – 2011/12 Outturn** circulated as Appendix B1 had been approved by Cabinet on 28th June and Council on 12th July. The report showed the revenue outturn position at year end was within budget and with a final net under-spend of £1.8m (-1.42%) on a net budget of £129m (£409m gross). This was considered a very good result in what had been a challenging year and demonstrated the tight financial control in place throughout the year. Within the overall position, provision had been made for £2.1m contingency to support the 2012/13 budget strategy, the creation of a £1m Invest to Save fund to assist with delivering future savings and £1.5m to fund severance costs associated with making

on-going staff savings. The report highlighted the key budget pressures during 2011/12 as adult social care purchasing largely to offset the withdrawal of cases of NHS Continuing Healthcare (CHC) funding, costs relating to children in care and specialist educational and some shortfalls in income. Savings had been made from service efficiencies and the restructure, including posts that had remained vacant pending the restructure. There had been an under-spend of £13m on capital projects, £71m against an estimate of £84m, mainly due to re-phasing into 2012/13. Council Tax, business rates and sales ledger income collection were slightly behind target for the year which it was felt reflected the pressure on households and businesses.

Cllr. McClements pointed out that although the outturn had remained within budget, there had been some use of one-off reserves which were not sustainable. There was continuing pressure on the children in care budget with no reduction in the number of children coming into care, and there would be additional budget pressure from the changes to the Council Tax benefit policy from April 2013.

The Cabinet Member and Assistant Director then provided the following additional information in response to members' questions and comments:

- With regard to Council Tax, the level of bad debt and cost of collection was projected to rise once the welfare benefit reforms took effect. The localisation of Council Tax support would add significant pressure with authorities receiving a fixed grant of 10% less than currently paid out in Council Tax benefit but the Government had assumed reductions in case load and no future increases in council tax levels or any impact on collection rates so many authorities were projecting that the cost would be considerably greater than 10%. All local authorities were required to develop their own scheme with prescribed protections for vulnerable groups such as pensioners. Members requested further information to compare 2011/12 collection rates with previous economic downturns.
- The shortfall in income from schools for ICT support related to a change in the charging policy which had now been addressed. Schools could choose to buy into the service. All schools had been contacted about the new service; 55 schools had responded positively and 20 had not yet replied but would be contacted after the summer break.
- "Core Services" related to the Co-operative Council team (Policy & Strategy, Delivery & Planning, Community Engagement & voluntary Sector, Corporate Communications) which reports directly into the Managing Director.

The **Service & Financial Planning Update** report circulated as Appendix B2 had been approved by Cabinet in June. The report set out savings proposals to make up the remaining £0.88m budget gap for 2012/13 in addition to the £19m savings proposals agreed in March. Appendix 1 detailed proposals for over £0.9m ongoing savings made up of a combination of operational efficiencies and savings from procurement.

The report also set out ideas for addressing the £3.7m projected remaining budget gap for 2013/14 which was in addition to the £9.3m savings proposals already included in the March Council report. Projections assumed the passporting of £2.1m NHS funding to the Council for adult care in 2013/14 and although the funding remained in the national controls for 2013/14 and 2014/15, it remained to be confirmed how much this authority would receive. It was anticipated that following positive discussions with the PCT a rebalancing of CHC funding would off-set some costs in adult care, bringing the net overall remaining projected shortfall to £2.7m. whilst accepting that any projections for next year carry a very high level of uncertainty pending the introduction of a completely new local government finance system from 1st April for which details are still awaited from the Government. Proposals to generate these savings were set out in section 3.3 and detailed proposals would be presented to Cabinet in September. It was stressed that projections for 2013/14 were being treated very cautiously as there was a high degree of uncertainty about the Local Government Finance system and level of funding which was unlikely to become clearer until late November/early December.

The report summarised the principles and approach to future service and financial strategy planning with the aim of limiting the impact on front-line services as far as possible although given the level of costs already stripped out in low service impact areas such as procurement, staffing and property rationalisation it was becoming more difficult to find savings in these areas. The approach included:

- Long-term planned service redesign based around priorities - not just a “quick fix” approach
- To support business growth as a “business winning” Council, and encourage residential and commercial development which would generate income from the New Homes Bonus Scheme and business rates. As part of the review of Local Government Finance, the proposals for local authorities to retain business rates had been scaled back so authorities would retain only 50%. Although Telford & Wrekin did not have the advantage of an Enterprise Zone in the borough to subsidise new business, it did have the advantage of significant amounts of land available for development.
- To generate new non-traditional sources of income. At the last Council meeting, the Leader had announced the creation of a Commercial Enterprise Manager post to lead this work with the aim of reducing dependency on grant funding.
- The active pursuit of Invest to Save projects funded by the £1m reserve to generate ongoing revenue savings.

Impact assessments and engagement activities for savings proposals for 2013/14 and 2014/15 were being scoped, and with Cabinet approval would be carried out over the coming months, starting well in advance of previous years’ engagement activities. Work was ongoing to identify further savings and income streams, and to review the assumptions in the budget around the New Homes Bonus Scheme, Continuing Healthcare and savings from procurement. Further reports would be brought to members in the autumn.

Cllr. McClements highlighted the situation around CHC funding as an ongoing

concern. The level of CHC funding had reduced dramatically from £13.9m in 2009/10 to £3.8m in 2011/12, leaving the Council or self-funders to fill the gap. The Scrutiny Officer informed members that the issue of CHC funding withdrawal had been put forward as a suggestion for the Health & Adult Care Scrutiny Committee to look at. The Chairman had written to commissioners expressing concern about the negative impact on vulnerable people and the belief that the change in the interpretation and application of the national criteria for CHC funding constituted a substantial variation of service and requesting details of consultation and impact assessments carried out prior to making the change.

The Cabinet Member and Assistant Director then gave the following additional information in response to members' questions and comments:

- In response to a question about the timescale for consultation on the budget proposals, although engagement activities would start much earlier this year, the Council would not receive clarity from the government on funding until November or December so the full budget strategy would possibly not be approved by Cabinet for consultation until late December 2012 or early January 2013.
- Cllr. Sloan expressed the view that generating £2.7m savings from the proposals set out in section 3.3 was challenging, and felt there was scope for slippage.
- The Council was waiting for confirmation of the final figure for the proceeds of the sale of the WMS office supplies business. £1.5m had been paid on account and there would be some limited further proceeds from the sale, but the Council would lose the dividend payments. The budget had assumed that all income from WMS would be lost, but there should be around £200k income from the energy supply part of the business which had not been sold.
- Cllr. Mollett commented that it would be useful to see more detail in the report about the strategic approach outlined in the report including ideas for creating income in the borough. The Assistant Director explained that the strategic principles are set out in section 3.1 of this report, but more detailed proposals would be presented in the Cabinet report in September on the elements included in the summary table on page 3.
- In response to a question about the risks around the non-achievement of projected capital receipts, members received assurances that receipts were monitored very closely and variances were reported to Members through the Financial Monitoring reports. Members were referred to the 2012/13 Financial Monitoring Report, circulated as Appendix B3, which reported that while there had been some changes since the budget was set, total receipts were on track. If receipts did not come in, projects could be reassessed and re-phased or scaled back, and did not necessarily imply that the Council would have to increase its borrowing although this would be an option. It was not possible to provide itemised figures on expected or agreed sale prices as these were commercially confidential and in some cases contractually restricted. The financial Outturn report showed works

which had been funded by capital receipts, and a report on capital receipts would be taken to the Audit Committee on 25th September which members of the Budget & Finance Scrutiny Committee had been invited to attend.

The **2012/13 Financial Monitoring Report** circulated as Appendix B2 had been presented to Cabinet in July and recommendations would go to Council in September. This showed revenue spending for the year projected to be within budget at year end. The report included proposals for the use of £2.6m of the overall budgeted combined contingencies of £7.4m, leaving over £4m remaining. Pressure continued on the care placement and children's safeguarding budgets with a combined variation of £1.9m as of the end of June, and the adult care budget projected to overspend by £0.32m after off-setting the anticipated one-off funding of £4.7m from the NHS. As discussed previously, the overspend was mainly due to the withdrawal of CHC funding. The capital programme totalled £112.7m after the re-phasing approved as part of the outturn. As noted earlier at this meeting, capital receipts currently remained on-track. Collection of business rates was ahead of target.

Cllr. McClements commented on the continuing pressure on the children in care placements and safeguarding budgets. This had been discussed by Cabinet and it was felt that a positive outcome would be to reduce overspend to under £1.97m by year end as a downward trend would indicate progress was being made on measures to reduce costs, but it was not expected that the overspend would be eradicated by the end of the year. A lot of work had gone into measures to reduce costs including the review of Jigsaw provision and strategies to tackle reliance on agency social workers, agency foster carers and private residential care. 45% of placement costs were from private residential care and 35% from agency fostering. The weekly unit cost for agency foster care was around £809 compared to local authority foster care at around £274. Consideration was being given to increasing the foster care allowance to convert agency placements to internal placements. Investment in the service had been directed towards early intervention measures which would reduce costs in the long term by reducing the need to take children into care.

There was then a discussion about the report during which the following points were made:

- Cllr. Sloan said that the Committee had previously applauded the approach to shift investment towards early intervention, but he remained concerned about how quickly and to what extent this would have an impact on costs to the point when the service would be £2m cheaper. Members agreed that placement costs should be reviewed in-depth to look at the foster carer allowance, how foster carers are valued, trained and supported, costs around provision of out of county placements. Cllr. Smith pointed out that there were also children from other authority areas placed in Telford & Wrekin who were in Telford & Wrekin schools that needed to be considered. The Scrutiny Officer informed members that the Children & Young People (CYP) Scrutiny Committee would be carrying out an in-depth review of the Children in Care Placement Strategy, and this could be done jointly with the Budget & Finance Scrutiny Committee so that the costs elements are balanced with issues of quality and safety. The CYP Scrutiny Committee would be receiving

a report on the Care Placement Strategy on 18th September and the Committee was invited to nominate members to attend this meeting. It was agreed that members would e-mail the Scrutiny Officer to express an interest and the details would be confirmed in due course.

- Members questioned the overspend of £0.3m on specialist education. The SEN reforms had not been enacted yet, and specialist education was funded from the Direct Schools Grant so reduced costs would not impact on the general fund but would mean funding could be freed up for other school activities.
- Regarding the timetable for early consultation on budget proposals, the list of early proposals in the budget for 2013/14 were ready to go out to consultation and the further details of the process would be presented to Cabinet in the September report. The report would be published around mid-September and would be available for scrutiny any time after this.

At the end of the three reports and discussions, the Chairman commended the work of officers on the stringent financial management and on bringing the 2011/12 budget in with an under spend in such a challenging year and her comments were supported by the Committee. Cllr. Smith further congratulated the Council on joining up services as part of the restructure to eliminate duplication of work and save costs across service areas.

BFSC-5 WORK PROGRAMME

The Scrutiny Officer tabled a report on the Work Programme and summarised the key points and proposed schedule of meetings.

The Scrutiny Management Board had agreed on 4th July that the scrutiny work programme should be a two year programme, refreshed after 12 months, had allocated resources to the Committees as a benchmark of 6 formal meetings per Committee per year, and had agreed the allocation of scrutiny suggestions to the Scrutiny Committees as shown in Appendix 1 of the report. The Scrutiny Management Board's work programme would include "holding to account" sessions with each of the Cabinet Members which would provide another layer to the role of scrutiny in holding the Executive to account and members may wish to attend these meetings.

The proposed schedule of meetings had taken into account the items carried over from last year's work programme, new scrutiny suggestions, the timetable for consultation on budget proposals and the areas of duplication of work with other Committees of the Council. Although consultation on savings proposals was starting earlier than in previous years, the Council was not expected to receive confirmation of its settlement until November or December meaning the final budget proposals would not be published until late December 2012 or early January 2013, and for this reason the Committee's work would be concentrated around January and early February. During the meeting, the Committee had noted that a report on budget proposals and

the result of early consultation would be presented to Cabinet in September, and provision to scrutinise these reports would be built into the work programme. The Committee also noted the Audit Committee meeting on 25th September which all members were invited to attend, and the CYP Scrutiny Committee meeting on 18th September about which the Scrutiny Officer would confirm further details.

The Scrutiny Officer emphasised that the proposed schedule of meetings aimed to provide a framework for the Committee's work, but that this was flexible and it was up to the Committee to decide when it met and what it wanted to scrutinise.

The Committee then noted the report and endorsed the proposed schedule. A number of provisional meeting dates were agreed subject to final confirmation once the dates for the publication of the Service & Financial Planning Strategy 2013/14 was known.

RESOLVED:

- **That the proposed work plan be endorsed**
- **Provisional meeting dates be noted subject to final confirmation**

The meeting ended at 7.50 p.m.

Chairman:.....

Date:.....

Budget & Finance Scrutiny Committee – 16 October 2012

Update on the position of budget savings with regard to equality impact assessments, consultation and communication

Equality impact assessments: we need to assess and analyse the practical impact on those individuals or groups whose needs are affected by service cuts or changes. We have adopted a proportionate approach that takes into account the relevance of a proposal with regard to equality. This measured approach recognises that our resources are best aimed at dealing with those savings proposals that could have a more significant impact.

A scoping exercise to determine which budget saving proposals will require an equality impact analysis and/or service user consultation has been completed for the Budget Strategy report - 2013/14 and 2014/15 budget saving proposals including the review of fees and charges

This scoping exercise identified suggested requirements for impact assessments and consultations, as follows:

- No specific impact assessments or consultation activities have been identified for the 2012/13 additional saving proposals (approved at Cabinet on 28 June 2012). An overarching Impact Statement has been completed.
- Individual impact assessments and consultation activities have been initially identified for the 2013/14 additional savings proposals and the 2013/14 and 2014/15 proposals included in the March 2012 Budget Strategy report to Council.

In July 2012 the Policy Review Board agreed the initial list of proposed saving suggestions that needed further exploration with lead officers as to the extent of an impact analysis and service user consultation.

For savings proposals which are at a sufficiently developed state, a proportionate impact assessment and service user consultation will be undertaken. Where a proposal is still at a very early stage, a plan has been put in place to carry out an equality impact assessment during its development.

Consultation: the budget consultation in 2011-12 helped establish the principles and policy direction for a three year strategy. This required a broad range of inputs, over 3000, from across the whole community.

During 2012-13 we are refining these proposals into specific savings; this requires a different kind of targeted consultation with service users and stakeholders. They are often the most difficult types of engagement and rarely involve large numbers of people because we are looking for a precise reflection of the service and the impact that these types of changes can have.

Dependant on the settlement in late Autumn, there may be a further set of substantial budget savings proposals and we will need to review our position on consultation, which at that point may require both specific service user and stakeholder consultation as well a wider whole community consultation.

Currently, Assistant Directors are exploring further savings proposals,. Dependant on our budget position these proposals may or may not be included in the draft Budget Strategy to be published in December or January.

It is the intention of both the Communications Team and Community Engagement and Equalities Team to explore which of these further savings proposals may need an impact assessment, consultation and managed communication messages. We plan to do this in advance so we can be prepared if the savings proposals are put forward into the draft budget strategy. We are aware that further difficult decisions may need to be made and savings proposals may well have more of a direct impact on individuals and groups.

If we need to go out to 'wider whole community engagement' we will have contingency plans to carry out a 'budget road show' in January. The road show will be based on last year's public budget consultation event which was a hand's on participatory consultation activity. Residents and members of key forums across Telford and Wrekin will be invited to attend the road show. We are also considering a series of focus groups with residents. The focus groups will help us to explore priorities with regard to future budget savings.

Communications

In line with engagement activity around specific services, a series of core messages to support any service specific communications around budget and any savings proposals that have currently been identified.

The strategy will divide budget communication into two phases:

- The period prior to the announcement of the Council budget settlement which is expected in December 2012. During this period activity will focus on broader higher level budget messages across a variety of communications channels, particularly the Council's website, social media, press and the publication Your Voice.

These will focus on:

- The serious ongoing budget challenge that the Council faces
- These savings that must be found are as a result of unprecedented cuts in government grants
- Highlighting the savings that the Council has already achieved since 2009, including reductions in senior management and staffing, service efficiencies and procurement

- The promotion of ways that people can continue to be involved in putting forward ideas for ways to improve services and make savings
- Underpinning this will be the message that the Council's expect that the budget will only worsen and that we will be seeking significant public involvement in and consultation on any future savings proposals

The second phase will come once the Council's settlement is known. As any future savings suggestions are developed by service areas, these will be assessed for potential impact. The scale of this consultation will depend on the type of savings identified and if there is an issue or question which will have a direct effect on all residents on which the Council will be seeking the public's views.

TELFORD & WREKIN COUNCIL**CABINET- 20 SEPTEMBER 2012****SERVICE & FINANCIAL PLANNING UPDATE****REPORT OF THE ASSISTANT DIRECTOR: FINANCE, AUDIT &
INFORMATION GOVERNANCE (CHIEF FINANCIAL OFFICER)****LEAD CABINET MEMBER – CLLR BILL McCLEMENTS****1. PURPOSE**

This report provides an update on current government consultations on the proposed localisation of business rates, new local support for council tax scheme (whereby the government is significantly cutting the funding available for council tax benefit), changes to education and public health funding and an update on the council's saving proposals for 2013/14 and future years. Given the uncertainties which lie ahead, relating to the impending changes to the local government funding mechanisms and potential reductions in Government funding, it is likely that further savings will be necessary and work is underway to identify additional proposals for 2013/14 and beyond.

2. RECOMMENDATION

2.1 That the contents of the report are noted and that targeted consultation on the savings proposals included within Appendix 1 is commenced in accordance with the approach set out in section 7 of the report.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	The Service & Financial Planning Strategy is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes
	Will the proposals impact on specific groups of people?	
	Yes	The proposals contained in this report will impact on specific groups of people. Section 7 of the report

		describes the equality impact assessment and targeted service user engagement which will be undertaken to consider the impacts the changes may have.
TARGET COMPLETION/DELIVERY DATE	The Service & Financial Strategy will be considered by Full Council on 7 March 2013 and recommendations implemented in 2013/14 and subsequent years.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	Yes	This report develops proposals for the Councils Service & Financial Planning Strategy. Consultation will be in line with the Constitutional budget and policy framework and the final budget and council tax will be set in March 2013 as required by regulatory deadlines.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	Appendix 1 details other impacts and risks associated with the savings proposals.
IMPACT ON SPECIFIC WARDS	No	Borough Wide

4. INFORMATION

The Government are currently consulting on making very significant changes to the Local Government finance system. Key areas of proposed change include:-

- A scheme allowing the retention of an element of business rates locally,
- A reduction in the grant received by the Council to fund the cost of Council Tax Benefit,
- Education funding,
- The introduction of a ring-fenced grant to fund the cost of Public Health responsibilities being transferred to Councils when Primary Care Trusts are abolished.

All of these changes are due to come in to effect on 1st April 2013 and the details of how these schemes will operate are currently very unclear. This makes any forecasts of resources available for next year extremely difficult and subject to a very high degree of uncertainty. This is unlikely to be much clearer until after the funding settlement is announced by the Government which is expected to be sometime in November or December.

A brief update on each of these key issues is given below.

4.1 Business Rates Retention Scheme

The Business Rates Retention Scheme will replace the Formula Grant system of local government funding in 2013/14. Under the current system, the Council receives Formula Grant which consists of re-distributed business rates and Revenue Support Grant (RSG) which is distributed to authorities based on an assessment of needs determined through a complex set of formulae. Individual allocations of Formula Grant are normally announced annually in the Local Government Finance Settlement around early December.

Formula Grant funds around 53% of the Council's net revenue spending and therefore changes to the funding mechanism can have a very significant impact on the Council's overall financial position.

	£m
Total net spending 2012/13	126.254
Funded by:	
Formula Grant	66.645 (53%)
Council Tax	57.819 (46%)
Balances/Collection Fund	1.790 (1%)

The new proposed "Business Rates Retention Scheme" is currently subject to consultation which closes on the 24th September. The final details of the scheme are therefore not yet known and it is likely that we won't know the full implications for Telford & Wrekin until the Local Government Finance Settlement is announced in late November or December.

The Business Rates Retention Scheme proposals include a number of components which are complex and inter-related. In simple terms, under the new system authorities will receive a baseline funding level plus RSG. In addition to the baseline funding level, in future years authorities will retain 50% of any growth in business rates, however this is subject to levies which will be charged where there is a disproportionate benefit. The proceeds from the levy will be collected nationally and used to provide a safety net for authorities who experience unforeseen falls in their business rates. The safety net will be set within the range of 7.5% - 10% below an authority's baseline funding level – this means the authority will have to fund any shortfall until the fall in income is such that the safety net is reached transferring significant risk to the Council from the Government.

Business rates collected will be split equally into a local and central share. A **baseline funding** level will be set for each authority (i.e. an assessment of need). This will use the 2012/13 funding formulae as a starting point (although there are proposals to update certain elements of this, such as the treatment of concessionary travel, sparsity and data). An individual authority's **business rates baseline** will also be set. This will be 50% of the Government's estimate of the total national business rates collected apportioned across individual authorities on a proportionate basis (using average business rates income collected). To establish a fair starting point at the beginning of the new system, **tariffs** and **top-ups** will then be applied. Where an authority's business rates baseline is higher than its baseline

funding level a tariff will be paid to Central Government; where the base rates baseline is lower than the baseline funding level it will receive a top-up from Central Government. Tariffs and top ups will be fixed for the next 7 years with only an RPI increase, (until 2020 when the system is “re-set”).

To ensure that the Government’s overall Spending Controls are adhered to, the balance of funding (which includes the central share but is after deducting various set asides including £2bn funding for New Homes Bonus, a contingency for the safety net, capitalisation funding and Police Authority funding) is then re-distributed to local authorities as RSG. The basis for distribution of RSG will be set out in the annual local government finance settlement.

As mentioned above, it is unlikely that we will know the detail of the scheme before late November or sometime in December which means there is a great deal of uncertainty around any funding projections for the financial year starting 1st April 2013.

However, it is already clear that the new scheme will be significantly more complex than the current scheme, that it transfers risk to local from central government and that some of the original intentions of the new system such as encouraging councils to support growth in their areas have been watered down by the proposed “resetting” of the scheme in 2020 and the retention of only 50% of growth in business rates up to a level deemed to be “disproportionate” beyond which no additional growth would be retained locally.

4.2 Council Tax Support Scheme

The Council currently administers the nationally prescribed council tax benefit scheme and receives a subsidy grant from the Department of Works and Pensions (DWP) in relation to benefits paid out, together with a grant towards the administrative costs of the scheme. The system is demand led i.e. an increase in eligible claimants leads to increased council tax benefit being paid and increased subsidy grant received by local authorities. Spend on Council Tax Benefits in this area was £14.7m in 2011/12.

As part of the 2010 Spending Review the Government announced that the current national Council Tax Benefit Scheme would be abolished and local authorities would be required to establish their own local Council Tax Support scheme by 31st January 2013, for implementation in April 2013. It was also announced that in making this change, the Government would cut the amount of grant paid to councils by 10%. Pension age claimants will be protected i.e. they will not experience a reduction in support as a result of these changes. Local Authorities have the freedom to design a scheme for working age claimants and to decide how to manage the impact of the reduction in funding.

In future, Council Tax Support is to be given as a council tax discount with funding being provided from Government Grant. However, the grant is to be distributed through the new business rates retention scheme, rather than

being given as a separate identifiable grant so after the first year of the scheme we will not be able to identify how much grant we are receiving specifically for the new local support for council tax scheme. However, the amount of grant transferred into the business rates retention mechanism will only be 90% of the Government's forecast of the 2013/14 subsidy.

The Government's forecast has no allowance for inflation (i.e. assumes that no council will increase council tax) and is based on an assumption of reduced caseload volumes (2.3% reduction presumably due to an assumption that the economy is starting to grow). Our budget strategy includes assumptions for a 2.5% council tax increase over the medium term and local caseloads indicate a trend of around 2% pa increases. This, together with the likely impact on collection levels gives an estimated funding shortfall of £3.1m in 2013/14 (note final grant allocations will be updated by Government and therefore current estimates are only indicative). Telford & Wrekin's proposed scheme was launched for consultation at the end of August and includes suggested changes to a number of council tax exemptions and discounts and applying a percentage global reduction in support given to less-vulnerable claimants to manage the funding shortfall. It is also proposed that £0.065m is allocated to award discretionary discounts in cases of extreme financial hardship.

4.3 Education Funding.

The Government have consulted over the last year on proposed changes to school funding. The final details of these changes were released in June 2012 with the overall proposal being to retain Dedicated Schools Grant (DSG) whilst making some changes to how it can be allocated. The main impact of these changes will result in less flexibility in how funding is allocated to schools and movement in the local formula used to more of a national model.

The Council's new formula, set within the parameters given by the DfE, is subject to consultation with all schools and final agreement by the new Education Funding Agency (EFA). It will need to be implemented from April 2013. Most funding will then simply flow to schools via pupil numbers and this is likely to have a significant effect on the financial stability of some of our smaller secondary schools in particular and indeed any schools with falling pupil numbers. Whilst we expect pupil numbers to grow over the next few years in line with our Building Schools for the Future programme there will be an interim period of a few years where funding will be an ongoing problem for some secondary schools and action will need to be taken to address this issue.

The proposals also affect Special Education in requiring a more standardised funding system and as part of this removing any funding linked to lower value statements. There are also moves towards a lesser role for the Council in commissioning high needs places with more involvement of the new Education Funding Agency. Changes are also proposed in the status of alternative education provision.

The Council will also need to consider the impact these changes will have on DSG centrally funded services as well as others bought in by schools.

Changes in the current arrangements for recoupment of Council funding for the impact of Academies are part of the Business Rates retention consultation summarised in section 3.1 of this report and indicate the use of pupil numbers in maintained and Academy schools to allocate a new DfE grant. This will be an amount removed from the Council's current formula grant. Consultation on this proposal is due to close on 24th September 2012. The impact on changes in funding amounts for the Council resulting from this change will not be known until the outcome of this consultation is available later in the year. At the next spending review there is a possibility that further changes to how DSG is allocated to Councils could be put in place. The Council needs to be aware that as part of the allocation of costs through central recharges e.g. legal, accommodation, HR, Finance, ICT etc. a proportion is funded via centrally retained DSG. Any changes to this grant could impact significantly on these services.

4.4 Public Health Funding.

The NHS is also facing major change with Primary Care Trusts (PCT) being abolished from 1st April 2013. Most PCT functions will transfer to new Clinical Commissioning Groups but Public Health functions will transfer either to Public Health England, a new national body, or to upper tier councils such as Telford & Wrekin Council. Public Health functions will be a significant new additional responsibility for local government and will be funded by a new ring-fenced grant which can only be used to fund Public Health activities. It is currently assumed that the Council's Public Health budget will be equal to the grant that we receive so there will not be any material financial impact on other Council services or council tax payers as a result of this change.

The Government recently issued a consultation paper, "Healthy Lives, Healthy People: Update on Public Health Funding" which sets out proposals on how the £2.2bn currently spent by the NHS on Public Health activities that will transfer to local authorities could be allocated between different councils. Under this set of proposals, this council would receive around £7.3m of grant. However, in the current year the Telford & Wrekin PCT is spending around £10.4m on these same functions. The consultation paper suggests that transitional arrangements will be put in place to smooth the redistributive effect of the new funding formula so whilst a shortfall may be experienced between the grant we receive in 2013/14 and what the PCT currently spend it is hoped that this will not be as significant as may at first appear to be the case.

A large number of Council and PCT officers are working together in order to ensure that the transition is as smooth as possible and information is being received from the PCT on contractual commitments, staffing and existing budgets in order to assist with the development of the first council Public Health budget.

4.5 Care & Support Pressures.

The local Primary Care Trust has cut 73% of its funding for Continuing Health Care cases over the last 2 years in cash terms (over 80% in real terms) which has increased costs falling on the Council's social care budgets by around £8m pa ongoing - a major threat to service levels on top of government grant cuts. While part of this pressure has been funded by savings from other services a gap of some £5m still exists covered only temporarily by one off funding.

5. SERVICE AND FINANCIAL PLANNING STRATEGY.

Current projections of grant reductions for the Council are based on Departmental Expenditure Limits for Communities & Local Government announced as part of the 2010 Comprehensive Spending Review (CSR). These indicated a reduction in Government support for local authorities of around 28% over the 4 year period starting 2011/12 in order to assist the government in their target to eliminate the structural element of the national budget deficit. This equates to a reduction in cash terms of £27m, or in real terms of around £40m pa by the end of the period covered by the current CSR. At the same time demand for many services, notably social care services for children and adults is increasing and the Council has faced a significant transfer of costs from the PCT in respect of Continuing Health Care cases as well as many other budget pressures.

Nationally, the government's finances are suffering from the continuing recession. A lack of economic growth is resulting in reduced tax revenues and increased expenditure e.g. on benefit payments. These pressures are currently combining to increase, rather than reduce, the borrowing requirement and there is therefore a possibility that the Government may seek to reduce spending even further than they had previously planned in order to reduce the national budget deficit.

Local government is vulnerable to a significant share of any increased savings targets as the sector has a track record of delivering savings and the Government is likely to want to continue to do what it can to offer relative protection to health, education, police, defence and overseas aid spending. The Government may also seek to kick start the economy by increasing capital spending in order to stimulate the particularly weak construction sector of the economy – although this could be at the expense of further reducing revenue funding.

As already explained there will be considerable change to the local government finance system which will come in to effect from the start of April 2013. The lack of clarity on how the local government finance system will operate means that any projections of what funding will be available to the Council next year are extremely difficult and subject to an extremely high level of uncertainty.

It is however, clear that the squeeze on local government budgets will continue for many years and that the council needs to continue to identify further savings on top of the £40m pa of ongoing savings achieved since 2009/10. In order to ensure that future discussions about savings options are set within an overall strategic framework, on 28 June, the Cabinet agreed four key principles to be used when developing the service and financial planning strategy:

- In line with our co-operative values, we should work together with and involve our residents and employees in developing our strategy;
- Adopt a commercial approach and facilitate growth;
- Minimise the impact of savings on front-line service delivery;
- Minimise the impact of savings on our employees as far as possible.

In line with these principles, the starting point for our strategy is to focus on areas that do not have significant impact on front-line service delivery or employees, such as:

- **Improving procurement** e.g. re-tendering contracts, reviewing and robustly re-negotiating existing contracts, making greater use of framework agreements and getting added social value from procurement;
- **Property rationalisation and generation of capital receipts** – we have ambitious plans to invest in schools, regeneration and other capital projects to transform the Borough. In order to minimise the burden of ongoing debt repayments we're committed to a significant programme of asset sales totalling £110m over the medium term;
- **Driving down non-staffing costs that have minimal impact on service delivery** - reviewing and challenging budgets 'line by line' e.g. stationery, hospitality etc to ensure we have exhausted as many options as possible before considering changes or reductions to services.

However, due to the scale of the budget gap, some impact on service delivery and employees is inevitable. Our approach involves:

- **Carrying out planned, long-term service re-design, based around priorities**, not quick-fix options, such as withdrawing services or changing eligibility criteria e.g.
 - Children's Services – better help for people in the early stages of difficulties and more targeted help for families with complex needs;
 - Adults' Services – re-ablement to help ill or disabled adults learn or re-learn how to live independently;
 - Customer Services – more enquiries dealt with first time through a single point of contact

- **Facilitating growth** – becoming a business-winning council, increasing prosperity in the Borough and maximising income from business rates and the New Homes Bonus;
- **Working co-operatively with local people, organisations and partners** e.g.
 - Co-production and other new service delivery partnerships with the community;
 - Joining up services better to remove overlap and duplication;
 - Partnership with Town and Parish Councils to secure environmental improvements;
 - Encouraging local people to recycle more and reduce waste disposal costs.
- **Increasing income generation and external trading** – a more commercial approach and a particular focus on providing support services at affordable cost to local Voluntary & Community Sector organisations, Town & Parish Councils, partners, schools;

Our aim is to actively seek applications for voluntary redundancy and to promote flexible working arrangements in order to keep compulsory redundancies to a minimum although some continuing targeted restructuring activity is inevitable.

6. SAVINGS PROPOSALS FOR 2013/14 AND FUTURE YEARS.

The service and financial planning report considered at Council in March this year included details of some savings proposals for 2013/14 and later years but consultation focussed specifically on the 2012/13 budget proposals contained in that report. Officers have also been working to identify further savings proposals with a high level summary included in the report considered at Cabinet in June 2012. Full details of these additional savings proposals and those included in the March Council report are now included as Appendix 1 of this report. The shaded items in Appendix 1 were all included in the Service & Financial Planning report considered by Council in March 2012. As agreed in the March Council report, fees and charges will, where appropriate, be subject to a 2.5% increase to keep pace with inflation, on 1st October 2012 with a further increase of this amount applied in April next year.

Work is currently underway to identify further savings options and over the Autumn period the detailed base budget work will be undertaken in order to refine projections of base budget needs and underlying pressures for 2013/14 and later years. When the grant settlement is announced in late November/December an updated service and financial planning package will be considered by Cabinet and subject to consultation with final decisions being taken on the overall service and financial planning strategy for next year being taken at Council on 7 March 2013.

7. EQUALITY IMPACT ASSESSMENT AND TARGETTED SERVICE USER ENGAGEMENT.

Equality Impact Assessment is a tool that is used to ensure our decision making takes into consideration the protected characteristics with regard to the General Equality Duty (GED). In short we must demonstrate that we pay due regard to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity and to foster good relations.

We need to assess and analyse the practical impact on those whose needs are affected by cuts or changes. We have adopted a proportionate approach that takes into account the relevance of a proposal with regard to equality. This is a measured response recognising that our resources are best aimed at dealing with those proposals that could have a more significant impact.

In order to accomplish this we have followed a process designed to stream proposals and ensure that they are fully explored. A scoping exercise to determine which budget saving proposals will require an equality impact analysis and/or engagement has been completed for the review of fees and charges and the savings proposals contained within Appendix 1.

This scoping exercise identified that no specific impact assessments or engagement activities are needed for the review of fees and charges although an overarching Impact Statement has been completed. Individual impact assessments and engagement activities have been initially identified for the savings proposals contained in Appendix 1.

Cabinet Members have agreed the initial list of proposed saving suggestions that needed further exploration with lead officers as to the extent of an impact analysis and service user engagement. For proposals where implications have been identified and are at a sufficiently developed state a proportionate impact analysis and service user engagement will be undertaken. Where a proposal is still at an early stage of development, a plan has been put in place to ensure delivery of equality impact analysis during its development.

The budget consultation undertaken during 2011-12 helped to establish the principles and policy direction for a 3 year strategy. This required a broad range of inputs, over 3000, from the across the whole community which has significantly influenced the overarching approach to service and financial planning. During the Autumn/Winter of 2012-13 we are refining these proposals into specific savings; this requires a different kind of targeted engagement with service users and stakeholders. These are often the most difficult types of engagement and tend not to involve large numbers of people because we are looking for a precise reflection of the service and the specific impacts that these types of changes can have.

Dependant on the settlement in late autumn, there may be a further set of budget savings proposals and we will need to review our consultation programme, which at that point may require both specific service user and stakeholder engagement as well a wider whole community engagement.

8. CONCLUSION.

There will be many changes to the local government finance system from April next year but the implications for the Council of these changes are currently far from clear. We will not be in a position to make accurate forecasts of our financial position for 2013/14 and later years until we have completed the detailed budget preparation work and received the grant settlement which is not expected until late November at best or, more likely, sometime in December (final information relating to Public Health and Education could be even later, potentially early 2013).

The medium term outlook for national finances is disappointing and this is likely to result in many years of continuing financial constraint for the Council as Government funding is likely to continue to be withdrawn at the same time that demand for many services is increasing. Targeted service user engagement will therefore now commence where appropriate on the savings proposals included in Appendix 1. Further work to identify additional savings proposals will also be undertaken and details included in a report to Cabinet in December 2012 following receipt of the grant settlement when a further consultation process will commence.

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SUMMARY OF SAVINGS PROPOSALS

Savings Proposals By Year						
Service Area	Assistant Director	2013/14 £	2014/15 £	2015/16 £	2016/17 £	Total Saving £
Family & Cohesion Services	Clive Jones	539,000	30,000	-	-	569,000
Education, Culture & Skills	Jim Collins	276,500	101,000	-	-	377,500
Children's Safeguarding	Karen Perry	1,703,000	965,000	-	-	2,668,000
Care & Support	Karen Kalinowski	2,201,000	1,252,000	-	-	3,453,000
Law, Democracy & Public Protection	Jonathan Eatough	12,600	-	-	-	12,600
Finance, Audit & Information Governance	Ken Clarke	83,231	72,760	-	-	155,991
Customer & People Services	Angie Astley	586,640	243,485	306,000	-	1,136,125
Neighbourhood and Leisure Services	Jonathan Rowe	908,000	1,269,000	253,000	58,000	2,488,000
Development, Business & Housing	David Sidaway	827,180	175,435	-	-	1,002,615
Co-operative Council	Richard Partington	-	-	-	-	-
Council Wide		344,000	-	-	-	344,000
Total		7,481,151	4,108,680	559,000	58,000	12,206,831
		-	-	-	-	-

Savings Proposals By Type					
	2013/14 £	2014/15 £	2015/16 £	2016/17 £	Total Saving £
Income	372,600	261,000	20,000	20,000	673,600
Non-Staff Savings	1,524,240	748,070	183,000	38,000	2,493,310
Procurement	1,364,500	553,000	306,000	-	2,223,500
Property Rationalisation	300,520	16,610	-	-	317,130
Restructure	443,231	-	-	-	443,231
Service Review/Redesign	3,476,060	2,530,000	50,000	-	6,056,060
Total	7,481,151	4,108,680	559,000	58,000	12,206,831
	0	0	0	0	0

DETAILED SCHEDULE OF SAVINGS PROPOSALS - 2013/14 TO 2016/17

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Income														
1	Family & Cohesion Services	Educational Psychology		20,000	30,000	-	-	50,000	Di Partridge	SEN Review underway. This will include reviewing different delivery models which can then trade across boundaries with schools in Telford & Wrekin and Shropshire	Minimal impact	Minimal impact - this proposal is support by majority of staff. A review of delivery options is underway including a mutual option.	Consideration needs to be given during the review to the impact this work will have on statements of education need.	Government proposals for changing SEN funding and an SEN White Paper
2	Education, Culture & Skills	Increased income from the Music Service through exploring new markets/customers and benefiting from a reduction in operating costs following the restructure in 2011		20,000				20,000	Psyche Hudson	Increase Income generation already being realised	Seek alternative funding sources and partnerships to deliver activity for young people.	Amendment to music service structure and salary addressed 2 tier operation	This is a traded service.	Only risks expected with a traded service eg buy back from schools, ability to tap into new markets etc.
3	Care & Support	Low Level Preventative Service- hourly rate increased for this preventative service from £8 to £10 per hour on 1st April 2012 and a further increase to £12 per hour will be implemented on the 1st October2012, to cover the amount currently funded by the Council		29,000	-			29,000	Richard Smith	This is a preventative service available to people who would not meet the Council's eligibility criteria for access to care services. It is utilised by the Access team at initial point of enquiry for people whose level of need is below substantial or critical with the objective of preventing or delaying their need for ongoing care and support. It is not a care service and it is feasible for it to be purchased elsewhere.	The increase in price is a barrier to users of the service and there has been a fall in demand. This has reduced the income and currently the level of saving is lower than anticipated. Action including proactive marketing to increase demand is being undertaken.	There is no immediate staffing impact from raising prices, however an ongoing reduction in current demand would cause a review of the service provided and potentially staffing levels. The service is currently provided by the in house catering and cleaning services following a competitive tender process.	As mentioned under staffing, the contract to provide the service is delivered from within the catering and cleaning contract and any reduction in demand will impact the performance of the contract and reduction in required staff numbers.	It is possible that the absence of this preventative service could escalate an individual's need for care services funded by the council.
4	Care & Support	Meals on Wheels-review of service		57,000	-			57,000	Chris Harrison	A meals on wheels service, delivering a hot meal to vulnerable people is only one way that meals can be provided to people needing a community meals service. Locally we already provide a frozen meals delivery service. Against a background of reconfiguring services to meet a more updated agenda nationally, many authorities have moved away from commissioning the traditional meals on wheels service for a range of reasons. These include health & safety issues- particularly food hygiene, value for money, infrequency of delivery rounds, alternative ways of meeting identified need for a group of people who primarily fall below the community care eligibility threshold, etc. It is therefore proposed to undertake a review of the community meals service, with a view to considering ways of achieving a £57,000 saving by 2013/14. This is the net cost of the service above the food purchase price which is already met by a service user charge per meal.	Impact will depend on alternative arrangements considered. For example the frozen meals delivery service already in place ensures people have access to a frozen meal, a small freezer and safe re-heating equipment at no cost to the Council, other than the assessment and administration costs.	No direct impact for Council staff. But would impact on the WRVS paid staff and volunteers. Also some of the meals are prepared, cooked or re-heated in Council kitchens or under contract with independent providers.	No significant impact on council services. Would need to consider impact on WRVS budget	Existing service users will be concerned about loss of service – mitigation would be through alternatives available. WRVS would be concerned about the loss of a public facing service – mitigation would depend on whether the Council saw an alternative role for WRVS in supporting vulnerable people locally.Public perception – mitigation would be around clear articulation of rationale for change
5	Law, Democracy & Public Protection	Increase in license fees		12,600				12,600	Ian Mercer	due to reduction in the number of "taxi" licences and the decision of members to phase the increase this will reduce by £10k in the first full year and a further £10k in the second. This will be offset in part by line 15 below. This will not cover the impact of the phased introduction only the reduction due to the reduction in licences. the current fees for taxis have not been increased for 6 years, do not cover the cost of the service and the increase will move them into the upper third. the decision to increase fees has already been made by members and follows a public "consultation" exercise. Licensed premises fees are set by Government and are related o the non domestic rate of the premises. All fees are subject to the number of applications and as such all figures are a best guess based on historic numbers.	The business will have to fund the increase. Fee increases are likely to be passed on to the final customer but that is outside the control of the Council.	if the fee income is not realised there is likely to be the need for a further restructure and reduction in staff or alternative savings will have to be found	none	as a result of the proposal to increase fees for the private hire vehicle trade a significant number of drivers have elected to use a legal loophole and now licence vehicles and drivers with Shropshire Council. The fees are required to be reviewed as there is a legal requirement to only recover the costs of the process and this may result in a reduction of fees in the future.
6	Customer & People Services	Increase burial fees - by 5%	139,100	12,000				12,000	Andrew Meredith					
7	Customer & People Services	Increased Income from Nationality Checking Service (possible invest to save) - ITS Not Approved - awaiting information to evaluate	196,760	5,000				5,000	Andrew Meredith					
8	Neighbourhood & Leisure Services	Environment & Open Spaces: Bulk collections from £15 to £18 for up to 6 items;		5,000				5,000	Dave hanley	£18 is still low compared to other local authorities.	May generate an initial number of complaints for the small increase in bulks charging. Contact Centre to promote voluntary sector assistance for the collection free collection of reusable furniture and white goods	N/A	N/A	. Charging for bulks increase came in this year and there has been an increase in participation.
9	Neighbourhood & Leisure Services	increase cost of gym membership fees by 10%		45,000				45,000	Stuart Davidson			considered as part of restructure	N/A	Price resistance. Will need to continually review to ensure price sensitive and comparison via benchmarking
10	Neighbourhood & Leisure Services	Explore a sponsor for leisure service uniforms		5,000				5,000	Stuart Davidson	Secure sponsorship for leisure uniforms from an external health and fitness retailer	N/A	N/A	N/A	
11	Neighbourhood & Leisure Services	Leisure Services: Improved Direct Debit Collection (health & Fitness, golf and swimming) rates through using existing framework contracts for DD collection	618,000	5,000	-	-	-	5,000	Stuart Davidson	An increasing number of leisure providers have outsourced the management of their DD collection. The main benefit being increased collection rates and reduced bad debts.	See risks	No direct saving but capacity to pick up administration associated with Telford Ice Rink which is to be retained in house and was not allowed for at the time of the Leisure Restructure due to original outsourcing proposals.	None	Risks associated with involvement of third party. Appropriate protections can be built into service contract
12	Neighbourhood & Leisure Services	Leisure Services: Increased Health & Fitness profits (OLC) based upon 20% increase in membership levels. This proposed as part of an invest to save bid based on estimated capital investment of £240,000, therefore projected 3 year payback.	153,000		80,000	-	-	80,000	Stuart Davidson	Opportunity to create additional capacity in the current aspiration facility to support growth	Positive: Gym users may be without changing provision during school day. Not considered a major risk, given improvement in service. Customers to be made aware in advance. Gym users would be required to use same public toilets as secondary school groups. Work could be scheduled for summer months so as to minimise disruption to schools and users.	None	The projected increased profit takes account of additional equipment leasing costs.	Potential loss of income during refurbishment works. Any closure to be kept to a minimum.
13	Neighbourhood & Leisure Services	Leisure Services: Additional Health & Fitness Profit arising from a new fitness facility at Newport Pool. This is proposed as part of an invest to save bid based on estimated capital investment of £750,000 therefore offering a projected 5.5 year payback	-		136,000			136,000	Stuart Davidson	Currently very limited private sector provision within Newport	Positive: improved community provision within Newport. Also safeguards sustainability of Newport Pool	New staffing structure and ways of working means additional income can be achieved with very little additional staff costs. (Staff costs included within profit projection)		
14	Neighbourhood & Leisure Services	Leisure Services: New income (profit) arising from the development of a crazy golf course within the Town Park. Based upon an invest to save proposal requiring an estimated £100k capital expenditure with a projected 2 year payback.	-	50,000		-	-	50,000	Stuart Davidson	New income generating opportunity linked to Town Park and Southwater Square enhancements.	Positive	None serviced by existing visitor centre staff.		Subject to planning approval. Potential objections from Wonderland who have a small Crazy Golf offer. Potential Lease implications to be checked.

No. Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
15 Neighbourhood & Leisure Services	Leisure Services: Additional income from new and improved BSF sites and improved and increased community access and tourism opportunities linked to Town Park and wider leisure offer	-	-	-	10,000	20,000	30,000	Stuart Davidson		Positive	Potential additional capacity for volunteering and apprenticeships.	Positive, opportunity to broker income share arrangements with schools associated with opening up of facilities for community use at sites where no use currently takes place	Agreement from schools. Community use needs to be built into BSF provisions and any associated planning conditions in accordance with Council leisure strategies.
16 Neighbourhood & Leisure Services	Highways & Transport: Increase target for Highways Development Control services from Section 38 and Section 278 Agreements for Telford & Wrekin work		10,000	10,000	10,000		30,000	Stuart Freeman / Ian Goffe	The increase in fee income should be achievable based on fee levels achieved in last two years.	No impact on community as fees are paid by developers	Additional income is expected to be achievable with current staff resources		Part of the service is delivered by external/internal engineering consultancies, achieving additional income is dependent on continued lean delivery of services by external/internal service providers and no inflation in hourly rates.
17 Neighbourhood & Leisure Services	Highways & Transport: Develop new income stream, by providing Highway Development Control advice to other authorities. Additional income is subject to creating an invest to save post(s) to deliver additional income and income is subject to other authorities willingness to 'buy' services.		10,000	5,000			15,000	Stuart Freeman / Ian Goffe	The Council has a strong skill set in Highways Development Control compared to other authorities. Services could be marketed to other authorities to fully/partially provide Highway DC advice. Additional income is subject to creating an invest to save post(s) to deliver additional income and income is subject to other authorities willingness to 'buy' services.	No community impact	Additional staff resources would be required.	Requires commitment from other authorities to 'buy' services to achieve income target.	Requires commitment from other authorities to 'buy' services to achieve income target.
18 Neighbourhood & Leisure Services	Highways & Transport: increase parking charges in Ironbridge Year 2 Market Square Car Park (16 spaces) Up to 30 mins = 60p Up to 1 hour = 110p Ironbridge Car Parks Up to 2 hours = 110p Up to 3 hours = 190p Over 3 hours = 200p <u>Other</u>		16,000				16,000	Stuart Freeman	Increase in parking charges for car parks where Council already charges (actual increase must be in 10p increments due to parking machines). For 2012/13 would result in maximum charge on Council car parks being £1.70.	Increased cost for parking which may result in lower levels of car park use; however charges for all day parking are low compared to other towns/ visitor attractions.	Will require work for Traffic Management Centre in advertising and implementing new charges.		Potential reduced use of Council car parks if perceived to be expensive compared to other car parks in local area. Season tickets will be available to residents so that they are not subject to a daily charge.
19 Neighbourhood & Leisure Services	Highways & Transport: Increase parking charges annually by 10% in Telford town centre: Up to 1 hour = 90p (previously 80p) Up to 2 hours = 1.50 (previously 1.40) Up to 3 hours = 2.40 (previously 2.20) Up to 4 hours = 3.10 (previously 2.80) Over 4 hours = 3.70 (previously 3.40)		4,000				4,000	Stuart Freeman	Further average 10% increase in parking charges for car parks where Council already charges (actual increase must be in 10p increments due to parking machines). Council now only has two car parks in the town centre Ice Rink & Southwater Way - for 2012/13 would result in equivalent charges still being around 10% lower than Telford Shopping Centre car parks. Changes to charges to the Ice Rink car park require agreement of TIC who manage the car park on the Council's behalf.	Increased cost for parking which may result in lower levels of car park use; however charges for all day parking are low compared to other towns and other car parks in town centre.	Requires agreement with TIC as Ice Rink car park is split responsibility between Council and TIC with TIC carrying out enforcement. TIC charges would need to be same as Council charges as cannot have different charges on same car park.		Efficiency dependent on pursuing CPE and MSCP. Unlikely to deliver efficiencies if service is operated on traditional local authority model and standard T&Cs.
20 Neighbourhood & Leisure Services	Highways & Engineering Services: More Commercial approach - Advertise Structural Engineer post at PO6 providing better opportunity to generate external income. Post remains vacant after 3 attempts to recruit externally at PO3.	No income being generated or programmed.	3,000				3,000	Chris Butler	Improve ability to recruit and generate more income	Improvement of service being offered	increase in establishment (See calculations below in Box A)	Opportunity to offer in house structural engineering design currently going to external consultants	
21 Neighbourhood & Leisure Services	Highways & Engineering Services: Early development Intervention - Introduce a premium Pre-planning chargeable Engineering constraints report	fee generating	20,000				20,000	Chris Butler	Early intervention at the development stage to offer pre-planning advice with a detailed constraints report on the development site. This would reduce our own internal costs in providing engineering advice free of charge.	Potential to be seen as "another cost" but the benefits to the developer in gaining an early planning approval would outweigh the small fee. (sliding scale fee based upon the size of the development)	Expensive engineering staff freed up to become fee earning from external clients.	Improvement to the planning process by getting it right first time making the whole process more efficient.	
22 Council Wide	Increase various fees and charges across the council by 2.5% in October 2012 and a further 2.5% in April 2013		44,000				44,000						
Total Income			372,600	261,000	20,000	20,000	673,600						
Non-Staff													
23 Family & Cohesion Services	Children's Centre Subsidy - Newdale		150,000	-	-	-	150,000	Chris Marsh	Reconfiguration of children centre (nursery) provision in Newdale Children Centre Area	Subject to 90 day consultation in March/April 2012. This included consideration on impact on the community. Initial proposals were changed to reflect consultation feedback. New arrangements implemented from September	Reduced levels of staffing considered during 90 day consultation.	Some of the provision has transferred to Newdale School	Plans in place for implementing revised arrangements from September 2012
24 Family & Cohesion Services	Commissioning of Teenage Pregnancy Services		20,000	-			20,000	Chris Marsh	Reduced funding available to support preventative work relating to teenage pregnancy.	Possible impact on teenage pregnancy rates within the Borough which are already higher than national averages despite recent	Minimal impact	Impact on ability to deliver existing programme in partnership with health.	see left
25 Family & Cohesion Services	Youth Offending Service	297,754	50,000	-	-	-	50,000	Jas Bedesha	Estimate of saving arising from the introduction of a West Mercia YOS core offer and as a result of a significant reduction in first time entrants to the youth justice system.	Minimal impact. Likely improvement in outcomes as a result of new approach to early intervention, prevention and an enhanced approach to working in partnership with a range of multi agency partners.	Currently being evaluated. Due to holding a high number of vacancies the impact is likely to be minimal.	Capacity in some targeted services will be increased as a result of the new approach	Subject to 4 West Mercia LA and a number of statutory agencies agreeing to the core offer, reaching agreement over appropriate service level agreement.
26 Family & Cohesion Services	Housing Homelessness & Resettlement - Line by Line analysis of budgets.	69,250	10,000	-	-	-	10,000	Jas Bedesha	Estimated saving. Work in progress to identify extent of saving possible.	Minimal impact	Minimal impact	Minimal impact	Risk that review will not reveal any savings
27 Family & Cohesion Services	Housing Homelessness & Resettlement - Further staffing review to account of integration into Cohesion Services	349,190	40,000	-	-	-	40,000	Jas Bedesha	Estimated saving. Actual savings will depend upon outcome of ongoing review	Minimal impact.	Possible staffing reductions arising from the review	Minimal impact	Risk that review will not reveal any savings
28 Family & Cohesion Services	CSS - Short Breaks – Definition of more appropriate packages in line with criteria set out in the approved Short Breaks Statement		25,000				25,000	Di Partridge	Definition of more appropriate packages in line with criteria set out in the approved Short Breaks Statement	Minimal	None	Minimal	Public concern regarding changes. Our approach will be to work with our partners deliver this small saving.
29 Family & Cohesion Services	Rationalisation of Home to School Transport (High Erccall Bus)		16,000				16,000	Kathy Swallow	This is a discretionary service currently being subsidised by the Council.	Following a period of consultation during the spring of 2011/12 the subsidy is being withdrawn over a period of time.	None	possible impact on school admissions for High Erccall Primary School	
30 Family & Cohesion Services	Home to School Transport – Further route efficiency resulting in smaller bus required Wellington to Newport		33,000				33,000	Kathy Swallow	Further route efficiency identified by Transport Team resulting in smaller bus required Wellington to Newport	None	None	None	Demographic change dictate larger bus required
31 Family & Cohesion Services	Home to School Transport – further route rationalisation between Newport and Muxton and surrounding areas.		20,000				20,000	Kathy Swallow	Further route rationalisation between Newport and Muxton and surrounding areas.	Minimal	May lead to creation of post (funding from savings or school) to support extended provision in school needed to support early arrival of pupils	Would need to work in partnership with schools to secure this saving	Reliance on school being prepared to work in partnership.

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
32	Family & Cohesion Services	Reduce B&B usage resulting in less Housing Benefit subsidy being lost	307,000	20,000				20,000	Jas Bedesha	Reducing current reliance on B&B to provide temporary accommodation will reduce loss of housing benefit as well as benefiting clients. By working with clients contacting the service to prevent homelessness, working effectively/closely with other agencies e.g. through Joint Assessment Panel/SAP to maintain/support clients in existing accommodation or ensure clients are supported/housed by the most appropriate service/agency and develop opportunities to meet housing needs via private sector housing (developing the Bond Scheme) there is scope to	The Authority has a statutory homelessness duty and this will continue to need to be met. If more measures can be introduced to prevent homelessness and/or house via the Bond, this will benefit clients providing accommodation more suited to their needs and supporting their move back to independence.	None	Leakage into HRA account.	Changes to the benefit system pose a threat of more people presenting to the service as homeless. This may lead to an increase in numbers needing temporary accommodation impacting on the service ability to reduce B&B usage even with the measures identified in place.
33	Family & Cohesion Services	Housing Services - storage costs/bonds etc.		20,000				20,000	Jas Bedesha	Based upon historic spend against this budget (which meets the cost of storage of clients belongings during period in temporary accommodation and off site storage of files and materials)	May require clients to be charged for the off site storage of belongings.	None	None	None
34	Family & Cohesion Services	Various Youth Initiatives	189,243	95,000				95,000	Jas Bedesha	Reducing funding available to support positive activities for young people and rationalising property required/rented.	Reduced programme of activities for young people. Phase 2 C&YP service review proposals will identify a different approach to youth provision.	Minimal	Some initiatives are delivered in partnership with other providers. There may be some impact on partners ability to deliver proposals as a consequence of making this reduction.	
35	Education, Culture & Skills	Lifelong Learning/age careers service		100,000				100,000						
36	Education, Culture & Skills	Games and Swimming Transport		-	21,000			21,000	Jim Collins	Links to proposals for developing cooperative learning communities. Following implementation of these proposals these costs will no longer occur	Minimal	Minimal	Impact on school lesson planning, and hence attainment, if introduced before implementation of BSF proposals	
37	Education, Culture & Skills	Increase the use of volunteers working at Oakengates Theatre as stewards to reduce longer term use of casual salaries budget		9,000				9,000	Psyche Hudson	Viable alternative service delivery option e.g using volunteers	Reduced opening hours and staff resource. Customer First Point for information and Online Booking facility for theatre will remain available.	Reduction in number of casual post holders.		
38	Education, Culture & Skills	General reduction in operational budgets at Oakengates Theatre e.g. marketing, promotions, postage, casual budgets		13,000				13,000	Psyche Hudson	Viable alternative service delivery options e.g reducing opening hours, management staff being more operational , more on line literature, on line booking promoted, use of volunteers etc.	Online Booking facility for theatre will remain available and use of volunteers will help to ensure no reduction in customer service at the theatre.			reputation - access to services and less diverse cultural offer as we move to more commercial bookings at the Theatre e.g. comedy.
39	Care & Support	Mental Health Service Review - Review of partnership arrangements with South Staffordshire and Shropshire Foundation Trust (NHS). In addition to required staffing savings rationalisation and renegotiation of buildings and IT costs		50,000				50,000	Karen Kalinowski	Current governance and operational arrangements are being reviewed as part of overall service have been viewed. Reduction in staffing and renegotiation with the SSSFT will result in reduced level of operational building running costs.	Should be no further impact on public outside of implications of staffing review.	Part of Phase 2 Restructure	SSSFT are also identifying operating efficiencies and are anticipating savings requirements.	None
40	Care & Support	Independent Travel Training - Savings to Care & Support		5,000				5,000	Transport - Helen Hill; Care & Support - Richard Smith	Savings on Care & Support budgets for transport by training suitable individuals to use public transport rather than have bespoke transport procured for them.	Positive impact for clients as promotes independence. Requires training, monitoring and careful communication as service involves vulnerable adults and children.	Independent Travel Training post provided as part of Environmental Services restructure.	Saving is delivered by Environmental Services but relates to budgets managed by Care & Support	Requires careful identification of people to be trained to ensure that highly vulnerable people are not left to look after themselves
41	Care & Support	Various operational budgets across all service teams			2,000			2,000	Karen Kalinowski		None	None	None	None
42	Finance, Audit & IG	Accountancy - deletion of vacant post/vacant hours not filled during the Service restructure			37,760			37,760	Ken Clarke	Work to be covered by existing staff or re- prioritised				
43	Customer & People Services	Car Lease Budget	14,630	10,630				10,630	John Harris					
44	Customer & People Services	Reduced maintenance & lease costs of delivery van	8,000	2,500				2,500	Sharon Smith					
45	Customer & People Services	Libraries - general reduction in overall operating costs eg stationery, marketing, promotions, postages		3,000				3,000	Sharon Smith		Limits number of reading development activities; possible delays to request service etc	Will require 20% staff saving to be delivered following formal restructure launch at the end of January 2012	na	
46	Customer & People Services	ICT: Reduced costs of Wide Area Network as a result of property rationalisation		20,000				20,000	Kirsty King	Buildings will be decommissioned as part of the property rationalisation and therefore network links can be removed. These costs are in addition to savings in property running costs	None	None	None	
47	Customer & People Services	ICT: Reduce licensing for the security encryption for mobile devices		1,250	1,250			2,500	Steve Roberts	Reduction in the need for security encryption on certain devices as with the increase of thin client the USB functionality is limited.	None	None		
48	Customer & People Services	ICT: Stop ICT benchmarking work and related subscriptions		2,500				2,500	Kirsty King	It could impact on proving value but external statistics can be provided as and when required.	None	None	None	Investigate cheaper alternatives in benchmarking providers.
49	Customer & People Services	Customer Services - reduction in various operational budgets eg training, postage, publications		5,000				5,000	Andrew Meredith	Limited immediate impact on service delivery, as the savings will be delivered through a combination of savings against the coaching and equipment budgets.		There is no immediate direct impact on staff	None	None
50	Customer & People Services	Release leakage budget from bottom line for Catering as part of the Property & ICT restructures		91,700	32,235			123,935	Kate Sumner	Staffing savings as shown in Appendix 4 of the Budget report anticipated that £711,135 of Property & ICT restructure savings would leak from the general fund to school accounts as a result of the restructure in catering and cleaning. However, the fee structure and the restructure for these services have been set to maintain their existing income targets. This has resulted in the level of leakage being significantly reduced. The estimated net benefit to the general fund position as a result is £527,000 in 13/14.	None	None	None	
51	Customer & People Services	Removal of a Service Manager Post through merger of libraries with customer services post creation of the Hub and migration of neighbourhood libraries to community			57,000			57,000	Angie Astley					
52	Neighbourhood & Leisure Services	Environment & Open Spaces: Further CRC budget rationalisation				55,000		55,000	Dave Hanley	In addition to the £265k CRC saving the CRC budget can be rationalised further once the lost Newport CRC investment expenditure committed by TWS has been written off	N/A	N/A	N/A	Key risk is the waste budget is being ring fenced for procurement purposed but this should be treated as leakage.
53	Neighbourhood & Leisure Services	Environment & Open Spaces: Stop maintaining private open space zone 1's e.g., Wombridge Road, Fieldhouse Drive		5,000				5,000	Dave Hanley	There are a number of sites which are not in council ownership but have always been maintained. Pass responsibility on to commercial premises/shop owners.	Could be received negatively by traders 'un cooperative' but counter argument is - why should tax payers subsidise cleansing of private land. May need to serve formal Street Litter Control Notices.	N/A	N/A	TWS can carry on maintaining assuming traders pay for the service.

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54 Neighbourhood & Leisure Services	Environment & Open Spaces: Reduce Additional works budget in the TWS contract for small landscape improvement projects				40,000		40,000	Dave Hanley	Drop small projects linked to contract and make better use of PETs Parish 2 for 1 schemes, cooperative council initiatives etc assuming relevant progress is made	Less to spend on the environment unless other small grants are initiated. This will impact by less opportunity to 'respond to local residents and members schemes.	Up to a 2 TWS operatives	Parishes or community groups may need to engage.	N/A
55 Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction of one urban refuse round as per contract variation			140,000			140,000	Dave Hanley	Interpretation of the contact variation indicates this may be possible - so will enter into dialogue with TWS	May mean some areas of the Borough has day changes but hope to keep this to a minimum	3 TWS FTE	N/A	Could have implications on other negotiations ongoing with TWS therefore proposing 2014 before implementation
56 Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction in Public Realm Overtime budget		10,000				10,000	Dave Hanley	Reduced budget can be managed within existing resources.	N/A	N/A	N/A	N/A
57 Neighbourhood & Leisure Services	Waste & Refuse: Increased recycling by encouraging 30% of Borough wide households that currently don't recycle or recycle at very low levels and also apply the Council's grey bin policy to existing as well as new customers		75,000	150,000			225,000	Dave Hanley	Survey data suggests that up to 30% of households don't use the existing kerbside service for the collection of recycling materials. A social marketing programme to encourage these households could be rolled out over the next three years. The saving will also increase with the continuing increase in landfill tax. Also properties who currently have more than one grey bin are to be reviewed ie apply the new policy of 6 or more people in the household	Non recycling households can be a cause of frustration for the majority of the community who currently recycle. We need to promote the social responsibility of recycling, reducing landfill and the ever burdening landfill tax.	Needs to draw on expertise and input from Community teams, PR and consider additional resources to stimulate roll out i.e., door to door knocking teams	Needs to draw on expertise and input from Community teams PR and consider additional resources to stimulate roll out ie door to door knocking teams to encourage households plus listen and respond to customer enquiries.	May not be popular with households who don't positively engage so need to promote that all residents have a social responsibility to recycle in order to prevent landfill and ever increasing taxation on landfill. Bin retrieval is aimed to be brought forward and be in place before Christmas.
58 Neighbourhood & Leisure Services	Support the contractual reactive maintenance budget by utilising the capital sum (maintenance related) from the new development sites.		50,000				50,000	Dave Hanley	Draw the funding off the capital lump sum associated with new development sites and to maintain current levels of expenditure on unforeseen maintenance works such as tree maintenance and fence repairs.	N/A	N/A		
59 Neighbourhood & Leisure Services	Environment & Open Spaces: Introduce highway reactive maintenance service efficiencies		50,000	50,000			100,000	Dave Hanley	Working with "Improvement and Efficiency West Midlands" a pilot programme is already in place to analyse opportunities to improve our reactive Maintenance procedures in order to find service improvements and efficiencies. The saving proposal is based on an assumption that revised practices will be identified and implemented in and savings will accrue from 2013/14. Areas of work include pot hole / reactive maintenance programming and operations - predicated on a continuing and sufficient Capital programme.		TWS/Enterprise	This saving would have to be in agreement with TWS	Additional teams are in place for the remainder of 2012/13.
60 Neighbourhood & Leisure Services	Reduction in marketing and promotions budgets for Leisure services - promoting leisure centres/golf/ice/ski/gym/swimming etc			10,000			10,000	Stuart Davidson	Prioritise marketing activity and make use of social media: facebook/twitter/email	N/A	N/A	N/A	Need to ensure value for money and monitor rate of return.
61 Neighbourhood & Leisure Services	Highways & Transport: Fuel efficiency programme in Fleet Services to reduce fuel consumption and/or limit impact of fuel inflation. Invest to save being worked on but estimated to be 75k		15,000	35,000			50,000	Stuart Freeman / Helen Hill	To reduce fuel budget through fuel efficiency programme on Council vehicles.	No community impact	Would require training in fuel efficient driving techniques.	None	Is a risk that fuel inflation increases negating any savings, but proposal would still limit the authority's exposure to inflation/cost increases. Any cost increases above the fuel budget would have to be borne through corporate
62 Neighbourhood & Leisure Services	Highways & Transport: Further reduction in operational budgets i.e., training, mileage, printing, equipment budgets		5,000	5,000			10,000	S Freeman	Reduced expenditure on staff/team related operational budgets	No community impact	Likely to result in no replacement in equipment used by staff for performing role and reduction in staff training etc which is likely to be seen as negative by teams.	None	
63 Neighbourhood & Leisure Services	Highways & Transport: Review of Public Realm/Street Works / Street Lighting and Drainage Functions with view of reducing establishment				50,000		50,000	D Hanley/S Freeman/C Butler	Review of 'operational' elements of teams but only following completion of current lean programmes to delivery savings for 12/13. Requires a cross-service approach	Not known until proposal worked up	Any changes likely to impact on structures / roles.	Not known until proposal worked up	Not known until proposal worked up.
64 Neighbourhood & Leisure Services	Independent Travel Training - Savings to Family & Community Services		18,000				18,000	Transport - Helen Hill; & Care & Support	Savings on Care & Support budgets for transport by training suitable individuals to use public transport rather than have bespoke transport procured for them	Positive impact for clients as promotes independence. Requires training, monitoring and careful communication as service involves vulnerable adults and children.	Independent Travel Training post provided as part of Environmental Services restructure.	Saving is delivered by Environmental Services but relates to budgets managed by Care & Support	Requires careful identification of people to be trained to ensure that highly vulnerable people are not left to look after themselves
65 Neighbourhood & Leisure Services	Post 16 route rationalisation New College/BRJ		5,000	-			5,000	Helen Hill	rationalisation of routes	Minimal	Minimal	Minimal	
66 Neighbourhood & Leisure Services	Engineers - Stoney Hill tipping costs		27,000				27,000	Chris Butler	This saving will be achieved when the leachate pumped from the landfill cells is discharged directly to the public sewerage system rather than by tankering. The pipeline is under construction This was approved by cabinet as a spend to save initiative using capital funding.	Improved sustainable system of disposal and less danger of leachate break out	Possible increase in management of the site contractors.		Limited
67 Neighbourhood & Leisure Services	Highways & Transport: illuminated signs and bollards ,savings will be generated through replacing where necessary with non-powered signs therefore saving electricity.		5,000	5,000			10,000	Stuart Freeman	Review inventory of signs and bollards and disconnect signs/ bollards where not required to be lit under regulations. .	Signs and bollards would no longer be illuminated - may result in increased complaints of signs not being lit/ visible.	Requires staff input to prepare work and would involve significant community liaison in implementing the changes		Level of savings restricted by what can be done within highways regulations and non-illumination of signs/ bollards cannot be done in areas where street-lights are turned off.
68 Neighbourhood & Leisure Services	Highways & Transport: Lean review of reactive and planned drainage maintenance		5,000	5,000			10,000	Chris Butler/Stuart Freeman	Review the processes for gulley emptying, planned cyclic drainage maintenance and reactive drainage requests to provide more efficient drainage function.	Outcome of Lean Review not yet known, if efficiencies cannot be identified may result in lower level of service .	Possible impact on TWS if reduced level of service is required.		Needs a change in Corporate Policy to ensure that all engineering works are directed via the internal service
69 Neighbourhood & Leisure Services	Highways & Transport: Reduce Rights of Way maintenance this will result in only £5,500 remaining in the budget.		7,000				7,000		Would result in reliance on the Capital Programme for future investment	Would limit reactive maintenance / repairs on Rights of Way network		Proposal may reduce the level of funding the Council makes available to partners such as South Telford Rights of Way Partnership (STROWP)	Possible options to explore low level maintenance being done by community groups, alongside reactive maintenance work.
70 Neighbourhood & Leisure Services	Highways & Engineering Services: Street Lighting Energy Saving - Invest to save / legislative need - Annual investment of £325k per year over 4 years =£1.3m total investment.8 year payback	£1.2M	38,000	38,000	38,000	38,000	152,000	Chris Butler	Energy savings based upon the replacement of the Council's 4462 Mercury lanterns across the borough over a 5 year period with a borrowed investment of £300K over 4 years.	The mercury lamps will not be able to be replaced like for like from 2014 onwards and will have to be replaced with an alternative lamp.	none	Impact on other capital works - bollards and illuminated street sign replacement programme	Energy prices are continually fluctuate and prices may rise to a level that the savings are not achieved
71 Dvpt. Business & Housing	Various non staffing savings - line by line exercise		85,000				85,000	David Sidaway	Line by line assessment of non staffing budgets	None	None	None	
72 Dvpt. Business & Housing	Release leakage budget from bottom line for Cleaning as part of the Property & ICT restructures		172,300	139,765			312,065	David Sidaway	Staffing savings as shown in Appendix 4 of the Budget report anticipated that £711,135 of Property & ICT restructure savings would leak from the general fund to school accounts as a result of the restructure in catering and cleaning. However, the fee structure and the restructure for these services have been set to maintain their existing income targets. This has resulted in the level of leakage being significantly reduced. The estimated net benefit to the general fund position as a result is £527,000 in 13/14.	None	None	None	
73 Dvpt. Business & Housing	Replace lighting at Portico House with more efficient equivalents and save energy costs		700				700						

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74	Dvpt. Business & Housing	Replace lighting at Oakengates Leisure Centre with more efficient equivalents and save energy costs		10,000				10,000						
75	Dvpt. Business & Housing	Various non staffing savings - line by line exercise across Facilities Management and Strategic Housing budgets		25,000				25,000	David Sidaway	Line by line assessment of non staffing budgets across Facilities Management and Strategic Housing		None - non staffing budgets	Minimal	None
76	Dvpt. Business & Housing	Strategic Housing - various operational efficiencies		2,700				2,700	Katherine Kynaston	Increased efficiencies in non front line services	None	None	None	
77	Dvpt. Business & Housing	Planning & Development management - various operational efficiencies		18,400				18,400	David Fletcher	Increased efficiencies in non front line services	None	None	None	
78	Dvpt. Business & Housing	Property & Design: Reduced Repair & Maintenance at Civic Offices		14,500				14,500	Chris Goulson	Civic Offices being vacated 2013	None	None	None	None
79	Dvpt. Business & Housing	Transfer operation of Neighbourhood Libraries to the Community.	41,000	41,000				41,000	Sharon Smith					
80	Dvpt. Business & Housing	Under achievement of saving against Stirchley Library	38,120 -	8,000				- 8,000	Sharon Smith					
81	Dvpt. Business & Housing	Libraries: Reduction in library building overheads by way of a reduction in opening hours in the 5 neighbourhood Libraries. Pending consultation in Jan 2012		19,060	19,060			38,120	Sharon Smith	Cannot achieve 20% staffing target without rationalising buildings & relocating services Service Review now completed with proposals for the 5 Neighbourhood Libraries (Donnington, Dawley, Oakengates, Hadley and Stirchley) reducing to 16 hours of opening each week going out to public consultation in early January	shorter opening hours alternative or co-located sites as part of BSF Programme	Will require 20% staff saving to be delivered following formal restructure launch at the end of January 2012	n/a	1964 Act requires the provision of a "comprehensive & efficient" library service which must be maintained and this has been adhered to when developing proposals for public consultation early in the New year of 2012
82	Dvpt. Business & Housing	Property & Design: Contingency for school schemes		10,000				10,000	Chris Goulson	Removal of budget	None	None	None	
83	Dvpt. Business & Housing	Estates & Investments: Insurance Excesses		6,000				6,000	Alan Fox	Investment property reinvestment programme results in reduced need for excess budget	None	None	None.	None
Total Non-Staff				1,524,240	748,070	183,000	38,000	2,493,310						
Procurement														
84	Family & Cohesion Services	Housing Resettlement - review of rents paid to private landlord, RSL & B&B	293,240	20,000	-	-	-	20,000	Jas Bedesha	Estimated saving. Actual savings will depend upon outcome of ongoing review	Minimal impact	Minimal impact	Minimal impact	Risk that review will not reveal any savings
85	Care & Support	Alternative funding of Wrekin Housing Trust housing related support services through Housing Benefit (100% government reimbursement) instead of Council Supporting People (Care & Support) funding.		260,000				260,000	Chris Harrison	Alternative source of funding from Housing Benefit at no cost to council under current Housing Benefit regulations.	None if current Housing benefit regulation/eligibility continues	None	Funding from Housing Benefit instead of Care & Support. Housing benefit reimbursed by central government	Impact of changes to Housing benefit under Welfare Reforms may adversely impact (insufficient information at this stage to know) which could remove access to alternative funding source. Agreement needs to be reached with WHT on the value of the saving.
86	Care & Support	Supporting People		200,000				200,000	Chris Harrison	Savings will be delivered following a fundamental review of existing contracts. The proposal is to move away from unit (building) based provision to a "Floating support" type model which should deliver efficiencies, but will also require reductions in support to those no longer deemed eligible for services. Will increase access to people not currently able to access services because they do not live in	Could potentially reduce provision of support to vulnerable adults, but also could improve service to those who remain eligible.	None	None	Change will be resisted by some current provider s of building based support.
87	Care & Support	Market & Community Development - in particular development of a homecare framework agreement and introduction of electronic monitoring of homecare		100,000	100,000			200,000	Chris Harrison	Identified as potential efficiency in Audit Commission 'Improving Value for Money in Adult Social Care' and not as yet in place in Telford & Wrekin	More effective procurement should increase access to comparable priced domiciliary care for personal budget holders.	None	None	Could result in some businesses not being considered viable by providers and closing but could encourage new entrants to market.
88	Care & Support	Holding contract prices at current levels for existing clients (compared to budget plan assumption of 3%)		300,000	150,000			450,000	Chris Harrison	Negotiation with care providers in context of overall national and local financial position	Some providers will decide not to make services available to council to purchase and rely on self funders. The market may not be able to absorb the additional costs it is incurring which will impact on its stability. Will result in reduced choice or shortage of affordable care	None	Adverse impact on viability of some voluntary sector partners and the independent sector.	adverse impact on viability of some local providers
89	Customer & People Services	Archives - renegotiate contract	57,740	5,000				5,000	Sharon Smith					
90	Customer & People Services	Thin Client - further savings from moving to a thin client solution. Savings arising from lease costs and staffing (this is dependant on the successful rollout of the ICT strategy and a reduction in the number of calls and more fixes		103,000	103,000	206,000		412,000	Kirsty King					Capital investment needed in future as part of refresh strategy
91	Customer & People Services	Broadband & telephony contract - tender process commences Jan 2013.			50,000	100,000		150,000	Kirsty King					
92	Customer & People Services	Printing savings relating to MFDs		33,000				33,000	Kirsty King					
93	Customer & People Services	ICT: Review alternative suppliers of antivirus software on computers - Corporate		13,500				13,500	Steve Roberts	Review of available anti-virus products to produce budgets savings without leaving the authority at risk of data corruption.	None	None	None	
94	Customer & People Services	ICT: Review alternative suppliers of antivirus software on computers - Schools		30,000				30,000	Steve Roberts	Review of available anti-virus products to produce budgets savings without leaving the authority at risk of data corruption.	None	None	Leakage into school budgets	
95	Neighbourhood & Leisure Services	Environment & Open Spaces: Seek to devolve or sub contract cleaning of Ironbridge toilets	TWS indicate £40,000 in their re price B?Q	10,000				10,000	Dave Hanley	seek to create efficiency saving through devolving budget and responsibility to the Parish, IGMT, SGCT etc	May assist a local small business opportunity	Currently sub contracted by TWS	other agencies may be able to offer a cheaper solution.	Need to ensure adequate back up arrangements to sustain service delivery.
96	Neighbourhood & Leisure Services	Waste & Refuse: Wood and MDF from CRC sites are currently recycled. The current recycling cost is high in comparison with national rates and considering increasing demand for wood fuels. Savings should be achieved by a formal re procurement exercise		60,000				60,000	Dave Hanley	There are now several companies operating locally who can already accept the Councils materials and the contract can be designed to give opportunity for schools to benefit from this procurement process.			Schools may benefit from the procurement package.	New contract will be tendered prior to April 2013
97	Neighbourhood & Leisure Services	Procurement savings released from the re letting of a new Recycling service contract			150,000			150,000	Dave Hanley	This is a major procurement and will generate savings through market factors/testing.	Should be positive as proposal is reduce the numbers of bins, bags and boxes for residents	TWS - ultimately TUPE	TWS/new provider	Impact on TWS and the 2019 contract but will be mitigates through TUPE
98	Finance, Audit & IG	Reduced external audit fee		30,000				30,000						
99	Council Wide	West Mercia Energy dividend		200,000				200,000						
Total Procurement				1,364,500	553,000	306,000	-	2,223,500						
Property Rationalisation														
100	Dvpt. Business & Housing	Property Rationalisation - Phase 1 net savings relating to running costs		300,520	16,610			317,130	Chris Goulson	Rationalisation of Phase 1 operational properties	Council services will be consolidated at a reduced number of improved buildings	None	None	None
Total Property Rationalisation				300,520	16,610	-	-	317,130						
Restructure														
101	Finance, Audit & IG	Audit & Information Governance - savings from further restructure		18,231				18,231	Jenny Marriott			0.6 FTE		
102	Customer & People Services	Libraries phase 2		25,000				25,000						
103	Customer & People Services	HR/OI Service Review outcome (staff savings)		200,000				200,000	Angie Astley					

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104	Dvpt. Business & Housing	Further restructure of service area		100,000				100,000	David Sidaway	Restructure of service area to facilitate new way of working as described in recent cabinet reports	None	Further restructure of service area	None	
105	Council Wide	SMT restructure		100,000				100,000						
Total Restructure				443,231	-	-	-	443,231						
Service Review/Redesign														
106	Children's Safeguarding	Placements Strategy	10,062,534	1,703,000	965,000			2,668,000	Karen Perry	Placement mix; reduction in unit costs. Increase in number of internal foster carers; net increase per year of 14 internal carers - 18 placements (this takes into account those who cease to foster) Development of Intensive Fostering 1 placement for year 1 total of 2 for year 2 and 3. In years 2 and 3 a 5% reduction per year through shorter duration of stay and fewer admissions- through impact of early intervention	Supporting children with more complex needs in the community. Need to recruit more local people as Foster carers.	Change in culture and ways of working, more visible focus on contribution of early intervention and specialist support staff	We need to be seeking fairer contribution from health for children with complex health needs	Risk that early intervention won't deliver as much or as quickly as anticipated. Risks that SW recruitment and retention will not be as effective as anticipated. Impact of national and local response to Munro in improving quality of SW
107	Education, Culture & Skills	The Place		100,000	80,000			180,000						
108	Education, Culture & Skills	Reduce funding for the Arts Development Team which will result in less art related activities within the community and schools		8,000				8,000	Psyche Hudson	Alternative funding sources will be accessed for development work e.g. sponsorship or commissioned by others e.g. health, schools, Arts Council via a grant etc.	Reduced Opportunities for target groups to participate. Reduced access to advice and information. We will seek alternative funding sources to continue work at certain level.	Reduction in number of jobs, already actioned via service restructure in Summer 2011.	Capacity to deliver for partnerships with other services e.g. youth, community safety	Ability to deliver on a variety of agendas for commissioning partners. Need to be more selective in our choice against resources available.
109	Education, Culture & Skills	Reduce the amount of budget available to spend on community public events eg culture fest, park live however look to gain sponsorship from private sector to bridge the gap		9,500				9,500	Psyche Hudson	Alternative funding sources will be accessed for development work e.g. sponsorship	Reduced offer in terms of community events possible although will seek alternative funding sources and have secured some short term sponsorship so far. Skill up the community to run their own local events.			Reputation - less activity or events for the community. Getting the community skilled up to deliver its own events might be a way to provide the same amount of public events.
110	Education, Culture & Skills	Reduction in funds to be used by Telford Culture Zone - children and young persons arts development programme. Will move to a commissioning model and investment from schools/PCT/other commissioners.		17,000				17,000	Psyche Hudson	Reduced staffing, alternative options need to be explored to deliver childrens arts activities within reduced resources.	Young people in particular have lost a great deal of regular activity following national government grant cuts in 2010. We will seek alternative funding sources and partnerships to deliver activity for young people.	Reduction in number of jobs already realised in 2010	Capacity to deliver in Schools and other Settings e.g early years, looked after, YOS	Ability to deliver a wide variety of activity for CYP. Need to be more selective in our choice against resources available, seek partnerships to support and reduce expectations.
111	Care & Support	Implementation of Personalised Model of Service Delivery including: - Establishment of enablement and reablement for all service users prior to assessment of ongoing service eligibility and care planning. - Utilisation of assistive technology as preventative measure and as alternative to personal care. - Development of personal budgets and self directed support as alternative to council led service determination. - Development of transition service for 16-25 year olds to reduce ongoing care costs		1,200,000	1,000,000			2,200,000	Richard Smith, Frances Carron, Chris Harrison and Claire Gay	Extended evidence from current Intermediate care service to predict potential savings in care costs if nearly all people go through a reablement service prior to being allocated a personal budget. Also on basis on national evidence base. National evidence suggests that extensive use of telcare can achieve a 20% reduction in home care costs utilising the CSED telecare evaluation tool. Likewise utilising national evidence from implementation of self directed support and personal budgets. Successful transition from childhood to adult care with focus on developing independence and reablement can significantly reduce ongoing	Potential to increase independence and choice for individuals in addressing their care needs. Transition to new model of service delivery may however cause concern and anxiety and therefore resistance to change from existing service users.	Apart of service review and Phase 2 of Service Restructure	The personalisation model of service delivery puts increased demand on the voluntary and independent sector to develop and provide care	Could result in instability in market provision during transition period.
112	Finance, Audit & IG	Review of Employment Services/Purchase Ledger Team functions		35,000	35,000			70,000	Julie Pugh					
113	Customer & People Services	Consider relocating Dawley library to become part of new Sports and Learning Community site in Dawley saving on overheads and operational costs as a result of a shared location		6,560				6,560	Sharon Smith	Continue to deliver service in a shared location to reduce overheads via new school	Reduced floor space but potentially increased opening hours	staff savings already planned to be delivered in Jan 2012	nya	
114	Customer & People Services	Further reduction in the library book fund from £234,240 to £209,240 per annum		7,000				7,000	Sharon Smith	balanced approach to finding required savings. Other than the building the book fund is the largest library non-staff resource. Will also explore book donations to be received in some of our smaller neighbourhood libraries	Fewer items and /or copies purchased	20% staff savings will be realised following restructure launch in Jan 2012	nya	1964 Act requires the provision of a "comprehensive & efficient" library service
115	Customer & People Services	Organisational Development Budget		10,000				10,000	Debbie Germany	Further reduce the Organisational Development budget which is used to provide development opportunities for the whole organisation. Deliver saving in 13/14 following the implementation of a refreshed development programme post restructuring.	No impact expected as the service will be provided to meet priorities in a more efficient way.	None	Workforce Development will be focussed on priorities and delivering the service in a more focussed way. It will be tailored to need only. No impact expected.	A risk analysis will be carried out on transformed services to mitigate the risk. Some savings are being held back until 13/14 to ensure that the risk can be properly assessed.
116	Neighbourhood & Leisure Services	Environment & Open Spaces: Rationalise specifications for litter picking across the Borough and a sweeping in district centres but increase the number of rapid response teams and litter bin provision. Explore potential of changing district centre cleansing designations and litter picking frequencies to move away from a daily operation across the Borough.		327,000				327,000	Dave Hanley	The Broad principles are... Revise baseline service across all high density housing to reduce litter picking frequency from weekly (zone 2) to fortnightly (zone 3) - Revise baseline service across all housing estates - to reduce litter picking frequency from weekly/fortnightly (zone 2 and zone 3) to monthly (zone 4) with the exception of arterial estate roads and key footpath routes so to maintain current fortnightly litter picks in housing estates and use this 'offer' for Parish 'buy in' particularly in high density housing. Consider reducing the daily operations of shopping areas where littering is less apparent due to a high number of litter bin	Service standards and cleansing levels will need to be monitored on a regular basis.	significant TWS impact	various - leisure sites, district centres, Borough Towns etc	Dissatisfaction in local environmental quality (LEQ) will impact on what people think of their local area. Will be off set by more litter bins as well as Parishes topping up standards or contributing to TWS hit squad teams. 3 Parish teams in place and we expect a further 3 to follow. negotiations with TWS due to commence Sept re detail of year 2 savings.
117	Neighbourhood & Leisure Services	Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge		23,000				23,000	Dave Hanley	Allow for residents to contribute to permissible local tree works for example minimum 50% contribution towards tree pruning and crown lifting. Typical contributions could be between £50 - £100. The council could reduce the budget but recover the difference by charging for certain types of non essential tree works. The Council has to give priority health and Safety and insurance mitigation type work. We do however continue to receive a high number of other tree requests such as affecting light, overhanging branches above cars, satellite signals, solar panel shading etc. In these we would require resident or stakeholder contributions to undertake these works.	The tree budget needs to be aligned to Health & Safety type works across the borough. Tree works which are desirable/non essential and are for the benefit of individual households should only be undertaken with a reasonable contribution from the household.	N/A	various - leisure sites, district centres, Borough Towns etc will only receive essential tree work maintenance	Allow households to pay/contribute to non priority tree works on open space if it benefits them e.g. light, satellite signals etc.
118	Neighbourhood & Leisure Services	Waste & Refuse: Seek to change collection days across the Borough without affecting current household collection frequencies when the recycling contract is re let in 2014			300,000			300,000	Dave Hanley	It is not considered feasible at present for example to reduce to a 4 day week or up to 7 days across refuse and kerbside services due to existing vehicles dedicated to either kerbside or refuse collections. Consider compressing 5 days in to 4 or double shift patterns or 7 day	Week end service or early evening service may need to be considered			

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
119	Neighbourhood & Leisure Services	Highways & Transport: Subsidised Bus Services - consider reducing / removing the subsidy on existing subsidised routes				50,000		50,000	Stuart Freeman / Helen Hill	The authority could reduce/remove the subsidies to bus services such as for weekend / evening services / or for areas of the borough. Likely to undermine current commercial services resulting in more pressure to subsidise services.	Loss of transport services providing connections to employment, schools, colleges, healthcare, shops and recreational facilities. Likely to have a disproportionate impact on low income and elderly groups.	Limited staff impact	May reduce transport access to certain Council and partner services	Could result in an undermining of currently commercial services leading to further pressure to subsidise services or a significant reduction in the public transport network in Telford.
120	Neighbourhood & Leisure Services	Highways &Transport: Introduction of Civil Parking Enforcement Powers (i.e. Traffic Warden function) across the borough and linking with Safer Communities Town Warden Scheme			150,000			150,000	Stuart Freeman / Jas Bedesha	Apply to DfT for Civil Parking Enforcement powers and link function with existing Town Wardens scheme. Application to DfT likely to take 18 months, there are some restrictions on what duties can be combined with a Civil Parking Enforcement role. Telford & Wrekin is the only tier one local authority in the West Midlands without CPE powers.	Would be enforcement of on-street parking restrictions i.e., Yellow lines; parking on zig zags outside schools; parking on the footway. Would need communication and awareness raising with general public prior to CPE being implemented.	Would require review of existing Town Warden PCSO roles. May be additional roles required. Also ticket processing and prosecution function required - recommended this is shared with other authorities already undertaking CPE duties.	Allows response to issues of people not observing waiting restrictions or inappropriate parking on High Streets or outside schools, which have been raised as issues through town and parish council meetings and through PACT meetings.	Would require an initial investment to complete a review of all traffic orders and update road markings and signs on-site.
121	Dvpt. Business & Housing	(1) Review provision model for domestic violence (women's refuge) and (2) increase in HIA and PSH fees and charges		30,000				30,000	Katherine Kynaston	Saving includes 2 discrete elements: (1)Accommodation for those homeless due to domestic violence is currently provided through Willow Court. Victims of domestic violence are and will continue to be a priority group for service support. Willow Court provides an important service and includes facilities to work with children who have witnessed/been subject to violence in the home. However this type of accommodation does not suit all clients who sometimes find it hard to share accommodation with others. In order to afford suitable protection the refuge has to enforce strict policies regarding family visiting and clients can become isolated from their family. Other clients may also become overly reliant on the support and protection and a number of clients have been in residence many months causing a 'silting' up of the refuge and limiting scope to support new clients. It is also felt that the current service provided by housing for this client group is overlapping with that which other agencies are or should be providing. This is adding to the service costs. There remains a need to provide a safe environment for this client group where they can receive support from housing and other agencies.	(1) Alternative rather than reduced service model for domestic violence. (2) Impact of increases in Private Sector Housing Fees for some services.	None	(1) Housing service are providing aspects of support to victims of domestic violence that could or should be provided by other agencies/services. The impact of a change in delivery model needs to consider costs for and capacity within other agencies to ensure no impact on the very vulnerable client group (2) HIA fees dependent upon availability of DFG funding in future years. PSH fees dependant upon change of charging policy to charge for statutory functions.	(1) Dispersed model may make providing support for children within affected families less easy to provide than when all clients are on single site. Providing security at dispersed locations may be more difficult and/or incur some immediate cost. Mitigation needs to be considered via full review of options and risks. (2) Risk of pricing some clients out of receiving service which may result in their being unable to stay in their own homes and leading to costs to social services/housing to provide residential accommodation and/or care as a result of accidents in the home. May consider putting in increased fees and charges as a result of the expansion of the Handyman service as an alternative. Major current risk is the loss of DFG funding which from which fees are generated.
Total Service Review/Redesign				3,476,060	2,530,000	50,000	-	6,056,060						
Overall Total				7,481,151	4,108,680	559,000	58,000	12,206,831						