

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 20th December, 2012 at 5.00 p.m. at the AFC Telford Learning Centre, Haybridge Road, Wellington, Telford

PUBLISHED ON THURSDAY, 27th DECEMBER, 2012

(DEADLINE FOR CALL-IN: THURSDAY, 3rd JANUARY, 2013)

PRESENT: Councillor K.S. Sahota (Leader and Chair), E.A. Clare, S. Davies, A.R.H. England, W.A.M. McClements, R.A. Overton, H. Rhodes, C.F. Smith and P.R. Watling

ALSO PRESENT: Councillor A.J. Eade (Conservative Group Leader)

Lee Carter (Chairman of AFC Telford Utd FC) welcomed Members and all those present to the AFC Telford Learning Centre, which would be the regular venue for Cabinet meetings for the rest of the municipal year.

CB-77 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 6th December 2012 be confirmed and signed by the Chairman.

CB-78 APOLOGIES FOR ABSENCE

Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader)

CB-79 DECLARATIONS OF INTEREST

None

CB-80 ADOPTION OF STATEMENT OF COMMUNITY INVOLVEMENT

Key Decision identified as **Adoption of Statement of Community Involvement** in the Notice of Key Decisions published on 14 September 2012.

Councillor C.F. Smith, Cabinet Member: Housing, Regeneration & Economic Development, presented the report of the Assistant Director: Development, Business & Housing which sought approval for the adoption of a revised framework for public engagement in planning. A copy of the finalised Statement of Community Involvement was attached to the report, along with a summary leaflet that would be produced to accompany the final document.

Following an update of the existing Statement to reflect the Council's Co-operative values, Cabinet had approved a draft Statement of Community Involvement (SCI) in July 2012. This had been subject to public consultation between 28 August and 9 October 2012. 36 comments had been received from a range of stakeholders. Members had been able to analyse the comments received, the changes that had been made to the document as a result, and identify matters raised from the consultation that had been referred to other Officers for action. Proposed changes to the Statement included adding more detail in relation to neighbourhood planning, adding a diagram illustrating the processes of an application for planning permission, and adding greater signposting to the Council website.

The SCI formed the basis for engagement in the planning process, but all stages of formal engagement in development plan preparation would be developed further in consultation with the corporate Community Engagement team.

Having considered the comments received from the consultation process, and the resulting changes to the SCI, it was

RESOLVED – that the Statement of Community Involvement, as shown at Appendix 1 of the report, be adopted.

**CB-81 IRONBRIDGE GORGE MUSEUM TRUST (IGMT) –
PARTNERSHIP UPDATE**

Non-Key Decision

Councillor W.A.M McClements, Cabinet Member: Resources & Service Delivery, presented the joint report of the Assistant Director: Finance, Audit & Information Governance and the Assistant Director: Development, Business & Housing which proposed a change to the arrangements for a loan to the Ironbridge Gorge Museum Trust (IGMT) that had been approved in November 2009.

The contribution that the IGMT, as one of the world's largest independent museums, made to the local economy was recognised as extremely valuable. As well as the large number of visitors it attracted to the area, it also provided a significant number of free services to the local community, including the provision of education services for Telford & Wrekin schools. In November 2009, Cabinet agreed to support further investment in the Museum's facilities with a loan of £0.5m to the Trust. The repayment period was due to end on 15 January 2013.

Although the partnership with the IGMT had gone from strength to strength, repayment of the loan had been limited. It was recognised that a more realistic payment plan needed to be agreed, and an extension would ensure that opportunities to develop the 'Destination Telford' offer and to promote the economic regeneration of the Borough were driven forward. Key to the loan agreement would be provision by IGMT of a formal core management function across the World Heritage Site. A Supplemental Agreement had been drafted

to ensure the effective and co-operative delivery of this function, and the report detailed the key elements of the proposed management role for the IGMT. Loan repayments and the effectiveness of the management function would be reviewed on a quarterly basis by the Council. The proposed new arrangements would be cost neutral to the Council.

Members reaffirmed their support for the partnership between the Council and the IGMT, and recognised the valuable role the Trust played as a key contributor to the local economy and 'Destination Telford'. It was felt that the proposed new arrangements would give the IGMT more flexibility, while still retaining value for money for the taxpayer. However, it was recognised that there needed to be regular monitoring and review of the arrangements to ensure the loan was fully repaid in line with the Agreement.

RESOLVED –

- (a) that a ten year extension to the current £0.456m loan arrangements with the Ironbridge Gorge Museum Trust, as outlined in the report, be approved;**
- (b) that authority be delegated to the Assistant Director: Law, Democracy and Public Protection to execute all appropriate contract documentation to give effect to the resolution above.**

CB-82 REPRESENTATION ON OUTSIDE BODIES

Non-Key Decision

Councillor R.A. Overton, Deputy Leader, presented the report of the Assistant Director: Law, Democracy & Public Protection concerning appointments to two outside bodies.

Telford & Wrekin Local Access Forum, which provided advice to the Council and other bodies on how to improve public access to land for open-air recreation and enjoyment of the area, included two representatives from the Council – the Cabinet Member for Leisure & Wellbeing and Councillor T.J Hope. These appointments were now due for renewal, and were for a two year term of office.

In May 2012, Council approved the establishment of a West Mercia Police and Crime Panel (PCP) as a joint committee covering 10 local authority areas. Councillors R.K. Austin and C.B.A. Elliott had been appointed as the Council's representatives on the PCP, but there was also provision to appoint a substitute to attend meetings when one of the appointed representatives was not able to attend. One nomination for an appointed substitute had been received.

RESOLVED –

- (a) that the Cabinet Member: Leisure & Wellbeing and Councillor T.J. Hope be re-appointed to the Telford & Wrekin Local Access Forum until the end of the 2014/15 civic year;
- (b) that Councillor F.R. Picken be appointed as a substitute representative to the West Mercia Police and Crime Panel until the end of the 2012/13 civic year.

The meeting ended at 5.13 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & Public Protection
Date: 27 December 2012

Signed:

Date:

Summary of 2012/13 Projected Variations

Service Delivery Unit	Previously Reported Variation	Total Current Variation	Movement
		£	£
Children's Safeguarding	2,397,728	2,798,195	400,467
Education, Culture & Skills	237,000	(272,000)	(509,000)
Family & Cohesion Services	(90,000)	(579,000)	(489,000)
Development, Business & Housing	752,000	48,000	(704,000)
Neighbourhood & Leisure Services	313,000	(5,000)	(318,000)
Care & Support	1,529,000	194,000	(1,335,000)
Customer & People Services	525,740	35,611	(490,129)
Law, Democracy & Public Protection	(169,285)	(100,878)	68,407
Finance, Audit & Information Governance	(118,820)	(235,708)	(116,888)
Cooperative Council Delivery Unit	(91,695)	(91,695)	0
Council Wide	(851,000)	(1,492,000)	(641,000)
Total Projected Variation	4,433,668	299,525	(4,134,143)
Call on Corporate Contingency	(4,433,668)	(299,525)	4,134,143
Projected Year End Position	0	0	0

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Childrens Safeguarding				
Children in Care Placements		9,812,530	1,677,864	Based on all known CiC placements and projected for expected leave dates where known - this will reflect any change in both periods of care and numbers within residential care and the cost of placements. Figures are based latest CiC numbers at 7 December of 319 (31st March 2012 – 302)
Supported Placements(Special Guardianship and Residence Orders)		375,990	108,047	This overspend has resulted from growth in numbers and placement costs, there are currently 61 supported children, and the majority of the cost results from payments to Carers.
Child Protection and Assessment Staffing		2,079,250	560,890	This is based on the net cost of agency staff, taking their forecast costs and taking off budgets for posts being covered. In total the expenditure is reducing as planned to around 6 fte Agency staff . The cost of agency staff is offset by any vacancies being covered.
Support for Children in Need/Legal Costs and Assessments		224,390	341,728	Reflects the costs associated with court proceedings, specific support for children in need and specific assessment requests. The level of such costs are subject to the individual cases which present during the year.
Other Variances under £50,000		5,484,510	109,666	
Total Children's Safeguarding		17,976,670	2,798,195	
Education, Culture & Skills				
Staffing			(130,000)	There are expected to be some impact from vacancies arising in this year and the implementation of the restructure.
Premature Retirement costs			96,000	Additional retirement costs are expected to arise after taking into account reductions from expenditure no longer being paid out.
Income	Education Business Partnership		250,000	Impact of loss of grant income
Income	Lifelong learning and skills		251,000	Impact of loss of grant income

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Income	Schools support services traded with schools		0	This is the first year that income has been generated from extended traded services with schools, and there is an element of volatility in the level of income from trading and the costs associated with generating that income. This first year's experience will inform the 2013/14 budget setting process and realign forecasts in line with actual activity. The forecasts currently project a breakeven position as expenditure is also below budget and offsets any income shortfalls for the year
Various	Oakengates Theatre		(81,000)	Increased income projections and staff/non staff savings
DSG funding			(541,000)	Monitoring of the overall use of DSG indicates various underspends which will be used to offset the overspend in relation to SEN
Other variations under £50k			(117,000)	
Total Education, Culture & Skills			(272,000)	
Family & Cohesion Services				
Statements and Out of County Placements(DSG)			657,000	Reflects the current projections based on known numbers in the system and a forecast of future statements and is net of DSG funding brought forward from 2011/12. The Education and Skills SDU underspend on DSG mitigates the overpend here by £541k.
DSG			(116,000)	This is the net overpend of DSG which will need to be covered either by further in year savings or rolled forward as first call on DSG in 13/14
Fieldwork Disability			32,000	This is as a result of residual staff in place pending completion of recruitment process as part of the service restructure-this should reduce once the alignment of posts and budgets is complete
Family Placements			(65,000)	This is as a result of delays in recruiting to posts following restructure
Early Years			(408,000)	Includes staffing savings on Newdale and generally across Children's and Family Centres
Transport			(200,000)	Forecast underspend on Home to School Transport etc. The position is being reviewed to establish the reasons

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Teenage Pregnancy			(90,000)	Reflects staffing savings and changes in level of service pending relaunch via the Health and Well Being Strategy.
TAMHs			(50,000)	Saving following restructuring. Whilst there are plans for some targeted initiatives in future years the expectation is that most of this service has been embedded within the new structures created.
Housing			86,000	There is a shortfall on the overall income generation against budget on temporary accommodation(leased) properties
Shortbreaks			(60,000)	This saving has resulted from a careful review of existing commitments and levels of service.
Variations under £50k			(365,000)	
Total Family and Cohesion Services			(579,000)	
Care & Support				
Purchasing - all client groups		32,679,000	5,270,000	In the 2011/12 financial year the financial impact of the PCTs review of eligibility for clients with a Primary Health need had a major impact. The budget was overspent by £4.7m because of the increasing financially supported caseload the Council had inherited. The impact of this course of action continues into 2012/13. The pressure on purchasing budgets is increasing further with an expected increase in expenditure in 2012/13 of £1.3m. This means the total impact of additional spending falling to the Council is around £6m. This pressure was not funded by ongoing budgets in 2011/12 and this has an impact in 2012/13. The Council is relying on funding expected fro the PCT(detailed below) to offset the impacts of this additional caseload ongoing. The Council has been engaged in productive dialogue with the PCT and in 2012/13 the impact should be mitigated by a re-balancing of the expenditure the PCT incurs(see below).
Funding from the PCT			(2,700,000)	The rebalancing of spending on clients with a Primary Health Need referred to as Continuing Health Care will result in further funding being made available to the Council by the PCT. The expectation is that £2.7m will be made available as a grant to the Council.

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Funding from the PCT(DH funding)			(2,030,000)	£2.03m of this funding was passed to PCTs by the Department of Health to support Social Care. The funding was first made available in 2011/12. This funding is made available by way of a grant to the Council.
Subtotal			540,000	The residual budget pressure has arisen mainly from the review of Health Funded clients. There are likely to be continuing pressures on the purchasing budget as client numbers increase with the increasing demand for services and the increasing cost of care packages. There will also be the impact of savings taken out of the budget in 2012/13, where it is difficult to differentiate the impacts of savings initiatives from the demographic changes in client numbers
Income -client contributions for all client groups		-10,113,000	257,000	Previous reports referred to further work being needed to ascertain the reasons for income shortfalls in the current year. This has now been done and a significant sum of around £0.4m was the result of income no longer received because of the review of CHC eligible clients and this is now the subject of the purchasing variance reported above. The remainder(reported here) is a shortfall on income budgets resulting from lower than expected client contributions.
Care Leavers		684,000	549,000	This is as a result of pressure on supported accommodation budgets. Spend depends on the level of support and accommodation required; work is ongoing with the aim of reducing costs.
Supporting People		3,257,000	204,000	A large part, £124k of this overspend is as a result of the additional savings expected from a claim against Housing Benefit by the WHT. There is a partial reduction in forecast outturn from current expected commitments and this is resulting in overspending the reduced budget.
Commissioning			(150,000)	Reduction in staffing following restructure and in costs of operation has resulted in £102k on the pooled budget. The costs associated with SLA's with voluntary organisations is currently under review but some non designated budgets where expenditure has not occurred are being consolidated and offset against pressures
Use of One off Funding			(1,206,000)	Resulting from a careful review of all available monies and commitments. This funding is only one off and will not be available in future years.
Total Care & Support			194,000	

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Neighbourhood & Leisure Services				
Public Realm	Winter Maintenance	484,890	151,000	Winter Maintenance budget insufficient due to the level of fixed costs.
Public Realm & Waste Enforcement	TWS Pension Costs	76,589	117,000	TWS Pension costs - impact on Telford and Wrekin of a change in methodology for calculating contributions to Shropshire Pension Fund
Public Realm & Waste Enforcement	TWS Pension Costs	-	(113,000)	Mitigation of TWS Pension costs above due to release of one off funds and other small underspends
Waste Enforcement	Domestic Refuse	74,160	70,000	Replacement costs for lost or damaged containers.
Environmental Services	Waste Collection and Disposal		(144,000)	Various net savings in waste collection and disposal costs
Environmental Services	Service and Contract development		(50,000)	Savings in the operational costs of Granville depot including the impact of a rent review.
Highways and Transport	Fleet Services	-	(266,000)	Various underspends including BSOG fuel duty rebate, Outside Hire income, Vehicle maintenance with a number of other small underspends.
Highway & Engineering	Engineers Fees & Charges	(2,218,590)	110,000	Engineers Fees income shortfall due to impact of procurement process of chargeable hours available.
Leisure	AFC Telford Learning Centre		40,000	Non rechargeable contribution to management costs of AFC Telford Learning Centre.
Leisure	Ice Rink		80,000	Shortfall in income due to delayed opening date.
Service Wide	Environmental Services Reserve	400,000		We are currently assessing the profile of spend against this one off reserve. It seems likely that this reserve will not be fully spent in year due to delays in implementation due to negotiations with TWS. This will generate an in year benefit, although this funding will be required to be slipped into 13/14. This is being quantified and will be reported within future monitoring reports.
Arts and Culture	Oakengates Theatre			(£67k) understand included within Education, Culture and Skills
Total Neighbourhood & Leisure Services			(5,000)	

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Development, Business & Housing				
Estates & Investments	PIP Rental Income	(5,998,332)	250,000	Shortfall in PiP rental income against income target due to high levels of
Estates & Investments	PiP		(290,000)	Use of one off funding of £90k and capitalisation of £200k of landlord R&M works.
Estates & Investments	Business Development Centre Income	(250,420)	100,000	Shortfall in income from hire of rooms, catering and recharges for service. A plan is currently being identified.
Development Management	Building Control	(437,210)	100,000	Shortfall in building control fee income due to a downturn in the economy
Planning	Fee Income	(1,200,810)	300,000	Shortfall in planning fee income due to the downturn in the economy
Planning			(322,000)	Application of one off funding to mitigate the impact of the downturn in the economy on planning income. Includes underspends from vacancy monitoring and one off reserves and balances
Planning	Planning Legal Fees	5,830	100,000	Legal planning fees for defending planning applications - this is net of one off reserves and use of contingency
FM and Cleaning Services	FM fees and charges		90,000	Net impact of the shortfall against income targets from charges to schools and PAT testing.
Strategic Housing	Environmental Co-ordination	457,310	(100,000)	Number of underspends the majority relating to vacant posts
Strategic Housing			(257,000)	Identification of a number of one off underspends, including vacancy management.
Economic Development			(35,000)	Identification of a number of one off underspends, including vacancy management.
Economic Development	Newport Noctune		10,000	Contribution to the Newport Noctune. Costs coded to Economic Development, but to be met from the Cooperative Council budgets
Operational Properties	NNDR	62,800	102,000	Increase in NNDR rateable values due to revaluations.
Planning	Planning Legal Fees			There is the potential for the projected costs of planning legal fees to be mitigated, should we be successful and receive reimbursement of costs. This is not included at this stage but could be upto £300k.
Total Development, Business & Housing			48,000	

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Customer & People Services				
ICT	Various Budgets	628,740	83,240	£145k overspend against corporate ICT maintenance contracts, which are being offset by savings on staffing costs and other non staffing budgets.
Education Catering Client Account - Free School Meals	Income	(795,700)	193,396	Shortfall against Free School Meals Income due to schools not buying back into service.
Primary School Meals	Various Budgets	5,655	101,442	Overspends against purchases of £57k and shortfalls against paid meals income of £71.5k due to a reduction in take up.
Secondary School Meals Revenues & Benefits	Income	(563,520)	87,471	Shortfalls against income targets due to reduced take up.
	Supplies & Services	430,600	57,909	Projected overspend against printing.
Organisational Improvement Variations under £50k	Employees	1,708,029	(152,546)	Saving arising from vacant posts and restructure of HR & OI.
			(335,301)	
Total Customer & People Services			35,611	
Finance, Audit & Information Governance				
Schools & Care Finance	Employees	1,008,640	(67,294)	Under spends due to vacant posts and backfill arrangements.
Variations under £50k			(168,414)	Under spends mainly from reduced spend projected against supplies & services and additional income generated.
Total Finance, Audit & Information Governance			(235,708)	
Law, Democracy & Public Protection				
Democratic Services	Supplies & Services	853,320	(114,654)	Under spends on members allowances and subscriptions.
Land Charges	Income	(39,570)	(142,230)	Additional income projected for searches.
Licensing	Income	(380,260)	152,149	Shortfall against licensing income mainly arising from taxi licenses.
Variations under £50k			3,857	Under spends mainly arising against employees due to vacant posts, reduced hours and staff not at the top of salary scales.
Total Law, Democracy & Public Protection			(100,878)	

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Cooperative Council Delivery Unit				
Delivery & Planning Variations under £50k	Employees	529,280	(51,253) (40,442)	Under spend from vacant posts. Under spends mainly arising against employees due to vacant posts, reduced hours and staff not at the top of salary scales.
Total Co-Operative Council Delivery Unit			(91,695)	
Council Wide				
Treasury Management			(625,000)	Benefits of low interest rates and less borrowing than anticipated in the early part of the year.
Local Authority funding refund			(351,000)	One off refund relating to academies funding top slice for 11/12
External Audit Fee		254,320	(90,000)	Under spend as a result of lower audit fee
Housing/Council Tax Benefit Subsidy		(52,880)	(125,000)	£20k under spend against audit fee. Remainder is due to additional income received from council tax overpayment recovery.
Other			(301,000)	A combination of vacancy savings and one off funds
Total Council Wide			(1,492,000)	
Total Variations			299,525	

Capital Approvals**Slippage**

Scheme	£	Comment
Protecting and Creating Jobs as a Business Support, Business Winning Council		
Town Centre - Accomodation Strategy	- 1,400,000	Re-phasing of spend to 13/14
Improve the Health & Wellbeing of our Communities		
Parks for People - Phase 2	- 223,000	Programme slippage to 13/14 - prudential
Parks for People - Phase 2	- 446,000	Programme slippage to 13/14 - grant
Protect and Support our Vulnerable Children & Adults		
Social Care ICT review	- 250,000	Programme slippage to 13/14 - prudential
Regenerate Neighbourhoods in Need		
Unallocated Housing	- 318,104	Programme slippage to 13/14
Brookside	- 600,000	Programme slippage to 13/14
Ensure Neighbourhoods are Safe and Clean		
Highways & Bridges Capital Maintenance-WEAD	- 232,000	Re-phasing of carriageway schemes to 13/14
Highways/Footpaths-WEAF	- 293,970	Re-phasing of carriageway schemes to 13/14
Integrated Transport-WEAC	- 333,721	Re-phasing of town centre interchange to 13/14
Ironbridge Gorge	- 200,000	Re-profiling of prudential borrowing from 12/13 to 15/16
Ironbridge Gorge	- 300,000	Re-profiling of prudential borrowing from 13/14 to 15/16
Ironbridge Gorge	- 500,000	Re-profiling of prudential borrowing from 14/15 to 15/16
Highways and Bridges	- 25,000	Re-phasing to 13/14
Improve Local People's Prospects Through Education & Skills		
Meadows Primary	- 400,000	Re-phasing of school scheme to 13/14
Muxton Primary - 3 Classbase extension	- 435,000	Re-phasing of school scheme to 13/14
Newdale Primary - classbase extension	- 412,759	Re-phasing of school scheme to 13/14
Newdale Primary - classbase extension	- 137,241	Re-phasing of school scheme to 13/14
Meadows Primary - Electrical Installation	- 53,500	Re-phasing of school scheme to 13/14
Teagues Bridge Primary - 3 classbase extension	- 181,104	Re-phasing of school scheme to 13/14
Managing the Organisation		
ICT - Flex System Upgrade	100,000	Accelerated spend to 12/13 from 13/14
Capital Receipts site preparation	- 500,000	Re-phased to 13/14

New Allocations

Scheme	2012/13 £	13/14 £	14/15 £	15/16 £	
Improve Local People's Prospects Through Education & Skills					
Short breaks for Disabled Children	296,972				Grant funding
Millbrook Primary - library and external works	3,000				External funding
Charlton School	25,000				School contribution
Ensure Neighbourhoods are Safe and Clean					
Ironbridge Gorge - reduced grant and re-phasing	26,000	334,000	- 682,000	- 2,075,000	
Improve the Health & Wellbeing of our Communities					
AFC 5 A Side Football	79,640				Capital Receipts
Total New Allocations	430,612	334,000	- 682,000	- 2,075,000	

Virements

Scheme Vired To	£	Scheme Vired From
Improve the Health & Wellbeing of our Communities		Managing the Organisation
Newport Fitness Suite	41,200	General works and survey

Released Balances

Service Area	Description of Balance	Amount Identified for Other Pressures
Family & Cohesion	Early Years	20,000.00
CYP General	Grant Control Account General	50,000.00
Corporate	Capacity Building/Organisational Development	422,671.25
Education & Skills	E&T Balance Cwfd	4,213.89
Family & Cohesion	Education Welfare Balance	4,449.52
Neigh. & Leisure	Wheels to Work	90,271.68
Neigh. & Leisure	Area Based Grants	143,262.70
Cooperative	Employability Project Reserve	10,000.00
Customer & People	Organisational Improvement Fund	210,421.19
Customer & People	Equality & Diversity - NEETS	24,000.00
Law, Democ & PP	Member Services Equipment Reserve	20,618.00
Family & Cohesion	Community Safety Fund	30,000.00
Total		1,029,908.23

TELFORD & WREKIN COUNCIL

CABINET – 10 JANUARY 2013

2012/13 FINANCIAL MONITORING REPORT

**REPORT OF THE ASSISTANT DIRECTOR: FINANCE, AUDIT &
INFORMATION GOVERNANCE (CHIEF FINANCIAL OFFICER)**

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2012/13 Revenue

Current financial monitoring shows revenue spending for the year is projecting to be within budget at year end which, given the context of the Council having to make £19m of budget savings required as part of the 2012/13 budget strategy, is a very positive position. The overall position has improved by £4.1m since the last report to Cabinet which is following rigorous financial review and management over the past few months. This has increased the amount of unused contingency which can be carried forward to support the 2013/14 budget on a one-off basis. This is currently projected to be £4.607m

There are a number of variations from the approved budget, including some significant beneficial variances. The main areas to highlight are:

- The cost of Children in Care Placements together with the use of agency staff in the Children's Safeguarding Service and associated legal costs – showing a combined variation for the Children & Safeguarding Service Area of £2.8m which is £0.4m higher than previously reported.
- A shortfall of £0.250m in relation to the Education Business Partnership due to lost grant income.
- A shortfall of £0.251m in relation to Lifelong Learning & Skills due to the impact of lost grant income.
- Care & Support Services are projecting a net overspend of £0.194m which is after offsetting anticipated one-off funding from the NHS totalling £4.7m together with the application of other one-off funding totalling £1.2m. The majority of the overspend relates to the PCT's withdrawal of funding for some clients with healthcare needs and the costs of supporting these people falling on the Council.
- Legal Planning Fees – £0.100m associated with planning applications.
- A benefit of £0.625m arising from active treasury management
- Savings against employee budgets relating to vacant posts across a range of services totalling £1.5m

- A one-off refund of £0.351m from the Government in relation to academies funding
- The cost of Specialist Education – net projected overspend of £0.657m which relates to stated provision, an increase of £0.407m since the last report; some DSG funded underspends have been identified to mitigate this overspend.
- Net income shortfalls of £1.7m relating to a number of services including building control fees, planning fees and PIP rentals, Business Development Centre income, temporary accommodation, school meals, licensing fees and Adult Social Care Client contributions

1.2 **Capital**

The capital programme totals £98m which includes approved changes for slippage and new approvals. Spend at the time of compiling this report was 30%; robust programme management and monitoring is in place.

The capital programme funding includes a significant amount of capital receipts anticipated to be delivered over the medium term. Failure to achieve, or delays to, the receipts would have financial implications for the Council. The position is being closely monitored and while there have been some changes since the budget was set, total receipts are currently on track.

1.3 **Corporate Income Collection**

Collection levels for NNDR; council tax and Sales Ledger outstanding debt are all behind target.

2.0 **RECOMMENDATIONS**

2.1 **Members are asked to**

- (i) **Note that 2012/13 revenue spend is currently projecting to be within budget at year end and the significant improvement since the last report;**
- (ii) **Note the pending insurance liability relating to Municipal Mutual Insurance Ltd and approve the recommended approach to meet the costs;**
- (iii) **Approve the proposal to carry forward any remaining balance in the budgeted contingency to 2013/14 to create a one-off contingency, detailed in section 6; and the use of reserves identified in section 8 of the report;**
- (iv) **Note the position in relation to capital spend and agree the recommendations to Full Council for approvals of the slippage, virements and new allocations identified in Appendix 3;**

(v) Note that collection rates are behind targets set for nndr, council tax and sales ledger.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources. Regular financial monitoring helps to highlight variations from plan.
	No	
TARGET COMPLETION/DELIVERY DATE	To outturn within budget at 31/3/13	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough Wide

4.0 PREVIOUS MINUTES

01/03/12 – Full Council, Service & Financial Planning Strategy
 26/07/12 – Cabinet, Financial Monitoring Report
 13/09/12 – Full Council, Financial Monitoring Report
 18/10/12 – Cabinet, Financial Monitoring Report
 22/11/12 – Full Council, Financial Monitoring Report

PART B) – ADDITIONAL INFORMATION

5.0 2012/13 REVENUE BUDGET

- 5.1 Financial monitoring is the responsibility of budget holders and is supported by Finance staff using a risk based approach: more focus is given to high risk areas (high value/highly volatile); less frequent monitoring is undertaken on low risk.
- 5.2 Initial monitoring shows that spend is projected to be within budget at year end which includes use of £0.300m of the remaining corporate contingency. The main changes since the last report are shown below:

Variations - £m	Oct Cabinet Report	Change	Current Projected Variation
Children's Safeguarding – Children in Care placements	+1.380	+0.298	+1.678
Education, Culture & Skills – Lifelong Learning & Skills – loss of grant income	0.000	+0.251	+0.251
Family & Cohesion – Statements and Out of County Placements	+0.250	+0.407	+0.657
DSG Funding – various underspends identified to meet the Special Educational Needs overspend	0.000	-0.657	-0.657
Family & Cohesion – staff savings relating to early years	-0.213	-0.195	-0.408
Care & Support – procurement of care packages	+5.500	-0.230	+5.270
Care & Support – care leavers costs	+0.194	+0.355	+0.549
Care & Support – Supporting People	+0.330	-0.126	+0.204
Care & Support – reduced commissioning costs	0.000	-0.150	-0.150
Care & Support – application of one off funding	0.000	-1.206	-1.206
Neighbourhood & Leisure Services - net savings on waste collection, disposal and fleet services	-0.085	-0.325	-0.410
Neighbourhood & Leisure Services – TWS Pension Costs covered by one of funds	+0.117	-0.113	+0.004
Neighbourhood & Leisure Services – shortfall in Engineers fee income due to the impact of the current procurement process on available chargeable hours	0.000	+0.110	+0.110
Development & Housing – planning legal fees	0.000	+0.100	+0.100
Development & Housing – use of one off funding identified towards PIP rental shortfall and planning fee income	0.000	-0.612	-0.612
Development & Housing – various underspends relating to strategic housing	0.000	-0.257	-0.257
Customer & People Services – organisational improvement employee savings due to vacancies	0.000	-0.153	-0.153
Council Wide – council/housing benefit subsidy	0.000	-0.125	-0.125
Council Wide – treasury management	-0.500	-0.125	-0.625
Other Variations	-2.540	-1.380	-3.920
Total Projected Variation	+4.433	-4.133	+0.300
Call on Contingency	-4.433	+4.133	-0.300
Final Projected Variation	0.000	0.000	0.000

5.3 Variations of more than £0.100m are detailed in section 5.4 for each Service Delivery Unit. The overall 2012/13 budget position is summarised in the table below together with the changes since the last report:

Service Delivery Unit	Previously Reported Variation	Total Current Variation	Movement
		£	£
Children's Safeguarding	2,397,728	2,798,195	400,467
Education, Culture & Skills	237,000	(272,000)	(509,000)
Family & Cohesion Services	(90,000)	(579,000)	(489,000)
Development, Business & Housing	752,000	48,000	(704,000)
Neighbourhood & Leisure Services	313,000	(5,000)	(318,000)
Care & Support	1,529,000	194,000	(1,335,000)
Customer & People Services	525,740	35,611	(490,129)
Law, Democracy & Public Protection	(169,285)	(100,878)	68,407
Finance, Audit & Information Governance	(118,820)	(235,708)	(116,888)
Cooperative Council Delivery Unit	(91,695)	(91,695)	0
Council Wide	(851,000)	(1,492,000)	(641,000)
Total Projected Variation	4,433,668	299,525	(4,134,143)
Call on Corporate Contingency	(4,433,668)	(299,525)	4,134,143
Projected Year End Position	0	0	0

5.4 Projected variances over £0.100m are highlighted below.

Service Delivery Unit	Variance £m
<u>Children's Safeguarding</u>	
Children in Care – overspend; reflects 320 CiC (at the end of November)	+1.678 [increased overspend]
Supported Placements/Special Guardianship and Residence Orders	+0.108 [reduced overspend]
Child Protection and Assessment Staffing – overspend arising from the use of agency staff employed to cover vacancies.	+0.561 [reduced overspend]
Support for Children in Need/Legal Costs and Assessments – costs associated with court proceedings, specific support for children in need and specific assessment requests.	+0.342 [increased overspend]]

<p><u>Education, Culture & Skills</u></p> <p>Employees – anticipated impact from the restructure and vacancies.</p> <p>Education Business Partnership – loss of grant funding</p> <p>Lifelong Learning & Skills – loss of grant funding</p> <p>DSG funding – underspends to mitigate the Special Education Needs costs in Family & Cohesion Services</p>	<p>-0.130 [no change]</p> <p>+0.250 [reduced overspend]</p> <p>+0.251 [increased overspend]</p> <p>-0.541 [increased benefit]</p>
<p><u>Family & Cohesion Services</u></p> <p>Specialist Education – projected overspend based on numbers currently in the system and an estimate of future statements. Projections of expenditure in this area are volatile due to the constant updating of information. This is net of DSG funding brought forward from 2011/12.</p> <p>DSG funding – underspends to mitigate the above costs</p> <p>Early Years – includes staff savings</p> <p>Transport – projected savings on Home to School Transport costs</p>	<p>+0.657 [increased overspend]</p> <p>-0.116 [increased benefit]</p> <p>-0.408 [increased benefit]</p> <p>-0.200 [no change]</p>
<p><u>Care & Support</u></p> <p>Purchasing budgets –resulting mainly from the impact of the PCT’s withdrawal of funding to clients due to their review of eligibility criteria resulting in more Continuing Health Care (CHC) costs falling on the council. The Council is engaged in productive dialogue with the PCT and it is anticipated that the impact in 12/13 will be mitigated – see below.</p> <p>NHS/PCT Funding – anticipated funding from the PCT in relation to clients with a Primary Health Need (CHC clients) as they rebalance their spending.</p>	<p>+5.270 [reduced overspend]</p> <p>-2.700 [no change]</p>

<p>Other NHS Funding - funds passed to the PCT by the Department of Health to support Social Care in Local Authorities.</p> <p>Income – shortfall of client contributions from all client groups.</p> <p>Care Leavers – overspend relating to the cost of supporting 16-18 year olds as they leave care.</p> <p>Supporting People – delay in achievement of saving</p> <p>Commissioning – reduction in staffing costs following the service restructure</p> <p>One off Funding – identified following a detailed review of available funds</p>	<p>-2.030 [no change]</p> <p>+0.257 [increased overspend]</p> <p>+0.549 [increased overspend]</p> <p>+0.204 [reduced overspend]</p> <p>-0.150 [increased benefit]</p> <p>-1.206 [increased benefit]</p>
<p><u>Neighbourhood & Leisure Services</u></p>	
<p>Winter maintenance costs in excess of budget</p> <p>TWS Pension Costs – increased costs from Shropshire Pension Fund; covered by one-off funds.</p> <p>One off funds identified to fund the TWS Pension Cost overspend above</p> <p>Environmental Services – net savings relating to waste disposal and fleet services</p> <p>Engineers fees and charges – income shortfall arising from reduced chargeable hours due to the current procurement process underway</p>	<p>+0.151 [no change]</p> <p>+0.117 [no change]</p> <p>-0.113 [increased benefit]</p> <p>-0.410 [increased benefit]</p> <p>+0.110 [increased overspend]</p>

<u>Development, Business & Housing</u>	
PIP Rental Income – shortfall due to economic climate	+0.250 [no change]
PIP – use of one off funds identified	-0.290 [increased benefit]
Building Control Fees – shortfall due to downturn in the economy	+0.100 [no change]
Planning Fees – shortfall due to downturn in the economy	+0.300 [no change]
Planning – identification of one-off funding to mitigate income shortfall shown above	-0.322 [increased benefit]
Planning Legal Fees – costs arising from defending planning applications	+0.100 [increased overspend]
Strategic Housing – underspends arising from vacant posts	-0.257 [increased benefit]
Business Development Centre – income shortfall relating to room hire, catering and other recharges	+0.100 [increased overspend]
Operational Properties – increased NNDR due to revaluations	+0.102 [no change]
<u>Customer & People Services</u>	
Education catering client account – shortfall against free school meals income budget partly due to schools not buying back into the service.	+0.193 [no change]
School Meals – shortfall in meals income due to reduced take up and purchasing overspends	+0.188 [increased overspend]
Organisational Improvement – staff savings arising from vacant posts and restructure	-0.153 [increased benefit]

<u>Law, Democracy & Public Protection</u>	
Land Charges Income – additional search fees income	-0.142 [increased benefit]
Licensing Income – shortfall arising mainly from taxi licensing	+0.152 [Increased overspend]]
Democratic Services – underspends relating to member allowances and subscriptions	-0.114 [increased benefit]
<u>Government Funding Refund</u> – one-off refund in relation to academies funding.	-0.351 [no change]
<u>Treasury Management</u> Benefit of active treasury management seeking to maximise benefits from low interest rates and lower borrowing than anticipated in the early part of the year.	-0.625 [increased benefit]
<u>Housing & Council Tax Benefit Subsidy</u> Benefit arising from reduced audit fee and council tax benefit overpayment recovery	-0.125 [increased benefit]

6.0 **CONTINGENCIES**

- 6.1 The 2012/13 budget includes combined contingencies of £7.391m, which are set aside to meet any unforeseen expenditure.

	£m
General Revenue Contingency	1.596
Inflation Contingency	2.550
Additional One Off Contingencies (held in reserves)	3.245
Total Contingency	7.391
Allocation of contractual inflation	1.522
Uses previously approved at Cabinet	0.962
Amount required to meet current Revenue Shortfall	0.300
Balance remaining in Contingencies	4.607

- 6.2 It is proposed that the balance remaining in contingency at year end is carried forward to 2013/14 as a one-off contingency.

7.0 INSURANCE UPDATE

7.1 Historically, Municipal Mutual Insurance Limited (MMI) provided the majority of insurance cover to Local Authorities, including Wrekin DC and Shropshire County Council. MMI ceased trading in 1992 and the company is now in its 20th year of run-off with Zurich Municipal administering outstanding and new claims. A significant issue facing Local Authorities has been whether MMI has enough funds to meet its liabilities i.e. will it remain solvent - if it is not solvent then all of its members are liable for its debt. Key to MMI's financial position was the outcome of some long-running litigation in relation to policy wording which has now been received. The litigation (Employers Liability Policy Trigger Litigation) focused on the policy wording in place relating to asbestos-related claims and whether the cost of such claims should be met by MMI, another insurer or by the insured themselves. Unfortunately the judgement went against MMI and they were deemed liable. Asbestos related claims account for around 76% of MMI's total liabilities; other claims include noise induced deafness, abuse and industrial diseases. Further, MMI are still receiving new claims (in 2011/12 there were 945 new claims reported) so liabilities will continue to rise.

At their meeting in November, the MMI Board determined that they would become insolvent and confirmed that an element of claims costs would be charged via a levy to local authorities. A review is currently being undertaken by the scheme Administrators to consider the extent of the levy imposed. The timescales for this review are not known.

The total potential liability for Telford & Wrekin (based on current known claims) is £0.400m. Shropshire County Council has a total potential liability of £4.4m; our share of this is 30.97% (based on our share of the total Shropshire tax base at disaggregation when Telford & Wrekin became a unitary authority). The actual liability will depend on the levy imposed. If the levy was set at 20% the cost to T&W would be around £0.352m in total including our share of Shropshire's liability based on current claims. The levy will continue to apply to future claims received and so costs will continue to accrue in future years.

It is proposed that initially the cost is covered from the Council's self-insurance fund, however the adequacy of the fund will have to be kept under review and supplemented where required. With this in mind, it is recommended that £0.350m of the freed up reserves and balances, detailed in paragraph 8 below, is transferred to the Insurance Fund.

In summary, the Council does have an ongoing liability in relation to MMI however the value of the liability is uncertain and will need to be considered as part of future service and financial planning strategies

with further contributions to insurance provisions potentially being required in future years.

8.0 RESERVES AND BALANCES

8.1 A detailed review of service reserves and balances has been undertaken to identify funds which can be re-allocated to meet other priorities. A total of £1.029m has been identified for release and it is proposed to allocate this to as follows:

Total Balances Released	£1.029m
Proposed Uses	
Destination Telford	£0.150m
Insurance Fund	£0.350m
Capacity Fund	£0.264m
Severance Fund	£0.265m

The detailed list of balances released is shown in Appendix 4.

9.0 CAPITAL

9.1 2012/13 Capital Programme

The capital programme totals £98m which is after including approved adjustments for re-phasing, new approvals and slippage. Spend is shown in the table below and currently stands at 30% and robust programme management and monitoring is in place.

Priority	Budget £m	Spend To Date £m	%	Projection £m
Protect and Support our Vulnerable Children & Adults	3.661	0.913	24.9	2.837
Improve the Health & Wellbeing of our Communities	4.434	2.683	60.5	4.277
Protect and Create Jobs as a Business Supporting, Business Winning Council	14.769	5.559	37.6	14.354
Improve Local People's Prospects through Education & Skills	53.921	12.607	23.4	33.341
Regenerate Neighbourhoods in Need	9.173	2.368	25.8	8.449
Managing the Organisation	2.357	0.344	14.6	1.892
Ensure that Neighbourhoods are Safe and Clean	10.020	4.976	49.7	12.595
Total	98.335	29.450	29.9	77.745

New allocations and rephasing of schemes which require approval are detailed in Appendix 3.

9.2 The capital programme funding includes £112m receipts anticipated to be delivered over the medium term. Failure to achieve, or delays to, receipts would have financial implications for the Council. Detailed monitoring shows that in total receipts are currently on track. The position will continue to be closely monitored.

10.0 CORPORATE INCOME MONITORING

10.1 The Council's budget includes significant income streams which are regularly monitored to ensure they are on track to achieve targets that have been set and so that remedial action can be taken at a very early stage. The three main areas are Council Tax, NNDR (business rates) and Sales Ledger. Current monitoring information relating to these is provided below. The Council pursues outstanding debt vigorously, until all possible recovery avenues have been exhausted, but also prudently provides for bad debts in its accounts.

10.2 In summary, the overall position shows collection levels for NNDR Council Tax collection and sales ledger debt are behind the target set.

INCOME COLLECTION – NOVEMBER 2012			
	Actual	Target	Performance
Collection Levels:			
Council Tax Collection	76.28%	76.55%	0.27% behind target
NNDR Collection	77.68%	77.91%	0.23% behind target
Sales Ledger Outstanding Debt	6.44%	5.50%	0.94% behind target

10.3 **Council Tax (£61.2m)**

The percentage of the current year liability for council tax which the authority should have received during the year, as a percentage of annual collectable debit. The measure does not take account of debt that continues to be pursued and collected after the end of the financial year in which it became due. The final collection figure for all financial years exceeds 99%.

Year end performance 2011/12	97.8%
Year End Target for 2012/13	97.8%

Performance is cumulative during the year and expressed against the complete year's debit. Performance to the end of November is 0.27% behind the target set for this year and the performance at the same time last year:

Month End Target	Month End Actual	Last year Actual
76.55%	76.28%	76.55%

The collection rates are following the national trend which appears to be 0.2% behind performance this time last year.

10.4 NNDR-Business Rates (£68.5m)

The % of business rates for 2012/13 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

The measure does not take into account the debt that continues to be pursued and collected after the end of the financial year in which it became due. As a general rule the final collection figure for any financial year exceeds 99%.

Year end performance 2011/12	98.3%
Year End Target for 2012/13	98.3%

Performance at the end of November is 0.23% behind the month end target and the collection at the same time last year. There are some Telford & Wrekin council accounts which have been paid earlier than they would normally be which has resulted in the collection rate looking healthier than expected. It is anticipated that outturn will be approximately 1% behind target.

Month End Target	Month End Actual	Last year Actual
77.91%	77.68%	77.91%

10.5 Sales Ledger (£43.5m)

This includes general debt and Social Care debt. Debt below 2 months is classified as a normal credit period.

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for are as follows:

Age of debt	Annual Target %	November 2012	
		£m	%
Total	5.50	2.661	6.44%

Performance for sales ledger outstanding debt is currently outside target but has improved significantly since the last report through active chasing customers for payment via telephone calls. There are still a number of debts under dispute relating to Social Services which will hopefully be resolved in the next month.

11.0 **BACKGROUND PAPERS**

2012/13 Budget Strategy / Financial Ledger reports

Report Prepared by:

Ken Clarke, Assistant Director: Finance, Audit & Information Governance (Chief Financial Officer) – 01952 383100;
Pauline Harris, Corporate Finance Manager – 01952 383701

TELFORD & WREKIN COUNCIL

CABINET – 10 JANUARY 2013

SERVICE AND FINANCIAL PLANNING 2013/14 TO 2015/16

REPORT OF THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1. SUMMARY

Over recent years, Telford & Wrekin has faced unprecedented cuts in Government grant and made significant savings equivalent to more than £500 for every household. But despite the financial challenges, our mission is clear.

We're attracting new jobs and investment and promoting growth in the borough, while seeking to protect as far as we are able many priority front-line services working co-operatively with our residents and partners. However given the scale of the Government's cuts to the Council's budget, some service reductions are inevitable.

While many other councils have already implemented very significant cuts to essential front-line services and stopped major building projects, we continue to invest in projects to ensure the future prosperity of the area and its residents:

- Our £250m Southwater scheme, kick-started by Council investment – this time next year new bars, restaurants, an 11-screen cinema and hotel creating around 200 new jobs will be about to open, creating a big regional leisure attraction
- Refurbishment of Telford Ice Rink and improvements to Telford Town Park
- Nearly £200m invested in Building Schools for the Future which will see seven new secondary schools re-built, alongside new or refurbished community leisure facilities
- We're making it even easier for businesses to come here and grow, offering support to attract new firms and help create new jobs
- Safeguarding our children and young people, particularly in the current climate where economic pressures on many families are growing, and our most vulnerable adults

- Investing in land stability schemes to protect the Ironbridge Gorge – the area’s biggest tourist attraction and the West Midlands region’s only World Heritage Site
- We’re continuing to regenerate areas such as Brookside, Hadley and Oakengates

We’re also protecting as far as possible key services. We are committed, working co-operatively with our residents, parish and town councils and other partners to:-

- High quality waste collection and recycling services
- Good standards of litter collection and maintenance of roads and pavements
- Providing a good level of library provision and enhancing customer service by including “First point” services in our main libraries
- All council-owned car parking spaces are free in all the Borough Towns for our residents and we’re committed to keep it this way – unlike many other councils
- We’re enhancing not cutting our leisure centres so that everyone in the community can use these helping us to improve the health and well-being of local people
- We offer free swimming for under 16s
- For the first time ever, we have given a 3 year core grant settlement to our key voluntary sector partners; co-operating with them for the benefit of our residents.

Continuing to deliver economic and housing growth is vital if we are to seek to continue to protect and maintain many services across the Borough at their current level. Also, creating employment opportunities is essential, not just to grow the local economy, but to give many people and families opportunities to address the financial difficulties that the Government’s welfare reforms will undoubtedly bring them.

This report sets out a proposed service and financial planning strategy for the period 2013/14 to 2015/16 with specific budget proposals for 2013/14 and a schedule of planned engagement and consultation activities with the community around the proposed strategy.

The Council’s Service & Financial Planning strategy for the period 2012/13-2014/15 was approved by full Council on 1st March 2012. This strategy was set in the light of the most challenging Government grant settlement ever received by the Council. Whilst the average reduction for Government Departments over the 4 year CSR period is 8.3%, the average reduction for local government over this period is 27%, more than three times as much.

However, the distribution of these cuts has not been even. Appendix 1 demonstrates this graphically and shows that out of 324 council areas in England, Telford & Wrekin is in the worst quarter in a league table showing the estimated change in funding by local authority area from 2010 to 2013.

This area also has comparatively low property values. In a league table of “tax base strength” produced by Stoke-on-Trent City Council, we rank 229th lowest out of 324 English local authorities. As well as low property values, we also have comparatively low council tax levels with Council tax at Band D in Telford & Wrekin being the third lowest in the Midlands region (only 1.1% more than Birmingham which has the lowest). If Telford & Wrekin levied a council tax equal to the average in the Midlands region we would generate an additional £5.58m p.a.

A further factor that has reduced resources in this area is “grant damping” whereby grant that the Government has calculated should be paid to this council is withheld and used to support spending in other areas. During 2012/13 a total of over £3m of grant that should have been paid to the Council was held back by the Government. At least £1.6m of this loss is now perpetuated in the new baseline funding settlement for the Council for the foreseeable future.

The Council also continues to suffer from a population undercount. We believe that the Office for National Statistics undercounts our population by around 4,000 people which has resulted in a further loss of grant of around £1.6m pa. in recent years.

The combined impact of:

	£m
A comparatively low level of council tax	5.6
Grant damping figure for 2013/14	1.6
The population undercount	<u>1.6</u>
	8.8

results in even greater pressure on the Council’s budget on top of a disproportionate share of the grant reductions made by the Government.

Our strategy is to continue to fight for a “Fair Deal” for the Borough and to do all that we can to continue to protect front line services. So far, we have focussed as far as possible on eliminating waste, removing duplication and unnecessary bureaucracy, streamlining management and improving procurement processes.

The Council has already taken the following measures to reduce its costs:-

Staff

- Since 2009 the Council has already reduced staffing levels by around 850 jobs. This saves over £20 million each year.
- We’ve reduced the number of senior managers by 55%
- Staff pay has been frozen since 2009
- We have cut the pay of the Council’s most senior post by almost 20% and the pay of the next most senior tier of managers

Council buildings

- We are disposing of 24 council properties

- We have reduced our office space by one third, slashing running costs
- After paying for the smaller offices we have taken on in Telford Town Centre, which have lower running costs, this leaves us with several million pounds of capital money to reduce council debt and our debt repayment costs
- Overall this will help us save a further £2 million a year

“Back office” costs

- Since 2009 we’ve cut “back office” costs by over 35% – saving £6m. a year

Procurement

- We have saved £2.5m through renegotiating and retendering contracts. For example with our commissioning strategy for children in care we have focussed our attention on managing the market through strategic planning with our regional colleagues with the objectives of increasing the market; ensuring we have services of a good standard in the region and managing fees. As part of the West Midlands Commissioning Partnership we have embarked on a number of collaborative arrangements using our strength in buying power and now have two framework agreements in place, one sub-regional foster care framework contract with 6 local authorities and one regional residential contract across 13 local authorities.

Councillors

- Cabinet members voluntarily reduced their allowances by 10%
- A £40k. reduction in the cost of councillor allowances and expense claims in 2011/12 compared to 2010/11.

Shared Services

The Council continually review delivery options for its services to ensure value for money. A number of services are provided in partnership with other local authorities and statutory agencies. Examples include:-

- the recently established West Mercia Youth Offending Service established in partnership with Worcestershire, Hereford, Shropshire, health, police and probation. This will deliver savings exceeding £100k in 2013/14 for Telford. The new service will work closely with The Police and Crime Commissioner with genuine integrated working practices ensuring improved outcomes at a lower cost for one of our most vulnerable groups.
- Membership of a joint energy procurement consortium consisting of 4 upper tier authorities.
- We have for some years delivered some specialist services through a joint arrangement with Shropshire Council. Telford hosts educational psychology, sensory inclusion and portage whilst Shropshire provides a pan Shropshire adoption service.
- We also work with authorities across the West Midlands through our links to IEWM to put in place regional procurement contracts for agency foster care and residential accommodation

- Through a series of service reviews and by working with other local authorities we continue to explore further options for sharing services where it can be demonstrated that these will offer greater value for money.
- Working co-operatively with our Town and Parish Councils such as the Parish Environmental Teams and Library provision in Brookside and Stirchley, Great Dawley and other areas.
- Sharing the administrative costs of the pension scheme by participating in the Shropshire wide superannuation scheme

Clearly it is becoming increasingly difficult to make savings which will not have direct service impacts. It has to be noted that some 85% of the Council's budget is spent on Adult Social Care, Children's Services and Neighbourhood Services so, given the scale of cuts being made by the Government to local government, some cuts in these areas are inevitable. The Council has a legal responsibility to set a balanced budget and in the face of an unprecedented period of significant and sustained year on year cuts to the funding it receives from the Government needs to identify ongoing savings or additional income sources to ensure that this requirement is achieved.

The Autumn Statement announced on 5th December made it clear that the outlook for public finances is not improving and the Council should expect the squeeze on public spending to continue for several years to come. At the same time as pressures on the national economy result in reductions in the level of central support for local authorities, the economic situation is continuing to place considerable additional pressures on the demand for local services for example council tax benefit payments are at peak levels (and the Government have transferred responsibility for these costs to the Council whilst cutting the associated funding) and the number of looked after children and cost of care is increasing. The Council is also facing increasing demands for services for older people as the number of older people in the Borough increases and has to fund continuing healthcare costs transferred by the Primary Care Trust. Difficult choices therefore need to be made between further cuts to frontline services and levels of council tax.

In January 2012, 2,287 residents took part in a consultation on the level of Council Tax increase. The majority of respondents (63%) supported a strategy of increasing Council Tax by between 2.5% and 3.5% (and rejecting a Government Grant available to freeze Council Tax in 2012/13). Based on the views of local people, the level of Council Tax was increased by 2.5% in 2012/13 and the Council agreed a strategy of increasing council tax at that level for the following 3 years.

However, our proposal for 2013/14 is to increase Council Tax by 1.9% (an increase of 2% or more would now result in the Council having to carry out a referendum at a significant cost, of around £250,000, to Council Tax payers). This is a long-term strategy to ensure that our budget is sustainable, as the available Government grant (equivalent to a 1% Council Tax increase) for the next 2 years is less than half the rate of inflation and would leave us with a further significant budget shortfall in the short term and when the grant ceased

to be paid. A 1.9% increase is equivalent to 32p a week for the average (Band B) home in this area.

The proposals in the report have been developed in the light of the extensive consultation with the community that was undertaken last year and Appendix 15 of this report is a schedule of further consultation activities on the proposals included in this report.

The position over the next three year period can be summarised as follows:-

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Base Budget gap (including impact of further grant losses assumed as a result of the Autumn Statement and 2013/14 grant settlement)	10.034	23.993	33.737
Add back one-off contingency (re. public health uncertainty over grant allocation and new function)	0.800	0	0
Savings proposals issued in September 2012 (Appendix 3 – after leakage)	-5.376	-8.370	-8.929
Further savings (Appendix 4 – after leakage)	-3.235	-6.714	-6.714
Funding protecting key services that address the wider determinants of Public Health	-1.200	-2.500	-2.500
Commercial income/business winning” approach	-0.100	-0.600	-0.750
Effect of 1.9% council tax increase each year for next 3 years	-0.914	-1.845	-2.794
Restated shortfall before use of general balances	0.009	3.964	12.050

These figures are based on the information currently available from CLG on the **provisional** local government finance settlement for 2013/14. Although the Right Honourable Eric Pickles MP, Secretary of State for Communities and Local Government made an announcement of the provisional settlement in the House of Commons on 19th December 2012 it took many days for the required data to be posted on CLG’s website and unfortunately on many occasions data that was been posted was later withdrawn and replaced with updated information due to errors having been reported by the local government community. At the time of publishing this report, essential parts of the grant announcement have still

not been announced (for example the Public Health Grant which Eric Pickles, in his speech on 19th December, said would be made available later that day) with no clear indication being provided of when the data will finally be made available for this significant grant which we estimate will be in the region of £8.2m to £10.4m. Clearly this is therefore proving to be a very difficult provisional settlement to analyse given the significant changes made by the Government to the local government finance system, the lateness and partial nature of the data all combining to make financial planning very difficult.

The report also proposes a number of significant investments. The proposed Capital Programme totals £288m over the period 2012/13 to 2015/16. This includes a new one-off £1m Commercial & Business Fund which supports our budget principle of 'adopting a more commercial, entrepreneurial approach to income generation opportunities'. Funding will be used for one-off set-up costs for new commercial ventures and to 'invest local', for example to invest in businesses in the Borough in return for a share of future profits. The report also proposes a £150k one-off revenue investment in "Destination Telford" linking to our priority to be a 'Business Supporting, Business Winning Council'. The fund will be used to fund initiatives and events that will promote Telford & Wrekin as a place to visit, live, work and invest in. This investment recognises that Telford & Wrekin is in direct competition with other areas and that promoting our 'whole offer' is critical to long-term economic growth and prosperity. Other investments include £150k ongoing revenue funding for further spending on Winter Maintenance of the road network and a £0.6m increase in the revenue budget in 2013/14 to protect children at risk

2. RECOMMENDATION

2.1 Members are asked to approve the service and financial planning strategy set out in this report for consultation with the community.

3. **SUMMARY IMPACT ASSESSMENT**

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	<i>The service and financial planning strategy is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes.</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>The proposals contained in this report will impact on specific groups of people. An Impact assessment, on identified savings proposals, highlights equalities, environmental and economic impacts which is included as Appendix 5. Due to the complexity of the budget setting process with a large array of proposals for savings there is potential for a number of small changes to have a large cumulative effect. We will conduct a full impact assessment of all of the budget proposals, to be considered by Cabinet on the 28th February 2013.</i>
TARGET COMPLETION/DELIVERY DATE	<i>A series of borough wide public consultation activities will be undertaken during January. The proposals contained in the report will also be subject to Member scrutiny during this period. Final proposals will be considered by Cabinet on 28th February 2013 who will make recommendations to full Council on 7th March 2013. The final agreed recommendations will be implemented during 2013/14 and future years.</i>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<i>This report sets out the service and financial planning strategy for the council for 2013/14 and the medium term.</i>
LEGAL ISSUES	Yes	<i>This report develops the proposals for the Council's budget and policy framework which will be consulted upon in accordance with the Constitutional budget and policy framework procedure rules and related Council decisions that will, in due course result in the Council</i>

		<i>setting its budget and council tax levels by the March deadline laid down by the Government</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p><i>This report sets out the strategy framework which includes consideration of the corporate risk register – particularly in relation to the availability of balances.</i></p> <p><i>Environmental assessment is a procedure that ensures that the environmental implications of Council decisions are taken into account. The principle is to ensure that plans, programmes and projects likely to have significant effects on the environment are made subject to an environmental assessment.</i></p> <p><i>The Environmental Assessment aims to provide a level of protection to the environment and to contribute to the integration of environmental considerations into the preparation of projects, plans and programmes with a view to reducing their environmental impact. The environmental assessment detailed in Appendix 5b and 5c provides information on the environmental impacts of the budget proposals. Overall, on balance the environmental assessment of the budget proposals is positive.</i></p> <p><i>The economic impacts of the proposals are also detailed in Appendix 5b and 5c.</i></p>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Borough-wide impact.</i>

PART B) – ADDITIONAL INFORMATION

4.0 OUR CONTEXT

Last year the Council engaged in very extensive consultation exercises with local people which involved 7,442 contacts with local people. In response to what the community have told us during these engagement activities and the challenges facing the Borough, the Council identified a series of priority outcomes to inform both short to medium term planning and also longer term thinking about the future shape of the Borough to 2020. These are:

- 1. Put our children and young people first;**
- 2. Protect and create jobs as a 'Business Supporting, Business Winning Council';**
- 3. Improve local people's prospects through education and skills training;**
- 4. Protect and support our vulnerable children and adults;**
- 5. Ensure that neighbourhoods are safe, clean and well maintained;**
- 6. Improve the health and wellbeing of our communities and address health inequalities;**
- 7. Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.**

The Council Plan will be considered by Cabinet in February alongside the final service and financial planning proposals and will set out our proposals in respect to each of these priorities. However, as well as making progress in delivering these priorities, the Council's service and financial planning strategy has to be prepared in the context of the most challenging economic situation it has ever faced and very significant changes to the local government finance system as well as the transfer of significant new responsibilities to local government.

4.1 NATIONAL PRESSURES

4.1.1 The Comprehensive Spending Review and Cuts to our Grants from Government.

The Government announced a Comprehensive Spending Review (CSR) covering the four year period 2011/12 to 2014/15 on 20th October 2010. This was set in the context of a very significant national budget deficit and considerable uncertainty in the world economy. The CSR set out targets for ongoing cuts to public spending over the period of the CSR to eliminate the structural budget deficit. This set the framework within which the Revenue Support Grant and other grant and capital settlements affecting the Council would be determined during this period.

It was clear from the CSR that Communities and Local Government, the Government department from which the Council receives most of its funding

could expect very significant budget reductions – over 3 times the level of spending reductions compared to the average reduction across all Government departments (over 27% cuts for local government compared to an average of 8.3%). These reductions would be in addition to the “in-year” grant reductions made in June 2010, shortly after the last general election, which totalled £3m revenue and £1m capital for this Council. After allowing for inflation, over this period these cuts amount to around £40m.

Whilst the position for local government over the period of the current CSR is extremely challenging, the impact of the cuts to Government funding are not felt uniformly across the country. There are very significant differences in the impact of the grant cuts announced so far with the north of England much more affected than the South East and Telford & Wrekin more significantly affected than neighbouring authorities. Appendix 1 contains a “Heat map” produced by Newcastle City Council on behalf of the Association of North East Councils which demonstrates this graphically. Telford & Wrekin is in 245th place out of 324 council areas in England. Our neighbouring local authority areas of Shropshire and Stafford are in 175th and 198th place respectively.

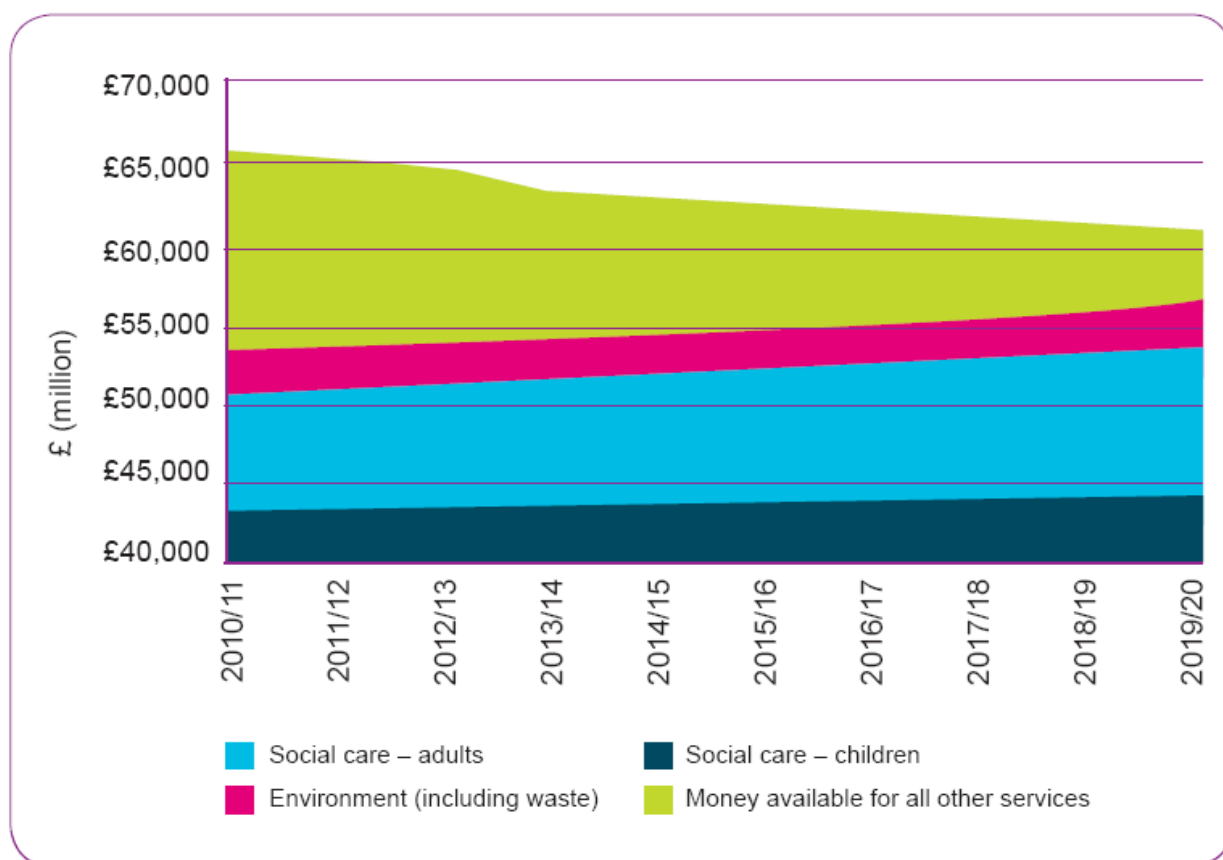
In June 2012, the Local Government Association (LGA) produced a report “Funding outlook for councils from 2010/11 to 2019/20”. This report highlighted that councils were cut much earlier and harder than the rest of the public sector as the Government began to implement its deficit reduction programme. The report modelled what would happen to local government services if the same pattern of cuts to public spending is replicated in the next spending review and makes clear that if this happens councils will not be able to offer many existing services at the end of the decade.

The LGA predicted a likely funding gap of £16.5bn pa by 2019/20. On the assumption that social care and waste services are fully funded, all other services would face cash cuts of more than 66% by the end of the decade. If capital financing and concessionary fares are also funded in full, the LGA’s modelled cash cut for remaining services rises to over 90%.

Clearly the announcements in the next spending review will be critical in determining what services this council will be able to deliver in future. It is also important that the Council reduces its dependency on government grant and develops independent sources of income. Government policy encourages councils to be “pro-development” with the payment of new homes bonus for up to 6 years for each additional home built in their areas and from 2013/14 the opportunity to retain a share of additional business rates generated from new commercial and industrial development. This council will also investigate opportunities for acting in a more commercial way in some new areas of activity if these activities are likely to generate profits that can be used to help protect services to local people.

A graph from the LGA’s “Funding outlook for councils from 2010/11 to 2019/20” report is reproduced below with permission of the LGA. This

identifies the potential changes in the level of funding available nationally for council services during the current decade.



4.1.2 Autumn Statement.

The Chancellor, George Osborne, delivered his Autumn Statement on 5th December 2012. After the annual budget statement each March, the Autumn Statement is the most important economic statement of the year as it updates estimates of growth, inflation, tax receipts, Government spending and the overall budget deficit.

The Chancellor announced that the UK deficit will be higher than forecast from the 2013/14 financial year onwards although lower in the current financial year. He also extended the deficit recovery period by a year to 2017/18.

Year	Previous Forecast of UK Deficit £bn	Updated Forecast of UK Deficit £bn
2012/13	120	108
2013/14	98	99
2014/15	75	88
2015/16	52	73

2016/17	21	49
2017/18	0	31
Total over period	366	448

In its analysis of the Chancellor's Autumn Statement, the economics think-tank, The Institute for Fiscal Studies, said "The further year's consolidation from April 2017 means budgets for public services – other than the protected NHS, education and international development areas – face a 'torrid time'".

A further spending review was announced which will take place during the first six months of 2013 and will update spending allocations between Government departments through to 2015/16. The Institute for Fiscal Studies commented that 'The big decisions over spending allocations for 2015/16 are promised in a Spending Review next year. But the outline of that review is beginning to take shape. Yesterday's cuts will reduce benefit and tax credit spending by some £3.5bn in 2015/16. Protection for the NHS, schools and overseas aid was confirmed for another year. Roll forward to 2017/18, and if the NHS and schools continue to be protected, and no more welfare cuts or tax rises are found, then these unprotected spending areas – police, local government, defence, environment, transport – face cumulative real terms cuts of 16% in the three years to 2017/18'.

Other key points in the Autumn statement for local government included:-

1. The Department for Communities & Local Government (CLG) will not have to find the 1% extra cuts that other Government departments have been asked for in 2013/14 but will have to find the 2% in 2014/15.
2. The Government is still aiming to achieve 80% of the deficit reduction through spending cuts and 20% from tax increases over the medium term.
3. Total overall public spending in 2015/16 and 2016/17 will fall in line with the trend in the 2010 CSR.
4. The additional savings from Government departments and from only increasing welfare benefits for working age claimants by 1% rather than in line with inflation will be used to fund £5bn of capital spending. This will include:-
 - £1bn to be spent on roads – mainly 3 large projects but £333m available for essential maintenance of the national and local road network and £42m for cycle infrastructure. In a subsequent announcement, made on 18th December 2012, the Department for Transport issued the provisional allocation of additional highways maintenance funding to the Council of £0.481m in 2013/14 and £0.257m in 2014/15 provided that the Council commits before the end of January to publishing a statement of how and where this funding has been spent and how it complements the wider planned highways

maintenance spending by the Council. This additional allocation is reflected in the Capital Programme at Appendix 6.

- £1bn for investment in schools – includes enough funding for 100 new academies and free schools as well as expansion of “good” schools in areas experiencing the greatest pressure on places with councils able to bid for this.
 - £310m extra for the Regional Growth Fund.
5. From November 2013 a new concessionary Public Works Loans Board interest rate (0.4% below standard rate) for an infrastructure project nominated by each LEP capped at £1.5bn nationally.
 6. Funding for growth schemes – (details awaited) but to include:-
 - £60m for enterprise zones
 - £225m to accelerate large stalled housing sites.
 - £190m to “de-risk” public sector land and enable quicker disposal of surplus sites for new homes.
 - £100m to bring forward public sector owned sites for development.
 7. LEPs to be given a strategic role in skills policy and will determine how European Union strategic framework funds including European Social Fund are used locally. £10m to be provided for capacity building within LEPs.
 8. £120m for flood defences
 9. Business Rates
 - The temporary doubling of small business rate relief to be extended for a further 12 months to 31 March 2014.
 - Government will exempt all newly built commercial property completed between 1 October 2013 and 30 September 2016 from empty property rates for 18 months.
 10. Employees
 - Regional pay will not be implemented but schools will be given discretion to link pay to performance rather than length of service.
 - TUPE regulations to be reviewed to make the labour market “more flexible”.
 - Public sector pay to increase by an average of 1% pa in 2013/14 and 2014/15. However, as the Council’s budget projections do not allow for pay awards any increase will have to be found from within existing budgets through further spending cuts.

4.1.3 Changes to the Local Government Finance System

As well as the uncertainties over funding levels, the council is also facing major changes to the local government finance system which are being introduced with unprecedented speed. These include:-

4.1.3.i A new Business Rates Retention Scheme

The Business Rates Retention Scheme will replace the Formula Grant system of local government funding in 2013/14. Currently business rates are collected by local government, pooled by central government and then redistributed to local authorities as part of their funding through formula grant.

Formula Grant which consists of re-distributed business rates and Revenue Support Grant (RSG) is allocated 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 in December.

Formula Grant currently 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%)

In the current year, a total of £64.101m of business rates is due to be collected in this area whilst we receive £65.378m back from the Government i.e. in the current year we are receiving £1.227m more back than is collected in the area.

The principles of the Business Rates Retention Scheme were outlined in a number of consultation documents during the summer. The Government published a policy statement (its response to the consultation) in November 2012 with the final scheme proposals. The details of the Business Rates Retention Scheme and the actual funding implications for the Council were announced as part of the Local Government Finance Settlement on 19th December 2012- although not all information was released for some considerable time after the settlement.

The Business Rates Retention Scheme includes a number of components which are complex and inter-related which are explained below.

Under the new system authorities will retain 50% of locally collected business rates (retained business rates). The other 50% will be paid over to central government to fund Revenue Support Grant and other Specific Local government grants.

In simple terms, under the new system Local Authority funding will be made up of:

- 50% retained business rates income - 1% payable to Fire Authority (including Top Up or Tariff – see below)
- Revenue Support Grant

This is a marked change from the current system with the council's funding being directly impacted by actual business rates income collected during the year. The Local Government Finance Settlement will provide an estimate of business rates based on national statistics, however this must be compared to our local estimates to assess the actual funding available for the Council's budget. Therefore, unlike the current system where a set amount of business rates funding was provided through Formula Grant, under the new system the level of business rates income will vary throughout the year (for example if businesses close or move away or new businesses open) and this will have to be closely monitored. Business rates are accounted for through the Collection Fund. Under the new system any surplus or deficit on the Collection Fund is shared between the billing authority, central government and relevant precepting authorities.

In future years' authorities will also retain 50% of any growth in business rates, however this is subject to **levies** which will be charged where there is a "disproportionate" benefit. Levy rates will be calculated for each individual authority on a 1:1 basis (so a 1% increase in business rates income only produces a corresponding 1% increase in revenue). There will be a maximum levy of 50p in the pound. Levy payments will be calculated at the end of the financial year. 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 at 7.5% 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. Safety net payments can be made in year (based on forecast rating income and then adjusted at year end) or after year end (based on audited data).

To establish a fair starting point at the beginning of the new system, **tariffs** and **top-ups** will be calculated. A **baseline funding** level will be set for each authority (i.e. an assessment of funding need). This will use the 2012/13 funding formulae methodology as a starting point (with certain elements updated, such as the treatment of concessionary travel, sparsity and data). An individual authority's **local business rates baseline** will also be set. This will be 50% of the Government's estimate of the total national business rates collected (less top slices) apportioned across individual authorities on a proportionate basis (using average business rates income collected). Where an authority's business rates baseline is greater than its baseline funding level a tariff will be paid to Central Government; where the business rate 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 will be “re-set”).

To ensure that the Government’s overall Spending Controls are adhered to the amount of funding distributed to local authorities as RSG will be the difference between Local Government Spending Control totals and the locally retained rates i.e. the Local Government Spending Control total will equal retained business rates income plus Revenue Support Grant.

It is already clear that the new scheme is 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.

4.1.3.ii 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 (LCTS) 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.

Council Tax Support is to be given as a council tax discount (i.e. a reduction in the council tax bill similar to a single person discount) with funding being provided via 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). Local caseloads indicate a trend of around 2% p.a. increases and this, together with the impact of a potential council tax increase and the negative impact on collection levels gives an estimated funding shortfall of £3.1m for this council in 2013/14.

As the Government does not have a mechanism to provide funding to Parishes through the Business Rates Retention Scheme, the amount of grant attributable to Parish Councils will be paid to Local Authorities. Consultation about the funding for local precepting authorities proposed that Parishes would use a tax base excluding the LCTS discounts in their council tax setting calculations and Local Authorities would transfer the Parishes element of the LCTS grant into the Collection Fund which would compensate for the reduced council tax income resulting from the LCTS scheme. This approach would provide certainty in funding to Parishes and would be relatively simple to administer.

However, the Government's response to the consultation was issued on 26 November and despite 97% of respondents agreeing with the consultation proposal, an alternative approach has been announced: Parishes will use the adjusted council tax base in their calculations and through a voluntary arrangement, billing and precepting authorities should agree the amount of funding to be passed on. The funding allocations published by the Government are intended as a starting point for discussion. In line with the localism agenda, there will not be a statutory duty to pass on funding, however it is clear that the Government expect local authorities to do this.

Town & Parish Councils need some early certainty about their tax base for next year in order to determine their budgets and precepts for 2013/14. There is therefore very little time to engage in a dialogue on the appropriate treatment of the grant. Despite waiting until 19th December for the Government to issue the local government finance settlement, when this was eventually announced, it was incomplete and a number of data tables that were released on 19th December and subsequent days were later withdrawn as they contained significant errors. At the time of drafting this report, the Council is still waiting for clarification of what the actual amount of its LCTS scheme grant is attributable to town and parish councils. However, in order to give the town and parish councils as much notice as possible we contacted them with indicative figures on 21st December rather than delay further.

The Council therefore proposes that the relevant amount notified as part of the local government finance settlement should be passed on in full to Parishes, in recognition of our valued relationship with town and parish councils and in line with our cooperative working principles. This will be on the basis of a cash limited grant which will reduce the level of precept required and mainly offset the reduction in tax base caused by the introduction of LCTS discounts. As a Borough Council we do not need to pass this on, but we appreciate and respect the work that Town and Parish Councils do in our community.

We intend that the method of determining how the allocation should be made between parishes will reflect LCTS caseload data. As the council will only be notified of the relevant amount in 2013/14, the quantum to be distributed between parishes will be varied in line with the overall percentage change in the Council's revenue support grant in future years and the distribution between parish areas will be varied in line with changes in the incidence of LCTS payments

Telford & Wrekin's Local Council Tax Support scheme was approved by Council on the 22nd November 2012 and proposed that the funding gap would be met through a combination of changes to council tax exemptions and discounts and by applying a percentage global reduction in support given to less-vulnerable claimants. Current estimates indicate that overall this will mean a reduction in council tax support of around 21% for working age, non-vulnerable claimants. It is also proposed that a one-off £0.065m is earmarked to award discretionary discounts in cases of extreme financial hardship and this has been included in the 13/14 budget strategy.

In October 2012 The Department for Communities and Local Government (DCLG) announced an additional £100m funding available for one year to support local authorities in developing their local council tax support schemes. Telford & Wrekin could apply for £0.336m of this transitional grant. Although this would reduce the initial funding gap to around £2.8m the limitations and criteria imposed to the design of the scheme would result in a funding shortfall in 2012/13 of around £0.680m which would have to be met from savings elsewhere across the Council on top of the other existing very challenging targets. Further, as the funding is only one off the shortfall would increase to just over £1m in future years. Changing the proposed scheme at this late stage would also require further consultation which would result in additional costs. The Council will therefore not apply for transitional grant funding.

The proposed scheme is likely to have an impact on council tax collection levels as some claimants who previously received 100% council tax benefit will in future receive council tax support of around 79% and they will therefore have some council tax to pay. Council tax is accounted for in the Collection Fund and any surpluses/deficits are shared between the billing authority and major precepting authorities. Collection levels will therefore need to be monitored closely in 2013/14 as the financial risk is higher than previously.

The Council also receives an administration grant which covers both council tax and housing benefits administration and we have received notification that this will be reduced by £0.110m to £1.4m in 2013/14 which has been included in the 2013/14 budget strategy. The grant is likely to further reduce in future years as housing benefits transfer to Universal Credit which is to be administered by DWP.

The introduction of Universal Credit is one of a number of changes to the welfare system in the Welfare Reform Act 2012. The Universal Credit is a new single payment for people looking for work or on a low income. It will cap the total amount of benefit that can be claimed and will restrict Housing

Benefit entitlement for social housing tenants whose accommodation is larger than the Government deems them to need. The introduction of Universal Credit will be going live in pathfinder areas in early 2013 and then will be rolled out nationally from October 2013 on a geographical basis, to be fully implemented by 2017. Some claimants may find budgeting more of a challenge due to a change from weekly to monthly payments. It is also likely to impact on the Council, both directly as set out above and as a result of increased demand for other services from those suffering financial hardship.

Another significant change is that from April 2013, elements of the Social Fund budget (Community Care Grants and Crisis Loans) will be devolved to upper tier councils who will need to develop localised implementation plans. The main issue arising from this is whether or not funding devolved will be sufficient to meet local needs.

DCLG have stated that funding will be made available to local authorities, under the principle of new burdens, for the administrative costs of moving to local council tax support schemes and initial funding of £30m was made available nationally to assist local authorities with the change (circa. £0.080m for each Billing Authority).

4.1.3.iii Transfer of Public Health Responsibilities from the PCT.

As part of changes being made by the Government to the NHS, Public Health functions are due to transfer to either upper tier Local Authorities, or 2 new NHS national bodies-Public Health England and NHS Commissioning Board. The transfer of this additional responsibility to local government takes effect from April 2013 when PCTs are abolished and will be funded by a new ring fenced grant which can only be used for Public Health activities.

In June 2012 the Government issued a consultation document "Healthy Lives, Healthy People: Update on Public Health Funding" which set out proposals on how the £2.2bn, estimated to be the amount of funding that should transfer to local government, could be allocated to different Councils out of £5bn available nationally for Public Health. Under these proposals, taking into account inflationary information provided by the Department of Health and proposed additional adjustments, Telford & Wrekin estimated that we could receive an allocation of between approximately £8.2m and £10.4m. However the actual announcement has been deferred yet again by Department of Health to sometime in January which is not helpful for planning or consultation.

The position is further confused as the current budget identified by the PCT for the Public Health functions which will become the Council's responsibility is £10.4m, though recent analysis indicates spend of around £9.1m this year on those functions plus a further £0.3m spend remaining with the new Clinical Commissioning Group. The remaining £1m represents a contingency amount. The basis of the £8.2m projected allocation was a financial return for Public Health Spend in 2010/11 completed by the PCT, but the Council and the PCT made a joint representation to the Department of Health on what they

considered to be a flawed national exercise. The PCT in addition to making further investment in the Public Health budget in 2011/12 also underspent significantly in 2010/11 so the return gave an understated position of the actual level of budget required for current service levels and this was communicated to the DoH in April 2012. It is still unclear whether this will be taken into account in the allocation.

Council and PCT officers have been working closely to ensure a smooth transition of Public Health functions. Information on existing contractual commitments, staffing and existing budgets is being considered to assist with the development of the first Council Public Health budget at a detailed level. Appendix 13 details proposals for savings options to deal with the ongoing uncertainty around the level of PH grant allocation plus the need to contribute to the overall Council savings strategy which results from the government grant cuts of 27%+ over the current CSR period faced by local government. Clearly with the transfer of a significant new area of responsibility to the Council and with considerable uncertainty over the level of grant available, it is prudent to replicate, in part, an element of the contingency referred to above.

4.1.4 Local Government Grant Settlement

Whilst the Autumn Statement sets the strategic financial overview for the Government as a whole over the medium term, the provisional local government finance settlement sets out the specific proposals affecting local government for 2013/14 with details for each council being provided. It is only when this announcement is made that the Council can accurately predict its likely financial position for the coming year. Fundamental changes are being made to the local government finance system from 2013/14 and despite persistent requests for an early settlement from across the local government community so that effective financial planning could be undertaken, the settlement was not announced until 19th December 2012.

This extremely late announcement makes planning and forward projections extremely difficult and compresses the time available for consultation. There have been long delays in the provision of key information even after settlement day and a number of the files initially issued by the government have been recalled as they contained significant errors which have combined to make this settlement very challenging to analyse.

The Secretary of State announced that local authorities will face an average reduction in spending power of 1.7%; and that no local authority would experience a decrease of more than 8.8% to its “revenue spending power” – a definition which encompasses an individual authority’s:

- New Efficiency Support Grant (see below)
- Council Tax
- Start-up funding assessment
- Specific Grants

- NHS funding for social care.

Comparative information for Telford & Wrekin Council is shown below:

Adjusted 2012/13 Spending Power	£149.614m
2013/14 Spending Power	£148.423m
Year on Year Change - £	-£1.191m
Year on Year Change - %	-0.8%

The Secretary of State also announced:

- Local Authorities will be able to use proceeds from the disposal of assets from 2012/13 to fund equal play claims.
- That the Secretary of State for Health would be announcing Public Health funding allocations alongside the provisional local government finance settlement. However, it now appears that a final decision has not been made regarding the allocations and the announcement will be delayed until sometime in the New Year.
- Confirmation of the previously announced council tax freeze grant offer: i.e. an amount equivalent to a 1% increase in funding for 2013/14 and 2014/15, for a 0% council tax increase in 2013/14; and up to a 2% increase being allowable before a referendum is required.
- An allowable £5 increase in council tax (even if it is above the 2% threshold) for Shire Districts, Police and Crime Commissioners and fire and rescue authorities whose 2012/13 council tax was in the lower quartile of their category of authority.
- Subject to consultation, the government propose that there will be no access for councillors to the Local Government Pension Scheme in England from April 2014.
- The government will pay a revenue grant (Efficiency Support Grant) to 7 Local authorities in 2013/14 and 2014/15 who would otherwise have seen a reduction in 'revenue spending power' of more than 8.8% in 2013/14. The grant will be offered to these authorities, providing they sign up to conditions for 2013/14 e.g. joint working. This grant will not be offered for 2014/15 to an authority if it fails to deliver on the conditions agreed upon.

Telford & Wrekin Settlement Figures:	£m
Grants Rolled in using Tailored Distribution	5.655
Relative Needs Amount	48.700
Relative Resources Amount	-12.380
Central Allocation	23.275
Floor Damping	-1.579
Adjustment for Central Education functions within LACSEG	-3.717
Grants Rolled into Start Up Funding:	
Council Tax Freeze Compensation	1.399
Council Tax Support Funding	10.302
Early Intervention Funding	5.852
Homelessness Prevention Funding	0.087
Lead Local Flood Authority Funding	0.117
Learning & Disability Funding	7.004
Start Up Funding Assessment	84.715
Made up of:	
Revenue Support Grant	50.872
Retained Business Rates (CLG Estimate)	31.806
Top Up	2.037
	84.715

Telford & Wrekin Safety Net Threshold	£31.305m
Telford & Wrekin Baseline Need	£33.844m
Telford & Wrekin NDR Baseline	£31.806m
Percentage reduction in NDR before Safety Net Threshold reached	7.98% (£2.538m)

A written statement was provided by the Parliamentary Under Secretary of State for Communities and Local Government (Brandon Lewis) relating to council tax. In this statement, he outlined how the level of council tax freeze grant would be calculated, the principles to be applied to calculate 'excessiveness' in the increase in council tax for 2013/14 and the applicability of these announcements to local precepting authorities.

The availability of council tax freeze grant for 2013/14 was announced on 8 October 2012. Further details of the level of grant that will be available and how it will be paid have now been provided.

- Those Authorities and Police and Crime Commissioners who do not increase their basic amount of council tax will receive a grant equivalent to 1% of the average Band D council tax for 2012/13,

multiplied by its council tax base for 2013/14, *adjusted to exclude the reductions given to those receiving council tax support.*

- The council tax freeze grant will be provided for both 2013/14 and 2014/15 and be paid in 10 instalments in each financial year under section 31 of the Local Government Act 2003.
- The Secretary of State has determined that for those Authorities who increase their relevant basic amount of council tax in 2013/14 by more than 2%, must hold a referendum

Local precepting authorities will not be eligible for the council tax freeze grant, nor will principles for an excessive increase be applied by the Secretary of State for 2013/14. The Secretary of State has indicated that he will revisit this issue for 2014/15, based on experience of the level of council tax increase in 2013/14.

A period of consultation will be held on the provisional settlement until 15th January 2013 with a final announcement not being made until late January or early February 2013.

4.2 LOCAL CONTEXT

4.2.1 Grant cuts and savings already made.

The Council has already faced significant reductions in the amounts of revenue grants that it receives from Government. In 2010, shortly after the general election, the Government took the unprecedented step of implementing mid-year grant cuts. These totalled £3m immediately cut from the 2010/11 budget. Following the CSR in 2010, the revenue support grant settlement in December 2010 implemented further cuts to grants totalling £13.6m in 2011/12 and then a further reduction of £5.6m in 2012/13, i.e. cumulative annual grant reductions of £22.2m in cash terms (considerably higher when inflation adjusted) up to and including the current financial year.

In addition, the Council has had to develop proposals to make good an estimated funding shortfall of £3.1m arising from the LCTS scheme which will be implemented next year.

It's anticipated that when the Council eventually receives its Public Health Grant this will also be set at a level significantly below the current level of spending by the PCT representing a further grant cut.

4.2.2 Savings programme.

Clearly the council has been making budget reductions for some time and many steps have already been taken that have focussed as far as possible in eliminating waste, removing duplication and unnecessary bureaucracy,

streamlining management and improving procurement processes so that as far as possible we have limited the impact on front line services.

So far, the Council has taken the following measures to reduce its costs:-

Staff

- Since 2009 the Council has already reduced staffing levels by around 850 jobs. This saves over £20 million each year.
- We've reduced the number of senior managers by 55%
- Staff pay has been frozen since 2009
- We have cut the pay of the Council's most senior post by almost 20% and the pay of the next most senior tier of managers

Council buildings

- We are disposing of 24 council properties
- We have reduced our office space by one third, reducing running costs
- After paying for the smaller offices we have taken on in Telford Town Centre, which have lower running costs, this leaves us with several million pounds of capital money to reduce council debt and our debt repayment costs
- Overall this will help us save a further £2 million a year

Cutting council tax benefit payments

- As explained above, the Government is cutting the grant it pays to the Council for council tax benefits equivalent to a further £3.1million cut. The Council has therefore had to approve a revised support scheme which will be put in place from April 2013. We have to reduce the level of council tax benefit paid to working age people by around 21 per cent but are protecting pensioners and severely disabled people. This will affect more than 11,000 borough households.
- To help offset the Government's cut, we're also reducing council tax exemptions and reductions for people who have empty properties or second homes in the borough

Service reviews

- All Council services have been reviewed to find more efficient ways to provide their services – saving £3.4m a year

“Back office” costs

- Since 2009 we've cut “back office” costs by 35% – saving £6 m a year

Procurement

- We have saved £2.5m through renegotiating and retendering contracts. For example with our commissioning strategy for children in care we have focussed our attention on managing the market through strategic planning with our regional colleagues with the objectives of increasing the market; ensuring we have services of a good standard in the region and managing fees. As part of the West Midlands Commissioning Partnership we have embarked on a number of collaborative

arrangements using our strength in buying power and now have two framework agreements in place, one sub-regional foster care framework contract with 6 local authorities and one regional residential contract across 13 local authorities.

Councillors

- Cabinet members voluntarily reduced their allowances by 10%
- A £40k reduction in the cost of councillor allowances and expense claims in 2011/12 compared to 2010/11.

Shared Services

The Council continually review delivery options for its services to ensure value for money. A number of services are provided in partnership with other local authorities and statutory agencies. Examples include:-

- the recently established West Mercia Youth Offending Service established in partnership with Worcestershire, Hereford, Shropshire, health, police and probation. This will deliver savings exceeding £100k in 2013/14 for Telford. The new service will work closely with The Police and Crime Commissioner with genuine integrated working practices ensuring improved outcomes at a lower cost for one of our most vulnerable groups.
- Membership of a joint energy procurement consortium consisting of 4 upper tier authorities.
- We have for some years delivered some specialist services through a joint arrangement with Shropshire Council. Telford hosts educational psychology, sensory inclusion and portage whilst Shropshire provides a pan Shropshire adoption service.
- We also work with authorities across the West Midlands through our links to IEMM to put in place regional procurement contracts for agency foster care and residential accommodation
- Through a series of service reviews and by working with other Local authorities we continue to explore further options for sharing services where it can be demonstrated that these will offer greater value for money.
- Working co-operatively with our Town and Parish councils such as the Parish Environmental Teams and Library provision in Brookside and Stirchley, Great Dawley and other areas.
- Sharing the administrative costs of the pension scheme by participating in the Shropshire wide superannuation scheme

Charging more for some services

- Charging more for some services, for example low level preventative care services and increasing some leisure charges – we have particularly focused on charges that have not increased for a number of years or where charges were significantly lower than other councils and providers

4.2.3 Service pressures.

The difficult economic situation continues to have a significant impact on the community. In addition to an increase in the cost of living, impacts include higher unemployment and short-time/part-time working resulting in an increase in Council Tax and Housing Benefit applicants and increased pressure on other services such as early intervention and homelessness.

- The number of homelessness applications is projected to be 25% higher compared to last year which was 28% higher than 2010/11. In total this is now around 350 applications.
- Unemployment in Telford & Wrekin for people aged 16-24, has gone up from 25.9% (June 2011) to 26.3% (June 2012) or 2,300 people. This follows the regional and national trend, both of which also went up. However Telford and Wrekin remains higher than both regional (23.2%) and national (21.2%) rates.
- The number of Council Tax and Housing Benefit applicants is at an all time high with an increase of 603 over the last year (a 3% increase) when comparing the caseload at 31 March 2011 and 31 March 2012. Our benefit expenditure was more than £4.2m higher (an increase of 5.4%) in 2011/12 compared to 2010/11. In addition, there was an increase of 46.7% in the number of 'change of circumstances' assessments processed by the Council in 2011/12 compared to 2010/11 mainly due to the DWP introducing a new system.

The Council has a key role to play in mitigating the effects of the economic downturn and planning for recovery, through supporting the growth of key economic sectors, promoting the Borough's business and leisure tourism offer, and creating a 'business friendly environment' with available employment land and an effective infrastructure.

In recent years, we have focused on securing long-term economic prosperity. The continued development of Telford Town Centre and regeneration of the Borough Towns are essential elements of our future budget strategy. It is important that we continue to show confidence, leadership and investment in the future of the area.

Whilst a number of services are experiencing increasing demand, there are particular pressures on social care services for children and adults.

- **Childrens' Social Care** – in line with regional trends, we continue to have an increase in numbers of Children in Care. The Financial Monitoring report also on this agenda shows that we currently have 320 Children in Care and are now projecting an overspend in the current year of £2.8m. A differential approach to savings targets has been taken, rather than the previous across the board 20% target reductions, to recognise that safeguarding in particular is under considerable pressure and rather than remove funding from this

service in 2013/14, the Council will invest an additional £0.6m in to the budget. However, even with this level of investment spending will have to be reduced considerably compared to the current financial year. The service and financial planning strategy agreed in March assumed that savings of £1.703m against budget would be made from the safeguarding budgets in 2013/14. This is clearly no longer a reasonable assumption as it would require savings totalling £4.5m to be achieved next year. The savings assumption will therefore be deleted for next year and additional funding of £0.6m will be built in to the budget. However, this will mean that savings of £2.2m will still be required against the current level of spend. An action plan has therefore been prepared which will be rigorously monitored with progress reported regularly to Members. The action plan is included at Appendix 2 of this report.

- **Care & Support**

The table below summarises the savings required of the service

	2013/14 £m	2014/15 £m	Total £m
Savings proposals issued in March 2012 reiterated in September 2012	1.901	1.102	3.003
Ongoing overspend from 2012/13	1.365		1.365
Additional target 2013/14 budget	0.317	1.957	2.274
Total	3.583	3.059	6.642

In the current financial year the service is delivering £2.546m of non staff savings and £2.251m of staff savings, a total of £4.797m. The delivery of these savings plus the £6.642m identified above represents 27% of the services budget and inevitably will result in a reduction in the care provided to individuals.

In addition demographic and inflation pressures are likely to mean that further savings over and above those identified above will be required in order for the council to be able to continue to meet its statutory duty to provide care for eligible unmet needs.

The current year's savings are being delivered through a complete remodelling of service delivery. The new personalised model of service delivery is based on 4 key actions:

- Firstly the establishment of enablement and reablement for the vast majority of service users prior to assessment for ongoing service eligibility and care planning with the objective of reducing or, where deterioration is occurring, stabilisation of pre-existing care package costs.
- Secondly utilisation of assistive technology as a preventative measure and as an alternative to personal care provision.

- Thirdly the development of personal budgets and self directed support by individuals as an alternative to council led service determination.
- Fourthly signposting of individuals to community and voluntary sector based support as an alternative to council funded provision.

In delivering this remodelling of service delivery the service is implementing 15 separate workstreams covering both service delivery and process/systems redesign. It is also delivering a number of procurement savings.

Whilst work is progressing on these workstreams to deliver the service savings required three significant factors are offsetting the savings being delivered and represent significant ongoing pressures on social care budgets. Firstly the impact of the PCT's 75%+ reduction in NHS funding for Continuing Health Care since 2009/10 (funding for people with long term conditions and therefore more severe health and care needs) continues to have a huge financial impact on the service. The additional costs now being met by the reducing funds available to the Council are some £8-9m per year and rising and despite the receipt of some non recurring funding from the PCT, mean that the savings arising from the new model of service delivery are being more than offset by this pressure. These clients, by their very nature of having previously been CHC funded or being eligible for consideration, have very high level and complex needs which puts them at the top end of the cost spectrum. Secondly the increased rate of hospital discharges has put significant pressure on our resources. People are being discharged earlier and consequently with higher levels of need. This results in increased demand and also higher care costs for social care.

The Council's average unit cost for care provision has risen and continues to rise as a consequence of the above two factors. Thirdly as part of the service restructure the service area became responsible for the transition of young people in care. In taking operational responsibility for the service an overspend of £500k has also been transferred from children's to adults services.

The impact of these is an ongoing overspend of £1.365m. In the current year this has been addressed on a non recurring basis by the use of the remaining service reserves. These will not be available in future so the additional costs must be addressed by further savings within the service.

The actions proposed to address the additional savings required are detailed in Appendix 13. Implementation of all the savings outlined should address the original savings targets, the overspend and the additional target of £0.317m in 2013/14. As we move through next year then we will have to review our ability to deliver on the additional

savings target for 2014/15 of £1.957m and whether this could require consideration of a process to review our level of care criteria.

Negotiations with the PCT and CCG over the scale and speed of transfer of the costs of Continuing Health Care cases to the Council will continue.

4.3 OUR STRATEGY

4.3.1 Overall Approach & Principles

At the heart of our strategy is a strong focus on what we can achieve rather than what we cannot. There are still many services and positive outcomes we can deliver despite the difficult financial situation we face. To do this, we need to ensure that resources are aligned to our Co-operative Priorities, as set out in Section 4.0. These priorities were developed following extensive engagement with the community and help us to decide which services should be safeguarded and where investment is most needed. We are committed to protecting and maintaining priority front-line services, for example:

- Keeping car parking free in Borough Towns for our residents;
- Keeping community libraries open;
- Protecting vulnerable children from harm, abuse and neglect; and
- Continuing free swimming for under 16s.

Our strategy is about proactively and positively building a long-term future for the Borough, rather than simply reacting with short-term cuts. Our focus is on economic growth and we believe that the Council can underpin this by providing the right services and making the right investments. We are therefore continuing to invest in the regeneration of Telford Town Centre, Brookside and Hadley, the transformation of secondary schools through the Building Schools for the Future programme, the improvement of transport infrastructure and land stability in the Ironbridge Gorge, the Borough's biggest tourist attraction.

Our strategy is guided by the following principles:

- Develop spending plans that address the community's needs and priorities and support the long-term economic growth of the Borough;
- Be transparent about how resources are spent across the Borough, but target spend at issues and areas where need is greatest;
- As a Co-operative Council, involve the community and partners in the budget-setting process;
- Seek to minimise the level of Council Tax increase, balanced against growing demands for Council services;
- Deliver efficiencies and savings, as far as possible minimising the impact on priority front-line services;

- Adopt a commercial, entrepreneurial approach to generating additional income and securing external investment;
- Like a business, it is prudent to set aside some money to deal with any unforeseen circumstances caused by the current economic situation (a contingency);
- Use reserves and balances responsibly, balancing the need to maintain services with financial prudence;
- Where possible cut our reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of our land and property to reduce borrowing, cut running costs and to fund priority facilities and schemes.

4.3.2 Investments

Our strategy is based on the principle of ‘developing spending plans that address the community’s needs and priorities and support the long-term economic growth of the Borough’. We clearly cannot invest in everything, therefore we have identified where additional funding is needed to deliver our Co-operative Priorities:

Our capital investment programme is set out in Appendix 6.

New investment proposals include:

- a) **Destination Telford** – linking to our priority to be a ‘Business Supporting, Business Winning Council’, we are proposing to invest £150k revenue funding into initiatives and events that will promote Telford & Wrekin as a place to visit, live, work and invest in. As well as benefits to the local economy, for example through increased business and leisure tourism, encouraging more people, businesses and developers to come to Telford has direct financial benefits to the Council, for example through increased New Homes Bonus (a grant for Councils for increasing the number of homes in their areas) and the retention of a share of additional business rates in respect of new commercial or industrial premises. This investment recognises that Telford & Wrekin is in direct competition with other areas and that promoting our ‘whole offer’ is critical to long-term economic growth and prosperity. It will be funded by earmarking one-off balances following a review of one-off amounts set aside within the Council’s accounts.
- b) **Commercial and Business Fund** – the proposed capital programme includes £1m investment into a new Commercial and Business Fund. This investment supports our budget principle of ‘adopting a more commercial, entrepreneurial approach to income generation

opportunities'. Funding will be used for one-off set-up costs for new commercial ventures (see information on Co-operative Commercial Projects in 'Savings' Section) and to 'invest local', for example to invest in businesses in the Borough in return for a share of future profits. This investment will be funded from £1m of capital resources. We will also continue to 'pump-prime' a range of '**Invest to Save**' initiatives that will generate future savings or additional income. These will be funded from the Invest to Save Fund (current balance £0.29m) or prudential borrowing where the return to the Council's revenue budget is greater than the cost of servicing the associated additional borrowing costs. Current 'Invest to Save' proposals include a new health and fitness suite at Oakengates Leisure Centre, energy efficient street lighting and a new crazy golf course in Telford Town Park.

- c) **Safeguarding** – As set out in section 4.2.3, we are also proposing to invest £600k additional revenue funding into the Safeguarding Service, in line with our priorities to 'support and protect vulnerable children' and to 'put children and young people first'. This investment is needed to meet the growing financial pressures on this service as a result of high costs of placements for children in care. This investment will also enable us to fully implement the recommendations of the recent Ofsted Safeguarding Inspection. Whilst Ofsted noted the positive progress made and concluded that the service was 'adequate', we are committed to making further improvements to keep children in the Borough as safe as possible from harm, abuse and neglect.
- d) **Public Health** - When Public Health transfers into the Council in April 2013, we will receive grant funding from the Department of Health to invest in protecting and enhancing the health and well-being of the community. As flagged elsewhere in the report, unfortunately Department of Health has still not been able to announce allocations though it has said that allocations to this area will reduce over an unspecified period. The Council is thus having to plan savings options to manage within possible grant allocations plus contribute to the overall Council savings strategy. One of the Council's key priorities is to 'address health inequalities'. Although some key health measures are improving in Telford & Wrekin, such as mortality rates from cardiovascular disease and cancer (under 75 years) and smoking-related deaths, outcomes remain worse than the national average and this gap is widening. We will continue to fund some public health programmes targeted at specific health issues. However, we will also look at the wider determinants of health and by 2014/15 will invest £2.5m of the available grant funding in protecting and enhancing services that address some of the underlying causes of poor health,

such as leisure, housing and public protection. Our aim is a more holistic strategy that combines proactive and reactive investment to have a greater long-term impact on reducing health inequalities in the Borough. One of the ways we are looking to do this is through the launch of a new 'Telford Loyalty Card'. It is proposed that this new card will replace the current Flex card and will be free for anyone who lives in the borough. The card will have borough wide coverage and will be rolled out to every household in Telford and Wrekin. As with the current Flex card, card holders will have discounted rates on many activities at participating Telford and Wrekin leisure centres, as well as access to special offers throughout the year, from local businesses that have signed up to the scheme. The launch will coincide with the transfer of Public Health (under the banner of improving people's health & wellbeing), the aim being to encourage more people to 'get active' and 'shop local'.

- e) **Winter Maintenance** – linking to our priority to keep 'neighbourhoods safe, clean and well maintained', we are proposing to invest £150k additional revenue funding into our winter maintenance programme. Previous one-off resources that were held within reserves have now been exhausted. Prolonged periods of adverse weather in previous years have highlighted the importance of this service, both for the safety of residents and for the effective running of the local economy.

4.3.3 Savings

Over the last four years we have made £41.7m. of ongoing annual savings. The need for savings has increased each year due to Government grant cuts, inflation and other pressures including the transfer of significant costs in respect of Continuing Healthcare cases from the PCT. Savings delivered by year are detailed below:-

2009-10	£4.2m
2010-11	£6.7m
2011-12	£11.7m
2012-13	£19.1m

This is equal to around £250 per head for every person in Telford and Wrekin cut from Council services. In delivering these savings, we have applied the principle of 'as far as possible minimising the impact on priority front-line services'. This principle remains at the core of our current strategy (see Appendix 3 and 4 for details of 2013/14 savings proposals).

Our starting point has been to focus on areas that do not have significant impact on front-line service delivery, such as:

- **Improving procurement** e.g. tight contract management, re-tendering contracts, challenging and re-negotiating existing contracts, making greater use of framework agreements and being robust in the award of all future contracts;
- **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 are committed to a significant programme of asset sales totalling £114m over the medium term. The planned profile of these receipts is shown below:

	£m
2012/13	33.5
2013/14	40.1
2014/15	11.8
2015/16	12.4
2016 onwards	16.3
Total	114.1

Generation of these receipts is a key assumption within the service and financial planning strategy. The Council has an agreed schedule of asset disposals to address this and this schedule is regularly monitored and all the revenue consequences of temporary financing pending these scheduled disposals are built in to the Council's base budget projections contained in this report. This dependency will therefore continue to be subject to close monitoring. If any delay is experienced in generating expected receipts, mitigation factors could include a combination of re-phasing some capital spending schemes, identification of other assets for disposal or additional borrowing on a temporary or long term basis although this would increase revenue costs and necessitate further cuts to other services or the use of additional one-off resources.

- **Driving down non-staffing costs that have minimal impact on service delivery** - reviewing and challenging budgets 'line by line' e.g. stationery, subscriptions etc to ensure we have exhausted as many options as possible before considering changes or reductions to services.

As a Co-operative Council, we also invite and consider 'savings suggestions' made by residents and employees.

However, given the scale of the financial challenge facing us, these options alone will not deliver sufficient savings and we need to identify new and creative solutions. The Localism Act 2011 gives local authorities a new 'General Power of Competence' that means we now have greater freedoms

and flexibilities in how we can generate income. Therefore a key part of our service and financial planning strategy for 2013/14 and beyond is to 'adopt a commercial and entrepreneurial approach to generating income'.

Our proposal is to deliver a programme of **Co-operative Commercial Projects**. The aim is to benefit the Council and the community, both financially and socially. As well as looking at income potential for the Council which has to be a paramount aim, we will prioritise 'win-win' projects that have direct financial benefits for local people and/or organisations. We will also take account of the broader non-financial benefits and how projects can contribute to the delivery of our Co-operative Priorities.

We will also revisit existing **externally traded services**, including those provided to schools, to ensure that we are being as proactive and commercially aware as possible in meeting customers' needs and managing costs so that we can continue to win business and maximise income from these services.

Whilst it is expected that some of the Co-operative Commercial Projects will start to generate income £100k assumed in 2013/14 (£250k projected by 2014/15), this is a long-term strategy and some projects will take time to come to fruition and then to generate significant profits.

Therefore, some continued impact on service delivery is inevitable. Our approach involves:

- **Carrying out planned, long-term service re-design** not quick-fix options 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;
 - Reconfiguration of services to support being a 'Business Supporting, Business-Winning Council'. As well as improving the local economy, this has direct financial benefits for the Council by increasing New Homes Bonus and generating additional business rates which under the new local government finance system the Council will be able to retain a share of this additional income.

- **Working co-operatively with local people, organisations and partners** e.g.
 - Partnerships with Town and Parish Councils to secure environmental improvements;
 - Encouraging local people to recycle more and reduce waste disposal costs.
 - We will continue to investigate options for sharing services where appropriate, for example by establishing a West Mercia wide Youth Offending Service the Council will improve its service and make savings in excess of £0.1m pa

- **Prioritised review of fees and charges** – to identify whether the Council is subsidising the delivery of some services without good reason. Our initial focus will be on charges to businesses or partner organisations, including schools. The second phase will focus on discretionary services.
- A continuing **targeted service review and strategic review of capacity programme**. When carrying out restructuring, 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. As part of the planned programme of savings we launched a further time-limited Voluntary Redundancy opportunity on 6th December 2012. This is open to any employee, and is aimed at reducing the Council’s pay bill and creating opportunities for employees ‘at risk’ of redundancy. The scheme enables individual employees to consider if the time is right for them to move on from Telford & Wrekin Council and enables us to further reduce the number of compulsory redundancies. Whilst we do not intend to apply a blanket recruitment freeze because of the need to maintain staffing levels in key areas such as safeguarding, we will routinely challenge the need to recruit as vacancies arise and seek to retain maximum flexibility with the use of a mix of temporary and permanent contracts.

Appendix 3 is an updated schedule of savings originally released for consultation at Cabinet on 20th September 2012. A number of changes have been made to the proposals since they were issued:-

	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	Total £m
Total per Cabinet report 20 September 2012	7.481	4.109	0.559	0.058	12.207
Delete Care & Support contract inflation saving	-0.300	-0.150			-0.450
Delete Catering £15k (leakage)	-0.015				-0.015
Delete ICT £30k schools saving (leakage)	-0.030				-0.030
Delete Safeguarding Savings proposals	-1.703	-0.965			-2.668
Reduce “various youth activities” saving by £20k	-0.020				-0.020
Reduced saving to fund IGMT management support	-0.037				-0.037
	5.376	2.994	0.559	0.058	8.987

This shows that around £5.45m will be available from this schedule to support the service and financial planning strategy in 2013/14. An additional schedule of new savings is included at Appendix 4. Further work is ongoing developing proposals to meet savings targets that have been issued to most council service areas (excluding safeguarding). A differential approach to targets has been taken, rather than the previous across the board 20% target reductions, to recognise that safeguarding in particular is under considerable pressure and rather than remove funding from this service in 2013/14, the Council will invest an additional £0.6m in to the budget. However, even with this level of investment spending will have to be reduced considerably compared to the current financial year. Impact assessments and service user engagement will be undertaken during 2013 as more specific proposals are developed. During 2013/14, we will need to consider which services the Council may have to cease to provide in future years.

Wherever possible and practical, we will bring forward savings proposals from future years. Savings delivered early can be used to create one-off resources to fund invest to save initiatives and to build capacity to review services and support the development of more cost effective methods of future service delivery. They would also provide a contingency against unforeseen costs or the delayed or partial delivery of planned savings.

As results from public consultation, including on proposed savings and council tax levels, become available over coming weeks and further information on funding and budget pressures comes to light the budget projections will continue to be refined and proposals for addressing the remaining budget gap will be firmed-up. Updated projections and proposals will be presented to Cabinet in February and where necessary further public engagement will then take place.

4.3.4 Council Tax

Council Tax in Telford & Wrekin has historically been low compared to other councils. Appendix 7 is a graph comparing council tax levels across the Midlands region and demonstrates that council tax in this area is the third lowest in the Midlands region at Band D (£1126.09) and is only 1.1% higher than the Birmingham which is lowest (£1113.67). Appendix 8 compares our council tax to the other unitary authorities in England and shows that we have the 9th lowest council tax at Band D out of 55 unitary authorities.

If Telford & Wrekin Council had levied a council tax at the average level of Midlands authorities (£1234.75 at Band D) in the current year, we would have generated an additional £5.58m p.a.

As well as a comparatively low level of council tax, this area also suffers from comparatively low property values with our average property being in Band B. In a league table of “tax base strength” produced by Stoke on Trent City Council, we rank 229th lowest out of 324 English local authorities. Whilst this is relatively good news for local residents, although we appreciate that council

tax bills are still significant cost for local households, it means that we do not have the same scope to generate income from council tax as many other parts of the country where council taxes have been much higher and average property levels are also higher.

A further factor that has reduced resources in this area is “grant damping” whereby grant that the Government has calculated should be paid to this council is withheld and used to support spending by councils that would otherwise receive less grant e.g. as a result of reducing population numbers. During 2012/13 a total of over £3m of grant that should have been paid to the Council was held back as a result of this damping mechanism. Much of this loss is now perpetuated in the new baseline funding settlement for the Council for the foreseeable future.

The Council also continues to suffer from a population undercount. We believe that the Office for National Statistics undercounts our population by around 4,000 people which has resulted in a further loss of grant of around £1.6m pa. in recent years.

The combined impact of:

	£m
A comparatively low level of council tax	5.6
Grant damping figure for 213/14	1.6
The population undercount	<u>1.6</u>
	8.8

makes the disproportionate cuts in Government funding and rising demand for services even more of an issue in Telford & Wrekin than in some other areas.

Whilst we are continuing our campaign for a ‘Fair Deal for Telford & Wrekin’ by actively lobbying the Government, we again want to be proactive and positive in our approach to setting Council Tax.

In January 2012, 2,287 residents took part in a consultation on the level of Council Tax increase. The majority of respondents (63%) supported a strategy of increasing Council Tax by between 2.5% and 3.5% (and rejecting a Government Grant available to freeze Council Tax in 2012/13). Based on the views of local people, the level of Council Tax was increased by 2.5% in 2012/13 and the Council agreed a strategy of increasing council tax at that level for the following 3 years.

However, our proposal for 2013/14 is to increase Council Tax by 1.9% (an increase of 2% or more would now result in the Council having to carry out a referendum at significant cost, of around £250,000, to Council Tax payers). This is a long-term strategy to ensure that our budget is sustainable, as the available Government grant (equivalent to a 1% Council Tax increase) for the next 2 years is less than half the rate of inflation and would leave us with a further significant budget shortfall in the short term and when the grant ceased to be paid.

4.3.5 Base Budget, Balances and Contingencies

A summary of the Base Budget position is included at Appendices 9a and 9b which shows a net base budget of £142.465m for 2013/14 giving a base budget funding gap of £10.034m.

Appendix 10 summarises the overall balances position of the Council after taking account of the various earmarked reserves and the risks faced by the Council. This shows around £3.67m available as part of medium term budget strategy considerations.

Current available balances within the “Capacity Fund” of £0.42m and “Invest to Save Fund” of £0.29m are shown as committed as these are likely to be committed during the period of this medium term financial strategy.

The financial monitoring report on this agenda shows a projected underspend in the current year of £4.607m. Whilst much could change in the remainder of this year, it is reasonable to assume that it should be possible to carry forward at least £2.5m of this underspend to create a one-off contingency to support the budget in 2013/14. This will be a challenging year with further savings to be implemented, continuing pressure likely to be experienced on social care budgets and the uncertainties arising from and increased risks transferred as a result of the new localisation of business rates and local council tax support schemes. Any further underspend available at year end will be used to either supplement the one-off contingency or will be used to increase provision for severance costs as it is likely that further posts will need to be deleted by the Council for the foreseeable future. Given the likely availability of a significant one-off contingency for 2013/14 and a fundamental review of budgets to ensure that for example key income budgets that have consistently reported shortfalls are put on to a sustainable basis, the ongoing contingency of £1.6m has been deleted in 2013/14 but will be replaced and increased to £2.5m from 2014/15. This is reflected in the forward projections for future years. An additional contingency of £0.8m is proposed in respect of public health given that the existing public health budget includes a contingency element of around £1m and this is a new significant responsibility transferring to the Council. No allowance has been made for any pay award in 2013/14 or future years nor has any allowance been built in for general inflation for 2013/14 or future years although some provision for contractually committed inflation has been made. This provision for inflation is currently held centrally as a specific inflation contingency pending confirmation of the minimum amounts that will need to be allocated to services in order to achieve a realistic budget during these years. As the Council is planning to implement single status with effect from 1st April 2014, the provision for additional costs arising from the anticipated single status settlement from April 2014 of £2.75m has been built in to the budget from 2014/15 onwards. However, £0.919m of this sum has already been allocated to fund the elimination of fixed point grades and the award of market pay adjustments to some social worker posts.

4.4 MEDIUM TERM GENERAL FUND STRATEGY

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Base Budget gap (including impact of further grant losses assumed as a result of the Autumn Statement and 2013/14 grant settlement)	10.034	23.993	33.737
Add back one-off contingency (re. public health uncertainty over grant allocation and new function)	0.800	0	0
Savings proposals issued in September 2012 (Appendix 3 – after leakage)	-5.376	-8.370	-8.929
Further savings (Appendix 4 – after leakage)	-3.235	-6.714	-6.714
Funding protecting key services that address the wider determinants of Public Health	-1.200	-2.500	-2.500
Commercial income/business winning” approach	-0.100	-0.600	-0.750
Effect of 1.9% council tax increase each year for next 3 years	-0.914	-1.845	-2.794
Restated shortfall before use of general balances	0.009	3.964	12.050

4.5 EDUCATION FUNDING.

Compared to Local Authorities funding, schools funding has been comparatively protected and is broadly in line with our current modelling estimates.

From April 2013/14 a new school funding regime will be implemented. This follows detailed consultation by the Department for Education (DfE) with all the relevant stakeholders. The changes to be implemented required the general local formulae for schools to be simplified and the method of funding Special Educational Need to change to fit DfE requirements. These changes do not impact on Pupil Premium.

The local formula for Telford & Wrekin was developed after consultation with all relevant stakeholders and was agreed by Cabinet on 8th November 2012. This new formula is mainly driven by pupil numbers so, whilst schools are

protected by a minimum funding guarantee per pupil, the implications are that schools with small or falling numbers on roll will see a reduction in the funding they received under the previous formula. It is anticipated that pupil numbers will rise as the Building Schools for the Future programme proceeds but 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 by them to address these issues. Overall the estimated pupil numbers in Telford & Wrekin schools, including relevant Academies, has increased by 148 resulting in an expected £0.646m of additional Dedicated Schools Grant (DSG).

The changes in school funding result in differing per pupil rates being applied to the different sectors of education which prevents any like for like per pupil rate comparisons to 2012/13. A comparison of the global figure with what we could have expected under the old funding system, however, demonstrates a reduction in the Dedicated Schools Grant (DSG) of approximately £0.280m. The indicative DSG for 2013/14 for Telford & Wrekin is £120.780m including all Academies bar Madeley. This is now split into 3 blocks of funding as follows:

Schools Block, the majority of which is fully delegated to schools - £96.384m – this figure is calculated on the basis of £4367.31 per pupil.

Early Years Block, this funds education for 3 and 4 year olds in maintained nursery schools and classes as well as private, voluntary and independent nurseries - £6.991m. It is based on £4156.12 per pupil but is not a fixed total as it will be updated for actual pupil numbers throughout the year. In addition new funding has been transferred into DSG from the Early Intervention Grant. This relates to the Councils' statutory obligation to make provision for the education of about 40% of all 2 year olds from September 2014 – the new funding allocation for this purpose is £1.953m.

High Needs Block, this funds education for all those pupils in Maintained and independent special schools, Pupil Referral Units and other alternative education provision - £15.416m.

The DSG is supplemented by pupil premium of £900 per pupil giving a total of expected Pupil Premium for Telford and Wrekin of around £7m. As this is a mechanism to focus funding on disadvantaged children it tends to be largely attributable to schools with higher levels of deprived pupils.

The changes in the funding system have required a revision of school funding regulations, returns, approval processes and a significant exchange of information between the DfE and Local Authorities. As the pace of change has been so fast, with a high dependency of information flowing from the Government, there is still work ongoing on the funding arrangements for Special Education providers.

The changes to education funding have also resulted in more of the Dedicated Schools Grant flowing to schools; this directly impacts on centrally retained services. The Council must seek approval from the Schools Forum

for specific funding amounts and levels to be retained. The additional amount being delegated to schools was approximately £1m and the Schools Forum has approved 25% of this funding to be retained by the Council for the continued provision of these services centrally. Further approvals will be sought before the end of January 2013 for centrally retained funding relating to SEN and Early Years.

It is the DfE's stated intention to implement a national funding formula for schools in the next funding formula and these changes are a step towards this aim. They have, however, confirmed that a "*Minimum Funding Guarantee will continue to operate in order to offer protection against unmanageable falls in school budgets*". In early 2013 the DfE will carry out a review of the impact of the changes and advise Ministers on the necessity for any adjustments.

Changes in the current arrangements for recoupment of Council funding for the impact of Academies are part of the changes relating to the formula grant and proposals for Business Rates Retention. These changes result in a separate Education function grant being payable to Councils and Academies, created from a top slice of the formula grant. The total value of this grant has been announced as £3.717m. This covers all pupils in all state funded schools and the grant will then be payable to each organisation based on their pupil numbers, the element that will be payable to the Council will not be confirmed until early in the New Year. This grant is intended to give a fairer reduction in Council resources in relation to the number of pupils educated in Academies in their area. The per pupil methodology does not lend itself to economies of scale and the Council is likely to suffer a disproportionate loss of funding compared to loss of responsibility and workload as result of this change. Work is still ongoing to determine the source data being used to calculate the grant but we currently expect any reduction for the Council to be broadly in line with the current estimate within the Budget strategy.

The transfer the funding for 2 year olds, currently within the Early Intervention Grant (EIG), to the DSG, a ring fenced grant along with a national top slice of EIG of £150m to be held back by the DfE for specific initiatives, has resulted in a loss of £2.440m to the Council of un-ringfenced grant funding, approximately £0.206m more than anticipated. The level of loss is far above what should have been expected as the level of 2 year old funding transferred from EIG was well above the level of funding originally identified within it.

4.6 EQUALITY IMPACT ASSESSMENT, COMMUNITY ENGAGEMENT AND COMMUNICATION

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 the most significant impact. In order to accomplish this we have followed a process designed to stream proposals and ensure that they are fully explored.

In September 2012 Cabinet agreed additional budget savings proposals. Appendix 11 shows progress on those savings proposals which needed further exploration around the need for an equality impact analysis and/or engagement.

For proposals where implications have been identified and are at a sufficiently developed state a proportionate impact analysis was carried out. Appendix 5a details developed impact assessments. 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 and engagement during its development.

The budget consultation undertaken during 2011-12 helped to establish the principles and policy direction for a three year strategy. This required a broad range of inputs, over 7,000 comments and ideas were received from people across the borough which significantly influenced the overarching approach to service and financial planning.

During the Winter/Spring of 2012-13 we will be refining additional proposals and targets into specific savings. A scoping exercise to determine which new draft proposals require an equality impact analysis and/or engagement is shown at Appendix 12. Targeted engagement with service users and stakeholders 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.

During January 2013 we will be carrying out a communication and engagement programme to raise awareness of the draft budget strategy for 2012/13. Appendix 15 details this programme.

4.7 ENVIRONMENTAL AND ECONOMIC IMPACT ASSESSMENTS

Environmental assessment is a procedure that ensures that the environmental implications of Council decisions are taken into account. The principle is to ensure that plans, programmes and projects likely to have significant effects on the environment are made subject to an environmental assessment. The Environmental Assessment aims to provide a level of protection to the environment and to contribute to the integration of environmental considerations into the preparation of projects, plans and programmes with a view to reduce their environmental impact.

The environmental assessment detailed in Appendix 5b and 5c provides information on the environmental impacts of the budget proposals. Overall, on balance the environmental assessment of the budget proposals is positive.

An economic impact assessment has also been undertaken for those proposals that have a significant individual economic impact (and is included in Appendix 5b and 5c. Clearly reducing spending by the council will impact on the local economy for example through fewer people being directly employed by the council and less business being placed by the council with local suppliers as spending cuts are made.

4.8 NEXT STEPS & TIMETABLE

As in previous years, communicating and engaging with the community on our future plans will be a key part of the budget process. We will be asking for views on our overall approach to ensure that it still protects and develops what the community thinks is most important and assessing whether there is broad support for the proposed savings and council tax strategy given the very challenging circumstances that we are now operating within.

Our approach is to begin communication and engagement immediately after the publication of the draft budget strategy on 4th January 2013 and formal consultation from after the Cabinet meeting on 10th January 2013. Our communication and engagement plan includes (further details are included in Appendix 15):

- Using “Your Voice” to communicate the main budget proposals with the aim of informing every household in the Borough;
- Signposting opportunities for people to get involved and give their views on the budget strategy;
- An online budget survey on the budget page of the Council website;
- Facebook, Twitter, write in, ring in or text in your views and comments;
- A postal survey of the Community Panel;
- Meetings with a range of groups and organisations;
- An open public meeting;
- Ongoing press releases;
- Formal consultation with the Budget & Finance Scrutiny Committee.

The consultation period will run through to 10th February 2013 in order that careful consideration can be given to the views expressed by the Council’s cabinet when preparing their final report and recommendations to full Council.

The Budget & Finance Scrutiny Committee should also have the opportunity to scrutinise any alternative budget proposals put forward by Opposition groups prior to Cabinet in February. The Chair of the Budget & Finance

Scrutiny Committee will present the recommendations of the committee at the Cabinet meeting in February.

Due to the complexity of the budget setting process with a wide range of proposals for savings there is the potential for a number of small changes to have a large cumulative effect. We will therefore conduct a full impact assessment of the cumulative impact of all of the budget proposals, to be considered as part of the Cabinet report 28th February 2013.

Final proposals will be considered by the Council's Cabinet on 28th February 2013 and full Council will consider the recommendations from Cabinet and Scrutiny / Opposition Groups on 7th March 2013.

5. BACKGROUND PAPERS

- Comprehensive Spending Review Announcements – Treasury Website
- Autumn Statement – Treasury Website
- Public Finance E bulletin 7th December - Analysis of Autumn Statement.
- Revenue Support Grant Settlement Announcement – CLG Website
- Service & Financial Planning Report to Cabinet – 22nd December 2011
- Service & Financial Planning Report to Council – 1st March 2012
- Service & Financial Planning Update report to Cabinet – 28th June 2012
- Service & Financial Planning Update report to Cabinet – 20th September 2012
- LGA report “Funding outlook for councils from 2010/11 to 2019/20” published in June 2012.
- Association of North East Council's “Key Resource Issues for North East Local Government” report.
- “Mandate for Change”, issued by Stoke-on-Trent City Council November 2012.

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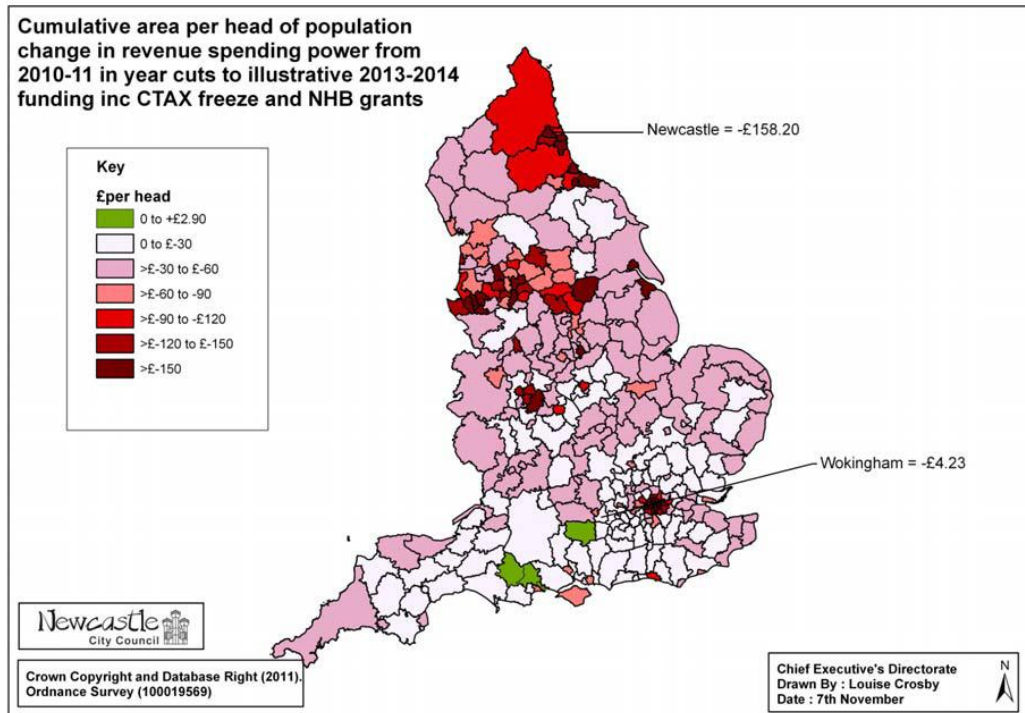
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Appendix 1.

Heatmap Showing the estimated change in funding by local authority area from 2010 to 2013 (£ per head)



Notes:-

- The map is extracted from the Association of North East Council's Key Resource Issues for North East Local Government with permission of Newcastle City Council.
- The figures do not include funding for schools.
- The change figures for 2013/14 only relate to elements that would have been included in the formula grant for 2012/13, plus latest information on the Council Tax Freeze grant and an estimate of New Homes Bonus.
- The figures do not include the cut in Council Tax benefit support or other grant transfers proposed for 2013/14.
- Most in year revenue cuts in 2010/11 (but not all where the data was not readily available) are included.
- Capital cuts are excluded as are HRA funding changes.
- Police funding is excluded but fire funding is included because some counties have fire funding in their formula grant.
- New Homes Bonus and council tax freeze grant are included.
- Transfers out for LACSEG and transfers in for Council Tax support grant are excluded.

- In shire county areas county funding has been allocated to districts and this has been done pro rata to population (similar to approach for fire funding).

Telford & Wrekin is in 245th place out of 324 council areas in England. Our neighbouring local authority areas of Shropshire and Stafford are in 175th and 198th place respectively.

Appendix 2 - Safeguarding and Early Help – Cost Improvement Plan

December 2012

Agreed Aims

- To be in a position where there is no overspend in Safeguarding by the end of March 2014
- To make a contribution towards the overall Council savings target by the end of March 2015
- To make significant savings whilst improving the quality of service provided to children, young people and their families including satisfying requirements identified by OFSTED during our recent inspection of Safeguarding and Local After Children's services.

To reduce the average cost of placing a child in care or reducing duration in care

Underlying Principles

- All available options will be reviewed before making a decision to accommodate child/children.
- More children will be looked after by their families.
- Culture change initiated by the previous phases of the children and families service review will be key to our success
- Joint ownership will be fostered through more detailed action plans which will sit behind our agreed aims and fed through senior managers to the entire Children's Service workforce (both LA and partners)
- These aims assume that the impact of benefit reforms can be met from existing resources and that there will no demographic impact from these changes.

Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
<p>Objective 1: Emma Wilcock (Karen Perry)</p> <p>Recruitment & Retention – develop recruitment and retention (workforce planning and development) strategy for children’s services social workers.</p> <p>Performance Indicator (PI) - number of agency social workers employed across children and family services. <i>Includes impact of over recruitment to avoid agency staff requirements (Current number of agency staff at the end of October is 12..7)</i></p>					
Max 6 Agency SWs by April 13	300	620 ¹	<ul style="list-style-type: none"> • Market the concept of the Telford Social Worker (co-operative offer) (EW) • Review approach to recruitment – “LEAN analysis of all parts of process” (RF) • Using generic interview panels programmed in throughout the year (AW) • Improved forecasting of timescales for taking up posts. (SDM’s) • Maintaining a competitive advantage (Unique Selling Point) and pay parity with other local authorities (EW/HR) • Improved management reporting - vacancies, appointments and agency cover (HR) • Step Up students to be proactively targeted for recruitment (AW) spring/summer 2013 • Explore SW to SSW progression by Assessment 	<ul style="list-style-type: none"> • Preliminary discussion re workforce planning and development strategy held with Workforce Manager and Principal SW (PSW) – draft version to come to CFSLT early Jan • Managers and PSW attended event at another LA to understand how they do Assessment days • Young people produced poster of “what makes a good SW” and interviewed a SW to be used as promotional materials in recruitment and illustrative as part of co-operative offer • Interviews dates for SW posts highlighted in advert to reduce lead time • Last recruitment campaign filled all the SW vacancies and 2 of the 6 SSW posts, the Advanced SW Practitioner post and 1, possibly 2, of the 2 TM posts. • Online recruitment tracking sheet accessible to all key stakeholders 	April 13
Max 2 Agency SWs by September 13.					Sept 13
Max 0 Agency SWs by April 14					April 14

¹ Based upon appointing 5 social workers over establishment.

Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
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Objective 2: Viv McKay/Angela Yapp (Karen Perry)

Placement Strategy – review placement strategy to ensure that number of placements meet need.

Performance Indicators - reducing residential placements (RP) by 10, drive down cost of placements, knock on effect on numbers of external foster placements by reduction in use of internal foster placements for babies, appointment of contract foster carer (LA employed carer).

<p>40 RP by end of March 13.</p> <p>32 RP by the end of March 14</p> <p>30 RP by the end of March 14 (with 1 contract carer)</p>	<p>1,192</p>	<p>1,413</p>	<ul style="list-style-type: none"> • Needs analysis by type of placement, modelling existing commitments and identifying best practice elsewhere. (VMcY) • Predictive management information models for the early identification of likely requests for placement (VMcY) • Using different commissioning approaches to procure lower cost placement solutions e.g. intensive foster care “Keep Model”. (VMcY) • Reducing no. of babies fostered through use of potential adoptive parents (MW) • Prioritising assessment of any prospective internal foster carers who show an interest in taking teenagers. (AY) • Targeted marketing activity, including making links with employers with strong culture of social responsibility (AY) • Using a JIGSAW house as an 	<ul style="list-style-type: none"> • Provisional agreement from staff member to go forward as contract carer. Investigate possibility of recruiting further contract carers • Completed initial scoping re CAMHS placement stability team; existing resources identified and priority brief for team agreed • SW within fostering team identified for flexed caseload pilot of fast track assessments of foster carers • Weekly fostering recruitment staff in town centre well established and providing an average of 1 high quality enquiry per week • Feedback obtained from adoptive carers re potential arrangements for fostering to adopt, and initial discussions to identify potential (as yet unborn) babies; Telford staff meeting with Joint Adoption service before Christmas • Attendance of Assistant Director at Local Strategic partnership produced some useful leads for follow-up; to be repeated 	<p>March 13</p> <p>March 14</p> <p>March 14</p>
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Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
			<p>assessment centre if this is confirmed as a viable option (<i>VMcY</i>)</p> <ul style="list-style-type: none"> • Recruiting 2 contract foster carers (<i>VMcY/AY</i>) • Consider external procurement of respite care • Advertise for foster carers for individual hard to place children “be my foster carer” • Recruit additional SSW in Family Placement to reduce disruptions family and friend’s carers and more capacity to assess mainstream carers. • Pilot new recruitment of foster carers model – flex SWs caseload to assessments and offer additional hours to part-time staff • Increase Children In Care Team SW hours from half to fulltime for 6 months to focus on getting YPs in residential care into foster placements 	<ul style="list-style-type: none"> • Employer with strong culture of social responsibility identified and link made for future targeting visit • CAMHS advice available to foster carers via Family Connect from February 2013 • SSW Family Placement appointed – in post by Feb 2013 	

Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
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Objective 3: Karen Perry/Clive Jones

Children in Care - Review approach /strategy for reducing CiC placements.

Performance Indicators – Reduce number of CiC, reduce number of child protection plans (CP) and reduce time spent in care

<p>300 CiC by April 13</p> <p>294 CiC by April 14</p> <p>9 fewer CP Plans by April 13</p> <p>21 fewer CP Plans by April 14</p> <p>Average time spent in care reduced by 6 weeks by April 13</p>	<p>556</p>	<p>1,009</p>	<ul style="list-style-type: none"> • “Family Support Model” in place. Early appropriate intervention and resolution and hence lower cost solution which may be longer term. <i>(DL)</i> • Targeted approach to dealing with most vulnerable families (SF Task Force) <i>(JB)</i> • Embedding culture of integrated safeguarding and early support practice across the Borough on a multi-agency basis (Telford Compact) <i>(DL)</i> • System in place for monitoring impact of interventions <i>(DL)</i> • Learning culture in place - audit/review recent high cost admissions <i>(JBr)</i> • New “early support” approaches for children living with domestic violence or suffering neglect in place. <i>(JB)</i> • Resource Allocation Management Panel established for preventing non emergency admissions to care, especially teenagers <i>(KP/CJ)</i> • Reduced time in care (use of Permanence Panel) <i>(JBr)</i> 	<ul style="list-style-type: none"> • Analysis of involvement of F&C in complex safeguarding cases underway • Families who meeting SF criteria with whom SW teams involved identified • Draft thresholds document discussed at LSCB policy and procedures group and joint Safeguarding/F&C management meeting • 3 families (totally 14 children) recently CIC being analysed for joint audit at Childrens’ Service Improvement Team on 14th Dec • Weekly RAMP in place • Emerging model in draft for addressing Neglect. Pilot commenced for improvement in CP conferences and CP plans 	<p>April 13</p> <p>April 14</p> <p>April 13</p> <p>April 14</p> <p>April 13</p>
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Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
			<ul style="list-style-type: none"> • Predictive modelling/ review of approach for babies with disabilities/complex health needs who may become CIC and those in residential school who require 52 weeks support. (VMcY) • Council services working together to mitigate against bringing a child/s into care. (KK/CJ) • Implement Community Action Research Programme (part of Strengthening Families Task Force (CJ) • Commission Morning Lane to undertake case analysis of recent admissions as part of externally funded support for safeguarding reconfiguration 		

Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
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Objective 4: Viv McKay (Karen Perry)

Utilise commissioning approach to review in detail the following processes/services within safeguarding:

Performance Indicators – will be determined during the course of the review

	150	350	<ul style="list-style-type: none"> • Change delivery model for fostering, and contact and parenting assessments (Use of IEWM). (VMcY) • Provide better support to vulnerable pregnant mothers (JBr) • LEAN Review of key early help and safeguarding processes (VMcY) • Review value for money of existing arrangements for using translation service. (VMcY) • Fully understand cost differential (child/adult cost per place) and identify options for reducing cost per place where possible. (VMcY) • Investigate options for reducing cost of court ordered contact. (VMcY) • Review use of escort arrangements and opportunity for independent travel when transporting CiC (VMcY) 	<ul style="list-style-type: none"> • Set up meeting with external resource to review Fostering Service Planned for 14th December. • Visit to another LA to learn from their practice re better support to vulnerable pregnant mothers, plus submission of bid for funding from Dee • Potential SW attendees for Parenting Assessments Manual training (April 2013) being identified • Discussion re more cost effective arrangements for contact planned before Christmas 	April 13
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Appendix 2 - Action Plan

Target (PI)	Target Saving 13/14 p.a. £k	Target Saving 14/15 p.a. £k	Actions	Progress	PI When By
Total Savings	2,198	3,392			
Proposed Investment	600				
Total	2,637				
Proposed Budget 13/14	2,798				

Risk Matrix

Risk	Mitigation
<ul style="list-style-type: none"> • Culture change within our workforce and across agencies will be resisted 	<ul style="list-style-type: none"> • Comprehensive engagement/communication strategy and plan put in place to support change • Detailed action plans to be shared and owned by workforce and agencies, starting with our own SDMs • Re-launch Telford Safeguarding and Integrated Services Early Help Training. • Invest in longer term “co-production” model with community through strengthening families and homelessness task forces. • Support and funding attracted from west midlands region to support this work.
<ul style="list-style-type: none"> • Reconfiguration uncertainty – Safeguarding review underway. 	<ul style="list-style-type: none"> • Comprehensive engagement/communication strategy and plan put in place • Ensuring social workers understand the need for change • The concept of the Telford Social Worker
<ul style="list-style-type: none"> • Lack of capacity at SDM level – previous reviews have reduced substantially capacity at manager level across children and family service 	<ul style="list-style-type: none"> • Use Capacity Fund and existing balances to provide additional one off capacity where needed • SDM taken on to support transformation and to ensure practice quality is maintained during change
<ul style="list-style-type: none"> • Lack of capacity in Commissioning & Family Placement teams 	<ul style="list-style-type: none"> • As above
<ul style="list-style-type: none"> • Some LA pay a premium or have concluded single status work resulting pay inequity across the region 	<ul style="list-style-type: none"> • Review inequity and make recommendations for addressing any inequity
<ul style="list-style-type: none"> • Adverse impact of benefit change on demand for children and family services. 	<ul style="list-style-type: none"> • Impact to be assessed by Strengthening Families and Homelessness Task Force. Not looking to drive savings out of this money. • Realistic targets regarding CiC numbers/CP plans and savings

<ul style="list-style-type: none"> • Shortage of foster carers nationally – there is a shortage of foster carers across the region, particularly for older teenage children in care. 	<ul style="list-style-type: none"> • Review package and support offered • Review marketing strategy as above
<ul style="list-style-type: none"> • Perverse incentives to make children subject of CP plans for children’s workforce who are not SWs and some SW teams as we are currently structured 	<ul style="list-style-type: none"> • LSCB develop and endorse Risk Model • More robust “Step Down” arrangements • Clear, well understood and endorsed models of alternatives to CP plans for (some) DA and Neglect cases • Reconfiguration of Safeguarding Service
<ul style="list-style-type: none"> • Impact of Family Law reform on capacity in ACM teams 	<ul style="list-style-type: none"> • Should be short term and pending promised national simplifications of care plans
<ul style="list-style-type: none"> • Lack of Business Support Officer (BSO) capacity 	<ul style="list-style-type: none"> • Review service requirements as part of the restructure

SUMMARY OF SAVINGS PROPOSALS APPROVED BY CABINET 20 SEPTEMBER 2012

Savings Proposals By Year						
Service Area	Assistant Director	2013/14 £	2014/15 £	2015/16 £	2016/17 £	Total Saving £
Family & Cohesion Services	Clive Jones	519,000	30,000	-	-	549,000
Education, Culture & Skills	Jim Collins	276,500	101,000	-	-	377,500
Children's Safeguarding	Karen Perry	-	-	-	-	-
Care & Support	Karen Kalinowski	1,901,000	1,102,000	-	-	3,003,000
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	541,640	243,485	306,000	-	1,091,125
Neighbourhood and Leisure Services	Jonathan Rowe	908,000	1,269,000	253,000	58,000	2,488,000
Development, Business & Housing	David Sidaway	790,180	175,435	-	-	965,615
Co-operative Council	Richard Partington	-	-	-	-	-
Council Wide		344,000	-	-	-	344,000
Total		5,376,151	2,993,680	559,000	58,000	8,986,831
		-	-	-	-	-

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	1,449,240	748,070	183,000	38,000	2,418,310
Procurement	1,034,500	403,000	306,000	-	1,743,500
Property Rationalisation	300,520	16,610	-	-	317,130
Restructure	446,231	-	-	-	446,231
Service Review/Redesign	1,773,060	1,565,000	50,000	-	3,388,060
Total	5,376,151	2,993,680	559,000	58,000	8,986,831
	-	-	-	-	-

APPENDIX 3 - DETAILED SCHEDULE OF SAVINGS PROPOSALS - 2013/14 TO 2016/17 APPROVED BY CABINET 20 SEPTEMBER 2012

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 was implemented on the 1st October 2012, 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 to 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)	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.
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.

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
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 Other:		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	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.
28	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	
29	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
30	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.
31	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.
32	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

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
33	Family & Cohesion Services	Various Youth Initiatives	189,243	75,000				75,000	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.	
34	Education, Culture & Skills	Lifelong Learning/age careers service		100,000				100,000						
35	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	
36	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.		
37	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.
38	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 reviewed. 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
39	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
40	Care & Support	Various operational budgets across all service teams			2,000			2,000	Karen Kalinowski		None	None	None	None
41	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				
42	Customer & People Services	Car Lease Budget	14,630	10,630				10,630	John Harris					
43	Customer & People Services	Reduced maintenance & lease costs of delivery van	8,000	2,500				2,500	Sharon Smith					
44	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	
45	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	
46	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		
47	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.
48	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
49	Customer & People Services	Release leakage budget from bottom line for Catering as part of the Property & ICT restructures	76,700	32,235				108,935	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	
50	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					
51	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 purposes but this should be treated as leakage.
52	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.
53	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 o 2 TWS operatives	Parishes or community groups may need to engage.	N/A
54	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
55	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
56	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.

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
57	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		
58	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.
59	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.
60	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
61	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	
62	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.
63	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
64	Neighbourhood & Leisure Services	Post 16 route rationalisation New College/BRJ Services		5,000	-			5,000	Helen Hill	rationalisation of routes	Minimal	Minimal	Minimal	
65	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
66	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
67	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 gully 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
68	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.
69	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
70	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	
71	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	
72	Dvpt. Business & Housing	Replace lighting at Portico House with more efficient equivalents and save energy costs		700				700						
73	Dvpt. Business & Housing	Replace lighting at Oakengates Leisure Centre with more efficient equivalents and save energy costs		10,000				10,000						
74	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
75	Dvpt. Business & Housing	Strategic Housing - various operational efficiencies		2,700				2,700	Katherine Kynaston	Increased efficiencies in non front line services	None	None	None	
76	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	
77	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
78	Dvpt. Business & Housing	Transfer operation of Neighbourhood Libraries to the Community.	41,000	41,000				41,000	Sharon Smith					
79	Dvpt. Business & Housing	Under achievement of saving against Stirchley Library	38,120	8,000				8,000	Sharon Smith					
80	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
81	Dvpt. Business & Housing	Property & Design: Contingency for school schemes		10,000				10,000	Chris Goulson	Removal of budget	None	None	None	
82	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				1,449,240	748,070	183,000	38,000	2,418,310						

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Procurement														
83	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
84	Care & Support	Alternative funding of 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.
85	Care & Support	Supporting People - review of existing contracts to move from buildings based to floating (needs based) support service		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 providers of building based support.
86	Care & Support	Market & Community Development - in particular development of a homecare framework agreement		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.
87	Customer & People Services	Archives - renegotiate contract	57,740	5,000				5,000	Sharon Smith					
88	Customer & People Services	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 done remotely)		103,000	103,000	206,000		412,000	Kirsty King					Capital investment needed in future as part of refresh strategy
89	Customer & People Services	Broadband & telephony contract - tender process commences Jan 2013.			50,000	100,000		150,000	Kirsty King					
90	Customer & People Services	Printing savings relating to MFDs		33,000				33,000	Kirsty King					
91	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	
92	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.
93	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
94	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 mitigated 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				1,034,500	403,000	306,000	-	1,743,500						
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					
104	Dvpt. Business & Housing	Further restructure of service area		63,000				63,000	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	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
106	Council Wide	SMT restructure		100,000				100,000						
Total Restructure				446,231	-	-	-	446,231						
Service Review/Redesign														
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 telcare 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					

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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 £179,820 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			
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 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.	(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				1,773,060	1,565,000	50,000	-	3,388,060						
Overall Total				5,376,151	2,993,680	559,000	58,000	8,986,831						

APPENDIX 4 - SUMMARY OF ADDITIONAL SAVINGS PROPOSALS

Service Area	Proposals		
	2013/14 £	2014/15 £	Total £
Education & Skills	217,000	93,000	310,000
Family & Cohesion	1,508,510	831,930	2,340,440
Care & Support	317,000	1,957,000	2,274,000
Law, Democracy & Public Protection	171,000	-	171,000
Finance, Audit & Information Governance	153,568	11,982	165,550
Customer & People Services	358,170	371,500	729,670
Neighbourhood and Leisure Services	161,000	110,000	271,000
Development, Business & Housing	250,000	103,500	353,500
Co-operative Council	98,810	-	98,810
Total	3,235,058	3,478,912	6,713,970

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Savings Proposals By Type			
	2013/14 £	2014/15 £	Total £
Income	103,000	92,000	195,000
Non-Staff Savings	1,209,700	2,074,500	3,284,200
Procurement	747,300	128,930	876,230
Property Rationalisation	113,000	38,500	151,500
Strategic Review of Capacity	521,258	311,982	833,240
Service Review/Redesign	540,800	833,000	1,373,800
Total	3,235,058	3,478,912	6,713,970

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	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	Dvpt. Business & Housing		75,000	75,000	150,000	Katherine Kynaston	New Homes Bonus - in addition to the 800 units built into the budget strategy.	Part of growth strategy for the Borough	None	None	None
2	Neighbourhood & Leisure Services		16,000		16,000	Keith Harris	Generates increased income from car parks where charges already apply. Helps to encourage greater use of Ironbridge Park & Ride that is now operational at peak visitor times. Residents are protected via permit scheme.	Increased cost for parking and possible impact on local economy in Ironbridge though not anticipated as charges are still at a reasonable level and below that of some town centres and tourist attractions	none	Potential increase in use of Ironbridge Park & Ride to help sustain this new investment.	Potential reduced use of Council car parks if perceived to be expensive and possible displacement of parking onto adjacent road network. However there are limited numbers of off-street parking places in Ironbridge
3	Family & Cohesion	544,021	5,000	10,000	15,000	Diane Partridge	Service review underway has identified an opportunity for trading non core elements of the service	Minimal	Employees have been involved in the review and findings will be the subject to full consultation.	Additional cost for schools, market testing indicates that they would pay an appropriate charge and that demand exists. Proposals will be subject to a period of consultation.	Risks and mitigation to risk will be considered during the review and included in the final report
4	Customer & People Services		7,000	7,000	14,000	Andrew Meredith	Increase broadly in line with inflation.	Increased costs for burials			
Total Income			103,000	92,000	195,000						
Non-Staff											
5	Finance, Audit & IG		61,400		61,400	Ken Clarke	Reduced based on 12/13 projected spend and improved working practices, increased use of electronic working methods, expiry of small number of remaining leased car arrangements	Minimal	Minimal - reduced ability to attend external training courses/seminars and to support staff wishing to become professionally qualified.	Minimal	Minimal
6	Education & Skills		92,000		92,000	Jim Collins	Efficiency savings identified during 2012/13 based on spending levels and identified areas for additional modification of practice	Minimal		Minimal	Minimal
7	Dvpt. Business & Housing		15,000		15,000	Katherine Kynaston	Operational budget savings following budget and team amalgamation	None	None	None	None
8	Neighbourhood & Leisure Services		10,000	10,000	20,000	Dave Hanley	Play areas have been ungraded in recent years via 106 monies and Playbuilder programme. The budget will only cover minor improvements and future play development is dependant on planning, external funding or Parish	Reduced opportunity to meet local needs unless other funding is made available through planning gain or Parishes etc.	none	Greater demand on Parishes	Seek to obtain external funding sources
9	Family & Cohesion	141,172	126,170	15,000	141,170	Chris Marsh	Government backed scheme to support early years workforce development has ended.	Minimal. Change reflect national government change in priorities.	Reduction workforce development opportunities for private, voluntary and independent sector providers	none	Could impact of quality of provision over the medium to longer term. This will be kept under review.
10	Family & Cohesion	108,000	50,000	18,000	68,000	Chris Marsh	Reduce size of programme and link to work on sexual health which becomes a Council responsibility from 1st April 2013	Minimal	None	Minimal	Could impact on teenage pregnancy rates across the Borough, already above national averages. Will mitigate by developing stronger partnership with health services through effective cooperative commissioning
11	Family & Cohesion	50,225	50,220		50,220	Chris Marsh	Assertive outreach contract for providing support for vulnerable families ended and replaced by more targeted supported through children and family centres	Reduced funding available to support vulnerable families. This will be offset to some extent by using alternative funding sources and by taking a more targeted approach	None	contract ended 11/12 following reorganisation	minimal
12	Family & Cohesion	50,000	25,000		25,000	Clive Jones	DfE pilot ended, small sum retained to commission some TAMHS support	minimal	none	minimal	none
13	Family & Cohesion	34,995	15,000		15,000	Diane Partridge	Following a review of spend during 12/13 budget no longer required	None	None	None	None
14	Family & Cohesion	48,098	5,000		5,000	Diane Partridge	Small reduction to supplies and services budget based upon 12/13 spend levels	None	None	None	None
15	Family & Cohesion	151,037	20,000	10,000	30,000	Chris Marsh	Small reduction to supplies and services budget based upon 12/13 spend levels	Reduced funding available to support vulnerable families. This will be offset to some extent by using alternative funding sources and by taking a more targeted approach	None	None	None
16	Family & Cohesion	41,447	38,650		38,650	Jas Bedesha	based upon 12/13 spending levels, services efficiencies and greater partnership working	Reduced funding available to support community safety	None	none	Increase in anti social behaviour. Mitigated by working closely with partners including the PCC, Police, Housing other LA and health.
17	Family & Cohesion	14,280	14,280		14,280	Jas Bedesha	STAY contract ended and not renewed earlier this year. The Housing Task Force is looking at a different approach to dealing with homelessness. Findings of the review will be the subject of consultation.	Minimal	None	None	Ongoing benefit reforms may lead to an increase in the number of people presenting as homeless in 13/14. The Housing Task Force is assessing this risk and identifying options to mitigate.

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	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
18	Family & Cohesion Early Years Special Educational Needs	106,000		10,000	10,000	Chris Marsh	Review options for reducing funding to support SEN within PVI sector. The review will consider whether amended early years funding within the Dedicated Schools Grant can provide additional support	Possible impact on PVI in dealing with children with special educational needs.	Minimal	see left	minimal
19	Family & Cohesion Support for communication with parent and parent groups.	-		10,000	10,000	Viv McKay	Review impact of current arrangements and options for future engagement with parents.	Opportunity for parental engagement lost. The review will look at alternative options and alternative funding sources to support.	None for the Council. If unsuccessful in attracting external funding then possibility of losing a post within the voluntary sector.	Would limit opportunity for community engagement over Council wide proposals.	minimal
20	Co-operative Council Unallocated grant funding		48,810		48,810	Richard Partington	Unallocated grant funding	This proposal will not impact on existing projects as it is unallocated.	None	Minimal	None
21	Customer & People Services ICT supplies and services review to include a review of contracts for mobile phones and the deletion of support costs following civic offices decommissioning, including a reduction in the ICT training budget reduce ICT dedicated training budget		48,000	4,500	52,500	Kirsty King	Temporary capacity will be used to undertake a detailed review of charges and tariffs.			Mobile phone budgets sit within service budgets which would be cut as a result of the saving.	Requires invest to save funding
22	Customer & People Services ICT - Management Of Dell contract - make further savings in relation to maintenance charges		15,000		15,000	Kirsty King					
23	Customer & People Services ICT - savings arising from Neopost solution through the centralisation of all posting and packing for all council services and possible other services longer term			40,000	40,000	Kirsty King				Postage budgets sit within service budgets which would be cut as a result of the saving.	
24	Customer & People Services People Services - Review of Supplies & Services Budgets		3,170		3,170	John Harris					
25	Customer & People Services People Services - use of dedicated schools grant to deliver training for Early Years		120,000		120,000	John Harris	This will require some further work to ensure a level of early years training can be provided and funded by schools to ensure this saving is sustainable post 2014				Training programme may not be ongoing.
26	Customer & People Services People Services - further reduction in council training budget following the introduction in 2013 of e.learning		50,000		50,000	John Harris					
27	Customer & People Services People Services removal of consultancy budget		35,000		35,000	John Harris					
28	Law, Democracy & Public Protection Reduction in members allowances budget		50,000		50,000	Jonathan Eatough	Underspend in current year	Nil	Nil	Nil	The risk is that, at some stage in the future members may choose to claim their full allowance. This will need to be subject to annual review.
29	Care & Support Application of a series of funding restrictions detailed below which will contribute to the delivery of the 2012/13 budget strategy savings for 2013/14 and 2014/15 as listed in Appendix 3 and also the additional savings target of £317k for 2013/14:		317,000	-	317,000	Karen Kalinowski					
	Care & Support 1) Imposition of a funding ceiling - either through the application of RAS or through a ceiling linked to the alternative cost of residential care) for community based care packages				-	Karen Kalinowski	The cost of caring for an individual with a high level of need in their own home can be considerably more than the cost of a residential placement	This will significantly reduce choice for some individuals and a significant number will have to go into residential provision and will not be allowed to continue to live in their own home		Will lead to reduced demand from domiciliary providers and increased demand for residential and nursing care	Challenge and complaints from individuals and their families/carers
	Care & Support 2) Review of policy provision/revision of expectation in ALD and Transition service areas to clarify that basis of future accommodation provision in the community will be on shared basis only.				-	Karen Kalinowski	It is accepted by society that young adults not in receipt of social care services live in shared accommodation or continue in the family home due to the economic state which prevents their access to single rented or purchased accommodation				Challenge and complaints from individuals and their families/carers
	Care & Support 3) Review of Adults with Learning Disability Provider Services				-		The introduction of personal budgets gives individuals increased choice and control over how their council funded care is provided. As a result in house services will be in direct competition with external service providers and other models of service delivery e.g. personal assistants. In order to survive the services have to be more cost effective and deliver the services of choice.	This will result in a redesign of services and some services may no longer be available if they are not financially viable. It should however result in the delivery of more localised services closer to the communities in which service users live.	Not possible to assess at this stage but may involve transfer to independent organisations and possibly redundancy	Transport budgets will be impacted by the redesign. It is planned to reduce the overall demand for transport and achieve subsequent reduction in costs	Likely to be significant opposition to change by the parent/carers of service users. This will be mitigated as far as possible by their engagement in the entire process.
	Care & Support 4) A panel process will be introduced to review and agree all ongoing care packages to ensure consistency and utilisation of alternative less costly forms of service provision such as assistive technology				-	Karen Kalinowski	Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available	Will be delays in some individuals receiving their care packages		Will lead to increase in delayed discharges from hospital	Challenge and complaints from individuals and their families/carers. Will also have adverse impact on relationship with Health colleagues
30	Care & Support Dependent on delivery of existing savings and enhancements outlined above it is likely that the Council will need to consider commencing a consultation process during 2013/14 around a review of eligibility criteria to reduce statutory access to services to those with critical needs only			1,957,000	1,957,000	Karen Kalinowski	In order to reduce the levels of care provided need to have legal basis on which reviews and decisions are made. Otherwise likely to be subject to challenge and judicial review.	Lower levels of care will be provided to some individuals and some individuals would no longer be provided with any care services.		Reduced demand for services in provider sector could lead to business closure and redundancies. Would increase pressure on health budgets.	Risk of harm to individuals and escalation to critical need. Mitigation through maintenance of preventative investment and transition. Likely to be significant public opposition
Total Non-Staff			1,209,700	2,074,500	3,284,200						
Procurement											
31	Finance, Audit & IG Reduction in external audit fee following national procurement process (in addition to the £30,000 already put forward for 13/14)	249,610	53,300		53,300	Ken Clarke	Reduction based on published audit fees.	Nil	Nil	Nil	External audit may charge additional fees, for example in relation to electors questions which they are obliged to investigate, which would result in additional in year costs. In future these will be managed as in year over-spends as part of financial monitoring i.e. they will be met from underspends elsewhere or the budgeted contingency.

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	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 Home to school transport		200,000		200,000	Viv McKay	Efficiency Savings identified during 2012/13	Minimal	None	Minimal	Other unavoidable costs may arise due to changes in legislation. Officers will monitor risk to ensure suitable mitigation is in place.
33	Family & Cohesion Other Route Rationalisation		50,000		50,000	Viv McKay	Further savings anticipated from using route mapping software	Minimal	None	Minimal	None
34	Family & Cohesion Fleet Services		250,000		250,000	Viv McKay	Efficiency savings identified during 2012/13 including BSOG fuel duty rebate, outside hire income and on vehicle maintenance.	Minimal	None	Minimal	Savings in 12/13 not ongoing. Regular monitoring will ensure that spending against budgets in kept under review
35	Family & Cohesion Short Breaks	598,655	50,000		50,000	Viv McKay	Maintaining spending at 12/13 spending levels whilst still meeting needs identified in short breaks statement	Minimal	None	None	Increase in children and young people meeting the criteria set out within the Council's Short Breaks Statement.
36	Family & Cohesion Childrens' Disability - Bradbury House	142,310	30,000		30,000	Viv McKay	Improved contract terms and reduced requirement following reassessment of need	Minimal	None	None	Sudden increase in demand
37	Family & Cohesion Homelessness & Housing	-	84,000	58,930	142,930	Jas Bedesha	Following review of approach to accommodating homeless families reduced dependency on bed and breakfast accommodation and hence reduced loss of housing benefit subsidy. This saving assumes that an average of 10 B&B placements are used (13/13) and 5 in 14/15. The current number is zero and number prior to the initial review averaged 22	This may impact on some business that relied on income from the Council. Some of these business are investigating how they can diversify into becoming supported lodging providers.	None	None	Benefit reforms may lead to a sudden increase in applications for housing support. To offset this the assessed saving assumes an average of 10 B%&B placements will still be required in 13/14
38	Customer & People Services Projected savings relating to the move to Thick/Thin workstations/lap tops		20,000	30,000	50,000	Kirsty King	Following the deployment of thin client at Addenbrooke over 70% of staff are now using thin client so we can revisit other services in Darby to implement the same way of working to realise these extra savings	None	None	None	Prediction is not correct and more money is required to purchase equipment.
39	Customer & People Services Broadband Contract savings		10,000	40,000	50,000	Kirsty King	The contract is due for renegotiation				
Total Procurement			747,300	128,930	876,230						
Property Rationalisation											
40	Dvpt. Business & Housing Release borrowing potential as a result of further rationalisation, using £700k overall - benefit increases to £49k in 15/16		30,000	8,500	38,500	Chris Goulson	As part of property rationalisation for Council operational needs, Edward James House is no longer required as a result of the first phase of property rationalisation.	None	None	None	None
41	Dvpt. Business & Housing Running costs associated with Edward James House		50,000		50,000	Chris Goulson	As part of property rationalisation for Council operational needs, Edward James House is no longer required as a result of the first phase of property rationalisation.	None	None	None	None
42	Dvpt. Business & Housing As part of improving stock over previous years then a reduction in R&M can be secured through better quality buildings and full repairing leases.			20,000	20,000	Kate Turner	As part of the improvement in quality of property and converting leases to full repairing liability we can reduce spend on repairs & maintenance	None	None	None	None
43	Family & Cohesion Youth Premises - property rationalisation	38,871	33,000		33,000	Jas Bedesha	Rationalising use of youth property by disposing of properties (not used for youth club provision) no longer needed or generating additional income.	The Council will continue to deliver its youth offer through centres located across the Borough. The review will focus upon offices based or bases where provision required transport.	None	Opportunity to generate income by disposing of property or finding external tenant.	Unable to relocate officers to other locations.
44	Family & Cohesion Children & Family Centres property rationalisation		-	10,000	10,000	Chris Marsh	Review accommodation needs for children and family centre teams.	Minimal	None	Opportunity to generate income by disposing of property or finding external tenant.	Minimal
Total Property Rationalisation			113,000	38,500	151,500						
Strategic Review of Capacity											
45	Finance, Audit & IG Employee savings relating to reduced hours, vacant hours following restructure and ending temporary contracts.		38,868	11,982	50,850	Ken Clarke	This saving protects staff in substantive posts and therefore the core service being delivered.	Minimal	Temporary contracts will not be renewed; reduced hours have been identified/requested by staff themselves.	Likely to require transfer of transparency function to Cooperative Council or Communications SDU	Reduces capacity and ability for workforce planning.
46	Dvpt. Business & Housing Resulting from confirmed service restructure; part of the savings were included in previous budget details. This is in addition to the £60k included for 2013/14		35,000		35,000	David Sidaway	Values included reflect the projected savings following confirmation of restructure in October 2012	None	Part of confirmed structure from October 2012	None	None
47	Dvpt. Business & Housing Strategic Review of Capacity within the Service Area		45,000		45,000	Mal Yale	Ongoing review of capacity	None	Potential impact	None	None
48	Neighbourhood & Leisure Services Strategic Review of Capacity across the Service Area		40,000	50,000	90,000	Jonathan Rowe	Partially Subject to approval of VR request , and transition period required for knowledge transfer and restructuring	Continual erosion of work quality given volume and competing priorities may impact on quality of service delivery	Increased workload will need to be managed and prioritised	Responsiveness and greater chance of breakdown in communication and cooperative working due to work demands	Essential we introduce a service based M&P resource so to be proactive on communication and support key teams.
49	Neighbourhood & Leisure Services Highways & Transport - change Road Safety and Sustainable Travel team to become largely self funding from grants and income generation		45,000		45,000	Keith Harris	Further opportunities for income generation by charging schools and other external organisations for road safety / driver training courses and through developer contributions.	Continual erosion of work quality given volume and competing priorities may impact on quality of service delivery. Potential for increase in road accidents and less sustainable forms of transport	Increased workload will need to be managed and prioritised	Increased pressure on school and college budgets to continue funding road safety and sustainable travel initiatives. Increased pressure on NHS and public health budgets arising from increased numbers of road accidents, reduction in active travel (obesity, heart attacks etc) and increase in carbon emissions (respiratory diseases). Increased pressure to spend limited capital budgets on traffic management measures to mitigate an increase in car-use.	Reduction in Council reputation if road accidents and the proportion of car-use increases

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	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
50	Family & Cohesion Early Intervention - Supplies & Services	26,500	26,500		26,500	Chris Marsh	Based upon spend during 12/13 budget no longer required.	Reducing funding available to support the Councils early intervention programme.	None	None	None
51	Family & Cohesion Childrens' Specialist Administration Arrangements	29,886	29,890		29,890	Diane Partridge	Arising from recent restructure of Family & Cohesion Service implemented in 12/13	None	None	None	None
52	Co-operative Council Reduced hours/staff vacancies		50,000		50,000	Richard Partington	Proposed savings arise from employee requests for reduced working hours and re-organisation around staff vacancies.	None	Positive impact arising from granting employee requests for reduced working hours and retaining experience and skills of these employees, although as with all flexible working patterns there is potential for capacity of team to be further stretched.	Minimal	None
53	Customer & People Services Further review of the People Services operations following merger of former HR and OD services			250,000	250,000	John Harris	There are opportunities to deliver further savings through the deployment of e.learning and a commissioning based approach to learning				
54	Law, Democracy & Public Protection Deletion of posts as a result of VR applications and re-distribution of associated work		121,000		121,000	Jonathan Eatough	Will be achieved through voluntary redundancies and the associated required re-structures to properly re-distribute work.	Some services will be affected. It is too early to detail what these impacts will be.	This whole saving is based on the loss of staff. The aim is to secure the majority of the savings through voluntary redundancy but compulsory redundancies cannot be ruled out.	Potentially links to the delivery of public health outcomes and the associated ring fenced budget.	Our ability to meet the high standards required regarding performance management to the Electoral Commission will be reduced. Whilst a re-structure in public protection will enable us to review the way we provide this service a reduction in personnel is likely to have a direct impact upon front line services
55	Education & Skills Strategic Review of Capacity		90,000		90,000	Jim Collins	Reduction of grant funding for Early Intervention will require a rationalisation of service delivery to provide more targeted support	Reduced funding to support vulnerable young people experiencing barriers to learning and employment will require a more targeted approach to minimise impact.	Employees affected by the review of service delivery will be fully consulted in order to identify ways to reduce negative impact.	Minimal	Could impact on the quality of provision in the medium term and this could have a negative impact on the 16-24 age group
Total Strategic Review of Capacity			521,258	311,982	833,240						
Service Review/Redesign											
56	Education & Skills Review of School Improvement Services		35,000	93,000	128,000	Jim Collins	Analysis of income generation and expenditure related to trading services to schools has identified potential areas for further efficiencies.	Schools may receive less intervention from core School Improvement Service which could lead to an increase in schools becoming less effective.	Employees affected by the review of service delivery will be fully consulted in order to identify ways to reduce negative impact.	Additional cost for schools which may lead to a loss of income for the service and creates opportunities for neighbouring LA to market their	Could lead to a loss of income if schools are inclined to trade with providers other than T&W
57	Neighbourhood & Leisure Services Waste Services - introduce Black bag sort scheme at CRC's - i.e. stop and sort customer services helping to reduce landfill.		30,000	30,000	60,000	Dave Hanley / Debbie Germany	negotiate with TWS and Sita to change current operation at CRC to ask staff to stop and sort / guide customers to ensure full recycling takes place, i.e. nothing is sent to landfill that could be recycled	Maybe negative customer reaction - intrusion?	TWS staff would have to be retrained	TWS may resist change and may affect future waste contract savings	
58	Neighbourhood & Leisure Services Leisure & Environment - Reduction in Town Park / Parks management costs, Review opening hours of visitor centre, seasonal working across, parks, ice rink and town park, look to reduce TP management costs -year 2 after parks for people and public realm southwater link explored fully		20,000	20,000	40,000	Stuart Davidson / Dave Hanley	Other than special events need to consider as Tourist attraction and operate accordingly. High, Medium and Low seasons. Low season Nov-Feb Mid Mar-Apr and Sept-Oct Savings based on reduced catering and reception staff needs plus a review in year 2 of the off peak management costs.		Staffing impact minimised by closer working across leisure (ice rink) and town park and parks service		
59	Family & Cohesion Newdale Childrens' Centre Service Review	165,801	15,800		15,800	Chris Marsh	Part 1 service review completed during 12/13 and subject to 90 day consultation. Part 2 involves the transfer of the Baby Unit to the school. This review will be completed during 13/14	Minimal	Still to be assessed but will be subject to full consultation programme if required	School are aware of proposal	Minimal
60	Family & Cohesion Youth Offending Service	-	64,000	50,000	114,000	Jas Bedesha	Part 1 implemented following period of consultation. Part 2 review non core and non staff costs. Further savings are expected through property rationalisation and reletting some contracts. Also further synergies will arise from merging this service across West Mercia	Minimal	Still to be assessed but will be subject to full consultation programme if required	None	Minimal
61	Family & Cohesion Management Support - Supplies and Services	248,660	76,000		76,000	Clive Jones	Following reconfiguration of service and based upon 12/13 spending levels budget no longer	None	None	None	None
62	Family & Cohesion Housing Task force			20,000	20,000	Jas Bedesha	Initial review work undertaken by the Housing Task Force has identified a number of opportunities for generating efficiencies including ensuring the more effective use of Council properties, negotiation of lower rents etc.	None	None	Working with Development, Business & Housing to Develop Options	Minimal
63	Family & Cohesion Housing Options Advice & Resettlement	916,358		20,000	20,000	Jas Bedesha	Restructure of service area to be launched March 2013 linked to work of Housing Task Force	None	Still to be assessed but will be subject to full consultation programme	None	Minimal
64	Customer & People Services Review of Council Tax Single Person Discounts		50,000		50,000	Sophie Lane	A review of SPD's has not been undertaken for a number of years and work in other councils has suggested that there is additional council tax charges that should be levied due to changes in family circumstances not reported				
65	Family & Cohesion Commissioning Review of Transport and Public Transport		250,000	600,000	850,000	Viv Mckay	Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country	Service review recommendations will be subject to a Community Impact Assessment	Service review recommendations will be subject to employee consultation. Employees will be involved in developing service review/redesign proposals	Service review recommendations will be subject to a period of consultation with appropriate partners.	Unable to achieve target. We plan using appropriate from IEWM. They have undertaken reviews elsewhere and identified significant savings.
Total Service Review/Redesign			540,800	833,000	1,373,800						
Overall Total			3,235,058	3,478,912	6,713,970						

Appendix 5(a) Equality Impact Assessment (delivered to date)

Here is a list of the savings proposals considered relevant to equalities to be read in conjunction with Appendix 11 – progress on additional savings presented to Cabinet in 2012

Budget Strategy No: 68 (Appendix 3) – Reduce rights of way maintenance

The reduction in revenue funding for Rights of Way may result in reduced planned and reactive maintenance and may also impact on the progression of legal orders associated with Rights of Way. The Council aims to mitigate through liaising with local town and parish councils to explore joint funding opportunities for rights of way priorities in their area. In addition the Council is exploring options to encourage and facilitate user groups to undertake some maintenance work on the network where it is safe and appropriate to do so. The Council will continue to invest in capital improvements in the rights of way network to improve its overall condition and accessibility to the network.

Finally, the Council will also seek grant funding opportunities to deliver improvements to the network and will work with the Local Access Forum to identify and apply for relevant grant funding.

Prepared by Stuart Freeman, Service Delivery Manager, Highways and Transport

Council Tax Support Scheme

Section 1 – Overview

1. What is the title of the policy?

Localised Support for Council Tax.

2. What are the objectives of the policy? For example, what are we aiming to achieve? Who does it benefit? Please provide a brief description

The national Council Tax Benefit (CTB) scheme comes to an end on 31st March 2013 and is to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited. The aim of the new support scheme is to provide financial assistance to council taxpayers within the Council's area who have low incomes.

The Council currently pays Council Tax Benefit to around 18500 claimants and 10700 of these are of working age. We recognise that Council Tax Benefit is paid to greater numbers of women than men and in particular females who do not have a partner. Therefore, we acknowledge that any change to the Council Tax Benefit scheme will have a disproportionate affect on female claimants. We have included a breakdown of our current caseload in Appendix 1 (as of 31st August 2012).

Persons who are of state pension age (a minimum 60 years or greater) are protected under the scheme, in that the calculation of the support they are to receive has been set by Central Government. For working age applicants however, the support they receive is to be determined by the local authority.

This equality impact assessment looks at the potential for **not only** protecting pensioners (as required under the legislation) **but also** providing full support to all working age claimants who are considered **vulnerable** as defined below;

- The claimant or partner is in receipt of a severe disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant, partner or any dependant is in receipt of a enhanced disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant or partner is in receipt of a support component within the calculation of council tax support or within their Employment and Support Allowance; or
- The claimant or partner receives War Disablement Pension or a War Widow's/Widower's Pension, or any similar payment from another country.

The objective in adopting this policy would be as follows;

- a. To protect pension age claimants (in accordance with the requirements laid down by Central Government);
- b. to protect a specific section of the existing claimant group deemed to be highly vulnerable and independently verified as being the most seriously sick and not likely to be able to obtain work; and
- c. to protect the Council's armed forces covenant

The main issue for the Council is that the funding for support has been reduced significantly. However exempting these two additional working age groups (bearing in mind that pensioners are already protected under the scheme by Central Government) would increase the shortfall in funding to be borne by the remaining working age claimants who are not deemed vulnerable.

Central Government has not been prescriptive in how an authority should protect vulnerable groups but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.

In relation to disability, no definition has been given as to the level which would lead to protection being given, although it is acknowledged that where a person is in the longer term able to undertake work, that they should be incentivised to do so.

This would not apply to those who are deemed severely disabled.

3. Who does this policy affect?

- Customers/service-users Partners
- Employees
- Other – interested parties and organisations representing claimant groups

4. What period does the policy cover?

1st April 2013 until 31st March 2014. Reviewed annually.

5. Your contact details:

Name of person completing impact assessment and their post	
Telephone	
Date started	
Other officers/Stakeholders involved	

Section 2 – Impact Assessment

1. Will this policy have a significant impact on any of the following groups of people with regard to the General Equality Duty?

Positive and negative impacts should be assessed with regard to the General Equality Duty;

- eliminate unlawful discrimination, harassment and victimisation advance
- equality of opportunity
- foster good relations between different groups

Please mark all boxes indicating whether an impact has occurred, this could be positive or negative.

	Impact		
	Positive	Negative	None
People of different ages		Working age 18-65yrs	Pension age and protected groups
People with ill health or people with a disability		Disabled persons not in protected	Severely Disabled persons are in protected group
People of different gender		Women of working age will be affected more than men as they represent a higher number of	
People who are transgender			No evidence to indicate impact
Different racial groups			No evidence to indicate impact
People with different religion or beliefs			No evidence to indicate impact
People of different sexual orientation			No evidence to indicate impact
Women who are pregnant or breast-feeding			No evidence to indicate impact
People that are married or in a civil partnership			No evidence to indicate impact
People affected by deprivation		Working age 18-65yrs (although there is in-built protection for low incomes)	

What is the expected impact?

All persons within the Council's area who have a low income may apply for support and assistance with their Council Tax.

By making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government

prescribed requirements for the Council Tax Support (Reduction) scheme.

In the case of all claimants, it will be essential for the authority to correctly process claims for support based on the new regulatory requirements and to ensure that all existing benefit claimants continue to receive support through the transition and onwards

The desired outcomes are as follows;

Pension Age Claimants

- That existing pensioner claimants for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012);
- That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax Support in line with the regulations; and
- That all pensioner claimants continue to receive the correct level of support at all times.

There are currently 7728 pensioner claimants for Council Tax Benefit

Severely Disabled Working Age Claimants (as defined above)

- That existing severely disabled working age claimants (as defined earlier in this assessment) for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all working age severely disabled claimants receive the level of support currently provided under the existing Council Tax Benefit scheme;
- That all new working age severely disabled claimants or existing working age claimants who become severely disabled are able to receive Council Tax support in line with current Council Tax Benefit scheme; and
- That all working age severely disabled claimants continue to receive the correct level of support at all times.

Working Age Claimants who receive a war widows pension or war disablement pension

- That existing working age claimants who meet the criteria and who currently claim Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all working age claimants who meet the criteria, receive the level of support currently provided under the existing Council Tax Benefit scheme;
- That all new working age claimants or existing working age claimants who meet the criteria are able to receive Council Tax support in line with current council tax benefit scheme; and
- That all working age claimants who meet the criteria, continue to receive the correct level of support at all times.

There are currently 240 Council Tax Benefit claimants who are either severely disabled working age claimants or receive a war widows or war disablement pension.

Remaining Working Age Claimants (not protected)

- That the remaining existing working age claimants who currently claim Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That the remaining (non protected) working age claimants receive the level of support decided by the Council;
- That all new working age claimants or existing working age claimants who are not in the protected categories are able to receive Council Tax Support in line with Council policy; and
- That they continue to receive the correct level of support at all times.

There are around 10500 remaining working age claimants who would not be protected from the impact of any changes in the new Council Tax Support scheme unless they were defined as vulnerable.

A breakdown of those affected by Parish area is included at Appendix 1.c. We recognise there are areas within the Borough where there are higher numbers of people claiming Council Tax Benefit and acknowledge therefore that claimants in these areas will disproportionately be affected when compared to the whole Borough.

There are a number of factors which will **contribute** to the outcomes of the new process namely;

- That the new Council Tax Support scheme broadly replicates the existing Council Tax Benefit scheme for pension age and working age disabled claimants;
- That management and staff are experienced in delivering means tested support / benefit schemes; and
- That there is a comprehensive project plan, which ensures that delivery of the new scheme, will be on time and in line with legislative requirements.

The factors / forces that could **detract** from these outcomes are as follows;

- The failure of Central Government to approve the necessary legislation on time; The tight timescales for implementation of the new scheme;
- The failure of the Council's software suppliers to deliver the necessary changes to existing software systems to enable the correct processing of the new support; and
- The failure to deliver these significant changes to the welfare benefit system on time and within budget.

2. What engagement and consultation have you already carried out?

The Council has consulted with major preceptors and has consulted with the public commencing in August 2012 ending on 26th October 2012.

The information has been collated and will influence the decisions made by the Council prior to the 31 January 2013 in order to allow the implementation of the scheme for the April 2013.

3. Please give brief details of any further engagement/consultation you plan to carry out with any of the above groups, particularly where you feel you don't have sufficient information.

All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme and a full consultation with the public was undertaken as required by the legislation (Local Government Finance Act 2012) from 28th August 2012 to 26th October 2012.

The consultation delivered responses regarding the principles used to identify the changes and the thoughts of people regarding the individual proposals.

Whilst pension age claimants are protected, the Council still, as part of the consultation process, looked to pension age claimants and pensioners generally to respond to the consultation itself.

In respect of working age severely disabled claimants and the protected groups generally, it was essential to consult with the group as, being of working age, they will be directly affected by any changes decided by the Council.

For working age claimants generally or those who are not classified as protected within this policy, extensive consultation was undertaken to obtain their views given that the level of support they receive will be reduced significantly where these other groups are protected.

The consultation process was robust, comprehensive and encouraged a full response to the new support scheme itself (notwithstanding the fact that the authority is obliged to implement the scheme determined by Central Government for pension age claimants).

The consultation process has utilised a number of communication channels and delivered a maximum coverage of the Borough through the production of a specialized consultation document to every household within the Borough. Direct engagement with potentially affected claimants was undertaken in First Point, Telford at Civic Offices when customers access the benefit service.

Groups representing disabled people or people who chronically sick have been directly consulted as part of the process and we have encouraged their opinions on both local and national schemes.

Public consultation has taken place during the period 28 August 2012 until 26 October. 2012

Appendix 2 provides links to information used as part of the consultation.

Section 3 – Mitigating Actions

1. For each significant negative impact identified in Section 2 (Questions 3 & 4), what action have you taken, or will you be taking, to reduce/manage these impacts?

Where claimants are not protected, the level of support will be reduced in line with the funding available from Central Government.

This will be mitigated to some degree by the Council having the ability to assist claimants, by awarding additional support, where they are facing **exceptional** hardship and each case will be examined on a case-by-case basis taking into account their full personal and financial circumstances.

It is **not** possible to protect all claimants given the significant reduction in funding available to the Council.

All working age claimants **not** in the protected groups will see a reduction in support from the current Council Tax Benefit levels. However depending on their circumstances, the reduction they experience will be proportionate to the level of benefit they currently get and also their specific circumstances.

The Council is maintaining the core aspects of the current means tested scheme that provides additional assistance where there are dependants, disability and caring responsibilities by continuing to grant;

- disability premiums; enhanced disability premiums; severe disability premiums;
- work related activity components (where the person is in receipt of Employment and Support Allowance);
- support component (where the person is in receipt of Employment and Support Allowance);
- disabled child premiums (where dependants are in receipt of Disability Living Allowance or are registered / certified blind; and
- carer's premium where the claimant or partner is in receipt of Carer's Allowance

The scheme also provides significant work incentives with the continued use of;

- earnings disregards;
- additional earnings disregards;
- childcare disregards; and extended payments (reductions)

The Council, in creating its policy, has looked to protect families from child poverty by maintaining

- Dependants Additions – an allowance for each child is used within the calculation;
- Disabled Child Premiums – where a child is deemed to be disabled under the policy an additional premium is granted for each child within the calculation;
- Enhanced Disability Premium (where the child is entitled to Disability Living Allowance Care Component at the highest rate); and
- Family premium – where any claimant has at least one child, a family premium is awarded.

In addition child benefit, child maintenance and other income payable to children will continue to be disregarded in full.

The engagement activities have identified that consideration should be given to those with

limited financial management skills, mental health problems and anxiety in completing forms. As part of the wider changes to Welfare Reform being delivered through a number of Council services, the Council will continue to proactively engage and work with interested groups and third party organisations (including but not limited to Citizen's Advice Bureau) to maximise opportunities to support and advise customers affected by the changes, especially but not exclusively limited to customers who may share these characteristics.

Also, to some extent some of the concerns identified above will be mitigated by the fact that the Benefit Service operate a telephone and face-to-face application process that alleviates the requirement for a paper based application to be completed and guides the claimants through the process in a much more supportive manner. Home visits are available to customers in exceptional circumstances, particularly where the customer may have mobility difficulties or complex needs.

- 2. For each significant positive impact you identified in Section 2 (Questions 3 & 4) what action have you taken, or will you be taking, to maximise the opportunity?**

N/A

Remember to integrate any actions you have identified in to your service/team plans.

- 3. How do any of the above actions contribute to the aims of the General Equality Duty;**
- **eliminate unlawful discrimination, harassment and victimisation advance**
 - **equality of opportunity**
 - **foster good relations between different groups**

The above actions eliminate unlawful discrimination and maintain the level of support to the most vulnerable within the Council's area.

We believe the current proposals are objectively justified to achieve the legitimate aim of protecting the most vulnerable in our society whilst budgetary reductions of 10% or more are implemented nationally in relation to available council tax support. These steps will also improve equitable outcomes by removing inconsistencies where household income levels are not taken into consideration.

Where negative impacts have been identified we have made attempts to lessen the impact on those affected; the continuation of childcare disregards in calculations and a reactive hardship fund for instance.

We will also continue to review the situation and seek to provide further mitigation as and when opportunities and budgetary constraints allow.

Section 4 – Review and Monitoring

- 1. From what date will this policy be implemented?**

1st April 2013.

- 2. How will the actual impact of the policy be monitored and reviewed?**

Full monitoring of scheme implementation on a monthly basis in line with the accepted project plan.

Monthly and quarterly collection of data is to be undertaken by the Revenues and Benefits Service.

An update report will be produced at the end of the first year with further analysis of the actual impacts incorporating engagement with key stakeholders and detailing the effectiveness of the discretionary fund – April 2014/

APPENDIX 1

Current Council Tax Benefit Caseload Breakdown

1a. Breakdown by case group

Case Group	Number of Current Council Tax Benefit claims
Pension Age	7728
Working Age	10774

1b. Working Age claims breakdown by gender by the person claiming Council Tax Benefit

Gender	Number of claims
Female with partner	1607
Female without partner	5493
Male with partner	1464
Male without partner	2210

1c. Working Age claims breakdown by Parish area

Parish	Number of Council Tax Benefit claims
Dawley Hamlets Parish Council	288
Ercall Magna Parish Council	37
The Gorge Parish Council	112
Great Dawley Parish Council	1295
Hadley and Leegomery Parish Council	900
Hollinswood & Randlay Parish Council	425
Ketley Parish Council	269
Lawley & Overdale Parish Council	419
Lilleshall & Donnington Parish Council	886
Madeley Parish Council	1890
Newport Town Council	355
Oakengates Town Council	558
St Georges & Priorslee Parish Council	467
Stirchley & Brookside Parish Council	1047
Wellington Town Council	1332
Wrockwardine Parish Council	66
Wrockwardine Wood & Trench Parish Council	318
Others*	101

*Represents Parish areas with fewer than 20 claimants and have been combined to protect against the potential identification of individuals.

Information extracted from Telford & Wrekin Council Tax information management system 31 August 2012. The number of claimants can change daily so this information is only accurate at the time of extraction

APPENDIX 2 – Consultation Documents

Council Tax Support Consultation – Consultation Document

http://www.telford.gov.uk/downloads/file/4622/council_tax_support-consultation_document

Council Tax Support Consultation – Consultation Survey

Online - http://www.telford.gov.uk/downloads/file/4623/council_tax_support-draft_proposed_scheme

Paper - http://www.telford.gov.uk/downloads/file/4621/council_tax_support-paper_survey

Your Voice Special edition

http://www.telford.gov.uk/downloads/file/4705/council_tax_benefit-the_changes_that_could_affect_you

Appendix 5B Economic and environmental Impact assessment for Savings proposals considered at Cabinet in September 2012.

No. Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
Income										
1 Family & Cohesion Services	Educational Psychology		20,000	30,000	-	-	50,000	SEN Review underway. This will include reviewing different delivery models which can then trade across boundaries with schools in Telford & Wrekin and Shropshire	None	None
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	Increase Income generation already being realised	None	None
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 October 2012, to cover the amount currently funded by the Council		29,000	-			29,000	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.	None	None
4 Care & Support	Meals on Wheels-review of service		57,000	-			57,000	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.	None	None
5 Law, Democracy & Public Protection	Increase in license fees		12,600				12,600	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 to 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.	None	None
6 Customer & People Services	Increase burial fees - by 5%	139,100	12,000				12,000		None	None
7 Customer & People Services	Increased Income from Nationality Checking Service (possible invest to save)	196,760	5,000				5,000		None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
8	Neighbourhood & Leisure Services	Environment & Open Spaces: Bulk collections from £15 to £18 for up to 6 items;		5,000				5,000	£18 is still low compared to other local authorities.	This has the potential to increase fly-tipping.	None
9	Neighbourhood & Leisure Services	increase cost of gym membership fees by 10%		45,000				45,000		None	None
10	Neighbourhood & Leisure Services	Explore a sponsor for leisure service uniforms		5,000				5,000	Secure sponsorship for leisure uniforms from an external health and fitness retailer	None	None
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	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.	None	None
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	Opportunity to create additional capacity in the current aspiration facility to support growth	None	None
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	Currently very limited private sector provision within Newport	None	None
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	New income generating opportunity linked to Town Park and Southwater Square enhancements.	None	None
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		None	None
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	The increase in fee income should be achievable based on fee levels achieved in last two years.	None	None
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	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.	None	None
18	Neighbourhood & Leisure Services	Highways & Transport: increase parking charges in Ironbridge Year 2 <u>Market Square Car Park (16 spaces)</u> Up to 30 mins = 60p Up to 1 hour = 110p <u>Ironbridge Car Parks</u> Up to 2 hours = 110p Up to 3 hours = 190p Over 3 hours = 200p <u>Other</u>		16,000				16,000	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.	This small increase in charges may result in a small reduction in the number of car journeys to Ironbridge	This may result in a reduced number of visitors to Ironbridge but the impact is expected to be minimal and not considered to have any material impact on local businesses

No. Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
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	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.	None	None
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	Improve ability to recruit and generate more income	None	None
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	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.	None	None
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			The overall increase in income raised through this is relatively small and its impact on individual businesses paying for Council services will be minimal
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	Reconfiguration of children centre (nursery) provision in Newdale Children Centre Area	None	None
24 Family & Cohesion Services	Commissioning of Teenage Pregnancy Services		20,000	-			20,000	Reduced funding available to support preventative work relating to teenage pregnancy.	None	None
25 Family & Cohesion Services	Youth Offending Service	297,754	50,000	-	-	-	50,000	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.	None	None
26 Family & Cohesion Services	Housing Homelessness & Resettlement - Line by Line analysis of budgets.	69,250	10,000	-	-	-	10,000	Estimated saving. Work in progress to identify extent of saving possible.	None	None
27 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	Definition of more appropriate packages in line with criteria set out in the approved Short Breaks Statement	None	None
28 Family & Cohesion Services	Rationalisation of Home to School Transport (High Erccall Bus)		16,000				16,000	This is a discretionary service currently being subsidised by the Council.	There is the potential for a small increase in vehicle journeys if parents drive children to school	None
29 Family & Cohesion Services	Home to School Transport – Further route efficiency resulting in smaller bus required Wellington to Newport		33,000				33,000	Further route efficiency identified by Transport Team resulting in smaller bus required Wellington to Newport	There is the potential for a small increase in vehicle journeys if parents drive children to school	None
30 Family & Cohesion Services	Home to School Transport – further route rationalisation between Newport and Muxton and surrounding areas.		20,000				20,000	Further route rationalisation between Newport and Muxton and surrounding areas.	There is the potential for a small increase in vehicle journeys if parents drive children to school	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
31	Family & Cohesion Services	Reduce B&B usage resulting in less Housing Benefit subsidy being lost	307,000	20,000				20,000	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	None	Impact on private landlords and B&B providing current provision
32	Family & Cohesion Services	Housing Services - storage costs/bonds etc.		20,000				20,000	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)	None	None
33	Family & Cohesion Services	Various Youth Initiatives	189,243	75,000				75,000	Reducing funding available to support positive activities for young people and rationalising property required/rented.	None	None
34	Education, Culture & Skills	Lifelong Learning/age careers service		100,000				100,000		None	None
35	Education, Culture & Skills	Games and Swimming Transport		-	21,000			21,000	Links to proposals for developing cooperative learning communities. Following implementation of these proposals these costs will no longer occur	None	None
36	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	Viable alternative service delivery option e.g using volunteers	None	None
37	Education, Culture & Skills	General reduction in operational budgets at Oakengates Theatre e.g. marketing, promotions, postage, casual budgets		13,000				13,000	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.	None	None
38	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	Current governance and operational arrangements are being reviewed as part of overall service have been reviewed. Reduction in staffing and renegotiation with the SSSFT will result in reduced level of operational building running costs.	None	None
39	Care & Support	Independent Travel Training - Savings to Care & Support		5,000				5,000	Savings on Care & Support budgets for transport by training suitable individuals to use public transport rather than have bespoke transport procured for them.	There is the potential for a small reduction in vehicle journeys if public transport is used - impacting on energy usage and congestion.	Impact on current transport providers
40	Care & Support	Various operational budgets across all service teams			2,000			2,000		None	None
41	Finance, Audit & IG	Accountancy - deletion of vacant post/vacant hours not filled during the Service restructure			37,760			37,760	Work to be covered by existing staff or re-prioritised	None	None
42	Customer & People Services	Car Lease Budget	14,630	10,630				10,630		None	None
43	Customer & People Services	Reduced maintenance & lease costs of delivery van	8,000	2,500				2,500		None	None
44	Customer & People Services	Libraries - general reduction in overall operating costs eg stationery, marketing, promotions, postages		3,000				3,000		None	None
45	Customer & People Services	ICT: Reduced costs of Wide Area Network as a result of property rationalisation		20,000				20,000	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
46	Customer & People Services	ICT: Reduce licensing for the security encryption for mobile devices		1,250	1,250			2,500	Reduction in the need for security encryption on certain devices as with the increase of thin client the USB functionality is limited.	None	None
47	Customer & People Services	ICT: Stop ICT benchmarking work and related subscriptions		2,500				2,500	It could impact on proving value but external statistics can be provided as and when required.	None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
48	Customer & People Services	Customer Services - reduction in various operational budgets eg training, postage, publications		5,000				5,000	Limited immediate impact on service delivery, as the savings will be delivered through a combination of savings against the coaching and equipment budgets.	None	None
49	Customer & People Services	Release leakage budget from bottom line for Catering as part of the Property & ICT restructures		76,700	32,235			108,935	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
50	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		None	None
51	Neighbourhood & Leisure Services	Environment & Open Spaces: Further CRC budget rationalisation				55,000		55,000	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	None	None
52	Neighbourhood & Leisure Services	Environment & Open Spaces: Stop maintaining private open space zone 1's		5,000				5,000	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.	Working with private owners to minimise any environmental or economic impact	
53	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduce Additional works budget in the TWS contract for small landscape improvement projects				40,000		40,000	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	None	None
54	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction of one urban refuse round as per contract variation			140,000			140,000	Interpretation of the contract variation indicates this may be possible - so will enter into dialogue with TWS	Potential impact on cleanliness of Borough	None
55	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction in Public Realm Overtime budget		10,000				10,000	Reduced budget can be managed within existing resources.	None	None
56	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	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	Potential positive impact due to reduction of landfill of household waste	None
57	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	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.	None	None
58	Neighbourhood & Leisure Services	Environment & Open Spaces: Introduce highway reactive maintenance service efficiencies		50,000	50,000			100,000	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.	None	None
59	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	Prioritise marketing activity and make use of social media: facebook/twitter/email	None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
60	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	To reduce fuel budget through fuel efficiency programme on Council vehicles.	Potentially positive impact as a result of increased energy efficiency	None
61	Neighbourhood & Leisure Services	Highways & Transport: Further reduction in operational budgets i.e., training, mileage, printing, equipment budgets		5,000	5,000			10,000	Reduced expenditure on staff/team related operational budgets	None	None
62	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	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	None	None
63	Neighbourhood & Leisure Services	Independent Travel Training - Savings to Family & Community Services		18,000				18,000	Savings on Care & Support budgets for transport by training suitable individuals to use public transport rather than have bespoke transport procured for them	None	None
64	Neighbourhood & Leisure Services	Post 16 route rationalisation New College/BRJ		5,000	-			5,000	rationalisation of routes	None	None
65	Neighbourhood & Leisure Services	Engineers - Stoney Hill tipping costs		27,000				27,000	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.	None	None
66	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	Review inventory of signs and bollards and disconnect signs/ bollards where not required to be lit under regulations. .	Potentially positive impact as a result of reduced energy consumption	None
67	Neighbourhood & Leisure Services	Highways & Transport: Lean review of reactive and planned drainage maintenance		5,000	5,000			10,000	Review the processes for gully emptying, planned cyclic drainage maintenance and reactive drainage requests to provide more efficient drainage function.	None	None
68	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	Working with community groups to minimise any environmental impact	None
69	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	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.	Positive impact as a result of increased energy efficiency and improvement to environmental quality	None
70	Dvpt. Business & Housing	Various non staffing savings - line by line exercise		85,000				85,000	Line by line assessment of non staffing budgets	None	None
71	Dvpt. Business & Housing	Release leakage budget from bottom line for Cleaning as part of the Property & ICT restructures		172,300	139,765			312,065	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
72	Dvpt. Business & Housing	Replace lighting at Portico House with more efficient equivalents and save energy costs		700				700		Potential positive impact with reduction in energy usage	None
73	Dvpt. Business & Housing	Replace lighting at Oakengates Leisure Centre with more efficient equivalents and save energy costs		10,000				10,000		Potential positive impact with reduction in energy usage	None
74	Dvpt. Business & Housing	Various non staffing savings - line by line exercise across Facilities Management and Strategic Housing budgets		25,000				25,000	Line by line assessment of non staffing budgets across Facilities Management and Strategic Housing	None	None
75	Dvpt. Business & Housing	Strategic Housing - various operational efficiencies		2,700				2,700	Increased efficiencies in non front line services	None	None
76	Dvpt. Business & Housing	Planning & Development management - various operational efficiencies		18,400				18,400	Increased efficiencies in non front line services	None	None
77	Dvpt. Business & Housing	Property & Design: Reduced Repair & Maintenance at Civic Offices		14,500				14,500	Civic Offices being vacated 2013	None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
78	Dvpt. Business & Housing	Transfer operation of Neighbourhood Libraries to the Community.	41,000	41,000				41,000		None	None
79	Dvpt. Business & Housing	Under achievement of saving against Stirchley Library	38,120	- 8,000				- 8,000		None	None
80	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	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	None	None
81	Dvpt. Business & Housing	Property & Design: Contingency for school schemes		10,000				10,000	Removal of budget	None	None
82	Dvpt. Business & Housing	Estates & Investments: Insurance Excesses		6,000				6,000	Investment property reinvestment programme results in reduced need for excess budget	None	None
Total Non-Staff				1,449,240	748,070	183,000	38,000	2,418,310			
Procurement											
83	Family & Cohesion Services	Housing Resettlement - review of rents paid to private landlord, RSL & B&B	293,240	20,000	-	-	-	20,000	Estimated saving. Actual savings will depend upon outcome of ongoing review	None	Impact on private landlords and B&B providing current provision
84	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	Alternative source of funding from Housing Benefit at no cost to council under current Housing Benefit regulations.	None	None
85	Care & Support	Supporting People		200,000				200,000	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	None	Financial impact on existing providers
86	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	Identified as potential efficiency in Audit Commission 'Improving Value for Money in Adult Social Care' and not as yet in place in Telford & Wrekin	None	Could result in some businesses not being considered viable by providers and closing but could encourage new entrants to market.
87	Customer & People Services	Archives - renegotiate contract	57,740	5,000				5,000		None	None
88	Customer & People Services	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 done remotely)		103,000	103,000	206,000		412,000		None	None
89	Customer & People Services	Broadband & telephony contract - tender process commences Jan 2013.			50,000	100,000		150,000		None	None
90	Customer & People Services	Printing savings relating to MFDs		33,000				33,000		None	None
91	Customer & People Services	ICT: Review alternative suppliers of antivirus software on computers - Corporate		13,500				13,500	Review of available anti-virus products to produce budgets savings without leaving the authority at risk of data corruption.	None	None
92	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	seek to create efficiency saving through devolving budget and responsibility to the Parish, IGMT, SGCT etc	None	None
93	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	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.	None	None
94	Neighbourhood & Leisure Services	Procurement savings released from the re letting of a new Recycling service contract			150,000			150,000	This is a major procurement and will generate savings through market factors/testing.	Positive impact through improved rate of recycling and reduction in landfill	Bring new investment in waste infrastructure to the Borough
98	Finance, Audit & IG	Reduced external audit fee		30,000				30,000		None	None
99	Council Wide	West Mercia Energy dividend		200,000				200,000		None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
Total Procurement				1,034,500	403,000	306,000	-	1,743,500			
Property Rationalisation											
100	Dvpt. Business & Housing	Property Rationalisation - Phase 1 net savings relating to running costs		300,520	16,610			317,130	Rationalisation of Phase 1 operational properties	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		None	None
102	Customer & People Services	Libraries phase 2		25,000				25,000		None	None
103	Customer & People Services	HR/OI Service Review outcome (staff savings)		200,000				200,000		None	None
104	Dvpt. Business & Housing	Further restructure of service area		63,000				63,000	Restructure of service area to facilitate new way of working as described in recent cabinet reports	None	None
105	Family & Cohesion Services	Housing Homelessness & Resettlement - Further staffing review to account of integration into Cohesion Services	349,190	40,000	-	-	-	40,000	Estimated saving. Actual savings will depend upon outcome of ongoing review	None	None
106	Council Wide	SMT restructure		100,000				100,000		None	None
Total Restructure				446,231	-	-	-	446,231			
Service Review/Redesign											
107	Education, Culture & Skills	The Place		100,000	80,000			180,000		None	None
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	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.	None	None
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	Alternative funding sources will be accessed for development work e.g. sponsorship	None	None
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	Reduced staffing, alternative options need to be explored to deliver childrens arts activities within reduced resources.	None	None
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	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 care	No	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		None	None
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	Continue to deliver service in a shared location to reduce overheads via new school	None	None
114	Customer & People Services	Further reduction in the library book fund from £234,240 to £209,240 per annum		7,000				7,000	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	None	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
115	Customer & People Services	Organisational Development Budget		10,000				10,000	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.	None	None
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	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 provision	Potential to impact on environmental quality	Financial impact on provider
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	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.	None	None
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	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 service	None	None
119	Neighbourhood & Leisure Services	Highways & Transport: Subsidised Bus Services - consider reducing / removing the subsidy on existing subsidised routes				50,000		50,000	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.	Potential increase in private vehicle usage and associated congestion and energy usage	None
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	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.	None	None

No. Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Rationale	Environmental Impact	Economic Impact
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	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.	None	None
Total Service Review/Redesign			1,773,060	1,565,000	50,000	-	3,388,060			
Overall Total			5,376,151	2,993,680	559,000	58,000	8,986,831			

Appendix 5C - Economic and Environmental Impact Assessment for Additional Savings Proposals

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Environmental Impact	Economic Impact
Income									
1	Dvpt. Business & Housing By direct intervention as part of our growth strategy and becoming a business Winning Council we will deliver more new homes. We will also bring empty homes back into use which also attracts New Homes Bonus		75,000	75,000	150,000	Katherine Kynaston	New Homes Bonus - in addition to the 800 units built into the budget strategy.	Building will primarily take place on sites earmarked for housing. Population increase as a result of housing growth is likely to result in increased demand for energy and an increase in car journeys. This will be mitigated through high environmental design standards for housing and for journeys through integrated transport provision. Also the capacity of the Borough's road network has been designed for a population in excess of 200,000 - the road capacity will ensure that journeys are as efficient as possible.	Housing growth and subsequent population increase will ensure that the Borough is increasingly economically sustainable - particularly through increased consumer spending in the Town Centre and the Borough centres. Expansion of house building in the Borough will support the creation of new jobs and support existing jobs in the industry.
2	Neighbourhood & Leisure Services Highways: increase car parking charges in Council car parks in Ironbridge by a further 20% from 2013/14. Example of new charges - all day £2.40; 3 hr £2.30; 2hr £1.30; 30 mins £0.70		16,000		16,000	Keith Harris	Generates increased income from car parks where charges already apply. Helps to encourage greater use of Ironbridge Park & Ride that is now operational at peak visitor times. Residents are protected via permit scheme.	This small increase in charges may result in a reduced number of car journeys to Ironbridge.	This may result in a reduced number of visitors to Ironbridge but the impact is expected to be minimal and not considered to have any material impact on local businesses.
3	Family & Cohesion Education Psychologists	544,021	5,000	10,000	15,000	Diane Partridge	Service review underway has identified an opportunity for trading non core elements of the service	None	None
4	Customer & People Services Burials - increase in Burial Fees		7,000	7,000	14,000	Andrew Meredith	Increase broadly in line with inflation.	None	None
Total Income									
Non-Staff									
5	Finance, Audit & IG Various operational efficiencies including deletion of essential user car allowances, remaining leased car budgets, printing, stationery, mileage, equipment, course/training expenditure and bench-marking budgets.		61,400		61,400	Ken Clarke	Reduced based on 12/13 projected spend and improved working practices, increased use of electronic working methods, expiry of small number of remaining leased car arrangements	None	None
6	Education & Skills Various operational efficiencies relating to non-staffing across the service area.		92,000		92,000			None	None
7	Dvpt. Business & Housing Saving in various operational budgets		15,000		15,000	Katherine Kynaston	Operational budget savings following budget and team amalgamation	None	None
8	Neighbourhood & Leisure Services Environment - 50% reduction of play development budget		10,000	10,000	20,000	Dave Hanley	Play areas have been ungraded in recent years via 106 monies and Playbuilder programme. The budget will only cover minor improvements and future play development is dependant on planning, external funding or Parish engagement.	None	None
9	Family & Cohesion Graduate Leader	141,172	126,170	15,000	141,170	Chris Marsh	Scheme no longer support by national government	None	None
10	Family & Cohesion Teenage Pregnancy	108,000	50,000	18,000	68,000	Chris Marsh	Reduce size of programme and link to transferring responsibilities for sexual health	None	None
11	Family & Cohesion Early Intervention Commissioning Budget	50,225	50,220		50,220	Chris Marsh	Assertive outreach contract for providing support for vulnerable families ended and replaced by more targeted supported through children and family centres	None	None
12	Family & Cohesion Targeted Mental Health in Schools	50,000	25,000		25,000	Clive Jones	DfE pilot ended, small sum retained to commission some TAMHS support	None	None
13	Family & Cohesion SEN Team - Supplies & Services	34,995	15,000		15,000	Diane Partridge	Budget no longer required	None	None
14	Family & Cohesion Educational Psychologists - Supplies & Services	48,098	5,000		5,000	Diane Partridge	Small reduction to supplies and services budget based upon 12/13 spend levels	None	None

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Environmental Impact	Economic Impact
15	Family & Cohesion Early Intervention Supplies and Services	151,037	20,000	10,000	30,000	Chris Marsh	Small reduction to supplies and services budget based upon 12/13 spend levels	None	None
16	Family & Cohesion Community Safety	41,447	38,650		38,650	Jas Bedesha	efficiencies and greater partnership working	None	None
17	Family & Cohesion Homelessness Project	14,280	14,280		14,280	Jas Bedesha	STAY contract ended and not renewed earlier this year. The Housing task Force is looking at a different approach to dealing with homelessness	None	None
18	Family & Cohesion Early Years SEN	106,000		10,000	10,000	Chris Marsh	Reduction in funding to support SEN within PVI sector	None	None
19	Family & Cohesion Contribution to CVS - parent engagement	-		10,000	10,000	Viv McKay	Utilise other means of engagement with parents	None	None
20	Co-operative Council Unallocated grant funding		48,810		48,810	Richard Partington	Unallocated grant funding	None	None
21	Customer & People Services ICT supplies and services review to include a review of contracts for mobile phones and the deletion of support costs following civic offices decommissioning, including a reduction in the ICT training budget reduce ICT dedicated training budget		48,000	4,500	52,500	Kirsty King	Temporary capacity will be used to undertake a detailed review of charges and tariffs.	None	None
22	Customer & People Services ICT - Management Of Dell contract - make further savings in relation to maintenance charges		15,000		15,000	Kirsty King		None	None
23	Customer & People Services ICT - savings arising from Neopost solution through the centralisation of all posting and packing for all council services and possible other services longer term			40,000	40,000	Kirsty King		None	None
24	Customer & People Services People Services - Review of Supplies & Services Budgets		3,170		3,170	John Harris		None	None
25	Customer & People Services People Services - use of dedicated schools grant to deliver training for Early Years		120,000		120,000	John Harris	This will require some further work to ensure a level of early years training can be provided and funded by schools to ensure this saving is sustainable post 2014	None	None
26	Customer & People Services People Services - further reduction in council training budget following the introduction in 2013 of e.learning		50,000		50,000	John Harris		None	None
27	Customer & People Services People Services removal of consultancy budget		35,000		35,000	John Harris		None	None
28	Law, Democracy & Public Protection Reduction in members allowances budget		50,000		50,000	Jonathan Eatough	Underspend in current year	None	None
29	Care & Support Application of a series of funding restrictions detailed below which will contribute to the delivery of the 2012/13 budget strategy savings for 2013/14 and 2014/15 as listed in Appendix 3 and also the additional savings target of £317k for 2013/14:		317,000	-	317,000	Karen Kalinowski		None	None
Care & Support	1) Imposition of a funding ceiling - either through the application of RAS or through a ceiling linked to the alternative cost of residential care) for community based care packages				-	Karen Kalinowski	The cost of caring for an individual with a high level of need in their own home can be considerably more than the cost of a residential placement	None	None
Care & Support	2) Review of policy provision/revision of expectation in ALD and Transition service areas to clarify that basis of future accommodation provision in the community will be on shared basis only.				-	Karen Kalinowski	It is accepted by society that young adults not in receipt of social care services live in shared accommodation or continue in the family home due to the economic state which prevents their access to single rented or purchased accommodation	None	None
Care & Support	3) Review of Adults with Learning Disability Provider Services				-		The introduction of personal budgets gives individuals increased choice and control over how their council funded care is provided. As a result in house services will be in direct competition with external service providers and other models of service delivery e.g. personal assistants. In order to survive the services have to be more cost effective and deliver the services of choice.	None	None

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Environmental Impact	Economic Impact
	Care & Support				-	Karen Kalinowski	Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available	None	None
30	Care & Support			1,957,000	1,957,000	Karen Kalinowski	In order to reduce the levels of care provided need to have legal basis on which reviews and decisions are made. Otherwise likely to be subject to challenge and judicial review.	None	Potential impact on local providers through reduced demand for services - could lead to business closures and redundancies
Total Non-Staff									
Procurement									
31	Finance, Audit & IG	249,610	53,300		53,300	Ken Clarke	Reduction based on published audit fees.	None	None
32	Family & Cohesion		200,000		200,000	Viv Mckay	Efficiency Savings identified during 2012/13	None	None
33	Family & Cohesion		50,000		50,000	Viv Mckay	Further savings anticipated from using route mapping software	Potential environmental benefit through more efficient journeys - reducing energy consumption and impacting on road congestion as a result of reduced vehicle movements	None
34	Family & Cohesion		250,000		250,000	Viv Mckay	Efficiency savings identified during 2012/13 including BSOG fuel duty rebate, outside hire income and on vehicle maintenance.	None	
35	Family & Cohesion	598,655	50,000		50,000	Viv McKay	Maintaining spending at 12/13 spending levels whilst still meeting needs identified in short breaks statement	None	None
36	Family & Cohesion	142,310	30,000		30,000	Viv McKay	Improved contract terms and reduced requirement	None	None
37	Family & Cohesion		84,000	58,930	142,930	Jas Bedesha	Following review of approach to accommodating homeless families reduced dependency on bed and breakfast accommodation and hence reduced loss of housing benefit subsidy. This saving assumes that an average of 10 B&B placements are used (13/13) and 5 in 14/15. The current number is zero and number prior to the initial review averaged 22	None	None
38	Customer & People Services		20,000	30,000	50,000	Kirsty King	Following the deployment of thin client at Addenbrooke over 70% of staff are now using thin client so we can revisit other services in Darby to implement the same way of working to realise these extra savings	None	None
39	Customer & People Services		10,000	40,000	50,000	Kirsty King	The contract is due for renegotiation	None	None
Total Procurement									
Property Rationalisation									
40	Dvpt. Business & Housing		30,000	8,500	38,500	Chris Goulson	As part of property rationalisation for Council operational needs, Edward James House is no longer required as a result of the first phase of property rationalisation.	None	None
41	Dvpt. Business & Housing		50,000		50,000	Chris Goulson	As part of property rationalisation for Council operational needs, Edward James House is no longer required as a result of the first phase of property rationalisation.	Potential environmental benefit through reduction in energy usage by the Council and a reduction in journeys by officers travelling between Council buildings for meetings .	None
42	Dvpt. Business & Housing			20,000	20,000	Kate Turner	As part of the improvement in quality of property and converting leases to full repairing liability we can reduce spend on repairs & maintenance	None	None
43	Family & Cohesion	38,871	33,000		33,000	Jas Bedesha	Rationalising use of youth property by disposing of properties no longer needed or generating income. this saving is based upon giving up the use of Stafford park and is based upon the premises cost saved from vacating the building	Potential environmental benefit through reduction in energy usage by the Council and a reduction in journeys by officers travelling between Council buildings for meetings .	None
44	Family & Cohesion			10,000	10,000	Chris Marsh	Review accommodation needs for children and family centre teams.	Potential environmental benefit through reduction in energy usage by the Council and a reduction in journeys by officers travelling between Council buildings for meetings .	None
Total Property Rationalisation									
Strategic Review of Capacity									

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Environmental Impact	Economic Impact
45	Finance, Audit & IG Employee savings relating to reduced hours, vacant hours following restructure and ending temporary contracts.		38,868	11,982	50,850	Ken Clarke	This saving protects staff in substantive posts and therefore the core service being delivered.	None	None
46	Dvpt. Business & Housing Resulting from confirmed service restructure; part of the savings were included in previous budget details. This is in addition to the £60k included for 2013/14		35,000		35,000	David Sidaway	Values included reflect the projected savings following confirmation of restructure in October 2012	None	None
47	Dvpt. Business & Housing Strategic Review of Capacity within the Service Area		45,000		45,000	Mal Yale	Ongoing review of capacity	None	None
48	Neighbourhood & Leisure Services Strategic Review of Capacity across the Service Area		40,000	50,000	90,000	Jonathan Rowe	Partially Subject to approval of VR request , and transition period required for knowledge transfer and restructuring	None	None
49	Neighbourhood & Leisure Services Highways & Transport - change Road Safety and Sustainable Travel team to become largely self funding from grants and income generation		45,000		45,000	Keith Harris	Further opportunities for income generation by charging schools and other external organisations for road safety / driver training courses and through developer contributions.	None	None
50	Family & Cohesion Early Intervention	26,500	26,500		26,500	Chris Marsh	Detailed analysis of budget indicates budget no longer required	None	None
51	Family & Cohesion Joint Arrangement Administration Team	29,886	29,890		29,890	Diane Partridge	Arising from recent restructure of Family & Cohesion Service	None	None
52	Co-operative Council Reduced hours/staff vacancies		50,000		50,000	Richard Partington	Proposed savings arise from employee requests for reduced working hours and re-organisation around staff vacancies.	None	None
53	Customer & People Services Further review of the People Services operations following merger of former HR and OD services			250,000	250,000	John Harris	There are opportunities to deliver further savings through the deployment of e.learning and a commissioning based approach to learning	None	None
54	Law, Democracy & Public Protection Deletion of posts as a result of VR applications and re-distribution of associated work		121,000		121,000	Jonathan Eatough	Will be achieved through voluntary redundancies and the associated required re-structures to properly re-distribute work.	None	None
55	Education & Skills Strategic Review of Capacity		90,000		90,000	Jim Collins		None	None
Total Strategic Review of Capacity									
Service Review/Redesign									
56	Education & Skills Review of School Improvement Services		35,000	93,000	128,000	Jim Collins		None	None
57	Neighbourhood & Leisure Services Waste Services - introduce Black bag sort scheme at CRC's - ie stop and sort customer services helping to reduce landfill.		30,000	30,000	60,000	Dave Hanley / Debbie Germany	negotiate with TWS and Sita to change current operation at CRC to ask staff to stop and sort / guide customers to ensure full recycling takes place, ie nothing is sent to landfill that could be recycled	Increased recycling and reduction in landfill. Low risk in illicit commercial waste being refused at the CRC which in turn may be fly tipped	None
58	Neighbourhood & Leisure Services Leisure & Environment - Reduction in Town Park / Parks management costs,Review opening hours of visitor centre, seasonal working across, parks, ice rink and town park, look to reduce TP management costs -year 2 after parks for people and public realm southwater link explored fully		20,000	20,000	40,000	Stuart Davidson / Dave Hanley	Other than special events need to consider as Tourist attraction and operate accordingly. High, Medium and Low seasons. Low season Nov-Feb Mid Mar-Apr and Sept-Oct Savings based on reduced catering and reception staff needs plus a review in year 2 of the off peak management costs.	None	None
59	Family & Cohesion Newdale Childrens Centre Service Review	165,801	15,800		15,800	Chris Marsh	Part 1 already completed and subject to a full 90 day consultation, part 2 involves the transfer of the baby unit to the school.	None	None

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Environmental Impact	Economic Impact
60	Family & Cohesion Youth Offending Service	-	64,000	50,000	114,000	Jas Bedesha	part 1 implemented following period of consultation. Part 2 review non core and no staff costs. Further savings are expected through property rationalisation and reletting some contracts. Also synergies will arise from merging this service across West Mercia	None	None
61	Family & Cohesion Management Support - Supplies and Services	248,660	76,000		76,000	Clive Jones	Following reconfiguration of service budget no longer needed	None	None
62	Family & Cohesion Housing Task force			20,000	20,000	Jas Bedesha		None	None
63	Family & Cohesion Housing Options Advice & Resettlement	916,358		20,000	20,000	Jas Bedesha	Restructure of service area to be launched March 2013 linked to work of housing task force	None	None
64	Customer & People Services Review of Council Tax Single Person Discounts		50,000		50,000	Sophie Lane	A review of SPD's has not been undertaken for a number of years and work in other councils has suggested that there is additional council tax charges that should be levied due to changes in family circumstances not reported	None	None
65	Family & Cohesion Commissioning Review of Service		250,000	600,000	850,000	Viv Mckay	Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country	None	None
Total Service Review/Redesign									
Overall Total			3,235,058	3,478,912	6,713,970				

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Policy Area	Total £'000	2012/13 £'000	2013/14 £'000
Protect and Support Our Vulnerable Children & Adults	6,110	4,011	2,099
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	34,958	14,769	18,496
Improve the Health and Well Being of our Communities and Address Health Inequalities	7,297	4,434	1,690
Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	16,099	9,173	5,985
Ensure That Neighbourhoods are Safe, Clean and Well Maintained	55,209	10,019	16,352
Improve Local People's Prospects through Education and Skills Training	157,666	34,907	60,008
Managing the Organisation	10,967	2,357	3,570
	288,307	79,670	108,199
Resources			
Borrowing Approval	2,312	2,055	257
Government Grant	170,040	46,514	64,087
Prudential	(1,046)	(3,057)	3,379
Capital Receipts	113,774	33,138	40,127
Revenue	53	(67)	80
External	3,165	1,078	269
S106	8	8	0
Total funding	288,307	79,670	108,199

2014/15	2015/16	Later Years
£'000	£'000	£'000
0	0	0
1,693	0	0
223	950	0
941	0	0
19,588	9,250	0
51,303	10,048	1,401
2,270	2,270	500
76,018	22,518	1,901

0	0	0
50,983	6,198	2,258
11,364	3,970	(16,702)
11,813	12,350	16,345
40	0	0
1,818	0	0
0	0	0
76,018	22,518	1,901

**Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years
Scheme Summary showing major schemes separately**

Priority Area	Scheme	Expenditure						Funding					
		Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	Later Years £'000	Grant £'000	Prudential £'000	Receipts £'000	Borrowing £'000	S106 £'000	Revenue/External £'000
Protect and Support Our Vulnerable Children & Adults													
	Social Care Capital Grant	702	518	184	0	0	0	702	0	0	0	0	0
	ICT Social Care Review	1,233	943	290	0	0	0	731	250	0	0	0	252
	Supported Independent Living - Disabled Facilities Grant (e	2,822	1,397	1,425	0	0	0	1,542	1,280	0	0	0	0
	Social Education Centre	350	350	0	0	0	0	0	0	350	0	0	0
	Extra Care	1,004	804	200	0	0	0	0	1,004	0	0	0	0
Total		6,110	4,011	2,099	0	0	0	2,975	2,533	350	0	0	252
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'													
	Town Centre - Phase 1 & Accommodation Strategy	34,958	14,769	18,496	1,693	0	0	4,890	-5,835	35,903	0	0	0
Total		34,958	14,769	18,496	1,693	0	0	4,890	-5,835	35,903	0	0	0
Improve the Health and Well Being of our Communities and Address Health Inequalities													
	Parks for People	2,303	279	851	223	950	0	1,452	326	525	0	0	0
	Telford Ice Rink	3,780	3,691	89	0	0	0	0	3,003	777	0	0	0
	Newport Fitness facility	791	41	750	0	0	0	0	791	0	0	0	0
	Crazy Golf in the Town park	100	100	0	0	0	0	0	100	0	0	0	0
	Improved Health & Well Being Other Schemes	323	323	0	0	0	0	95	140	80	0	8	0
Total		7,297	4,434	1,690	223	950	0	1,547	4,360	1,382	0	8	0
Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing													
	Housing Related Schemes	2,698	2,066	632	0	0	0	238	2,350	75	0	0	36
	Sutton Hill	368	368	0	0	0	0	0	93	275	0	0	0
	Hadley Local Centre Phase 1 & 2	3,651	1,951	1,700	0	0	0	2,666	985	0	0	0	0
	Woodside	1,571	1,571	0	0	0	0	0	1,341	230	0	0	0
	Brookside	6,148	1,554	3,653	941	0	0	362	4,651	1,135	0	0	0
	Oakengates	1,664	1,664	0	0	0	0	0	1,664	0	0	0	0
Total		16,099	9,173	5,985	941	0	0	3,266	11,083	1,715	0	0	36
Ensure That Neighbourhoods are Safe, Clean and Well Maintained													
	Transport & Highways Schemes	36,291	8,713	14,283	10,970	2,325	0	20,026	12,801	0	629	0	2,835
	Borough Towns Initiative	1,109	574	535	0	0	0	5	-24,024	25,128	0	0	0
	Ironbridge Gorge Stability	17,603	526	1,534	8,618	6,925	0	12,003	5,600	0	0	0	0
	Wellington Market Towns Initiative	0	0	0	0	0	0	0	0	0	0	0	0
	Ensure That Neighbourhoods are Safe, Clean and Well Ma	206	206	0	0	0	0	0	206	0	0	0	0
Total		55,209	10,019	16,352	19,588	9,250	0	32,034	-5,417	25,128	629	0	2,835
Improve Local People's Prospects through Education and Skills Training													
	Building Schools For The Future	144,319	28,871	55,542	48,457	10,048	1,401	113,872	-1,165	30,670	1,268	0	-326
	Modernisation & Condition - Various Schemes	4,640	0	2,320	2,320	0	0	4,640	0	0	0	0	0
	Devolved Formula Capital	1,574	522	526	526	0	0	1,574	0	0	0	0	0
	Improve Local People's Prospects All Other Schemes	7,132	5,513	1,620	0	0	0	5,242	467	587	415	0	421
Total		157,666	34,907	60,008	51,303	10,048	1,401	125,328	-698	31,257	1,683	0	96
Managing the Organisation													
	ICT/ eGov	2,873	773	700	700	700	0	0	2,873	0	0	0	0
	Asset Management Plan - General Works & Surveys	3,438	1,038	1,000	700	700	0	0	3,438	0	0	0	0
	Managing the Organisation Other Schemes	4,657	547	1,870	870	870	500	0	-13,382	18,039	0	0	0
Total		10,967	2,357	3,570	2,270	2,270	500	0	-7,072	18,039	0	0	0
Total All Schemes		288,307	79,670	108,199	76,018	22,518	1,901	170,040	-1,046	113,774	2,312	8	3,218

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
Protect and Support Our Vulnerable Children & Adults							
	Social Care Capital Grant	Gov Grant	663	479	184	0	0
	ICT Social Care Review	Prudential	250	0	250	0	0
		Gov Grant	731	731	0	0	0
		Revenue	252	212	40	0	0
	Supported Independent Living - Di	Gov Grant	1,542	844	698	0	0
		Prudential	1,280	553	727	0	0
	Extra Care	Prudential	0	0	0	0	0
		Prudential	1,004	804	200	0	0
	Social Education Centre	Cap Receipts	350	350	0	0	0
	Donnington House	Gov Grant	39	39	0	0	0
Total			6,110	4,011	2,099	0	0
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'							
	Town Centre - Phase 1	Prudential	3,728	-447	5,720	-1,545	0
		Gov Grant	4,890	3,394	1,496	0	0
		Cap Receipts	17,063	3,945	9,880	3,238	0
Total	Sub Total Town Centre - Phase 1		25,681	6,892	17,096	1,693	0
	Town Centre - Accommodation St	Prudential	-9,563	7,877	-17,440	0	0
		Cap Receipts	18,840		18,840	0	0
Total	Sub Total Town Centre - Accommodation Strategy		9,277	7,877	1,400	0	0
Total			34,958	14,769	18,496	1,693	0
Improve the Health and Well Being of our Communities and Address Health Inequalities							
	Lawn Tennis Academy	Prudential	14	14	0	0	0
	Sub Total - Lawn Tennis Academy		14	14	0	0	0
	Telford Ice Rink	Cap Receipts	777	0	777	0	0
		Prudential	3,003	3,691	-688	0	0
	Sub Total - Telford Ice Rink		3,780	3,691	89	0	0
	Parks for People	Prudential	326	94	-239	77	394
		Cap Receipts	525	0	525	0	0
		Gov Grant	1,452	185	565	146	556
	Sub Total - Parks for People		2,303	279	851	223	950
	Upgraded Tennis Facilities	Gov Grant	95	95	0	0	0
	AFC Telford	Prudential	-93	-93	0	0	0
	AFC Telford	Cap Receipts	80	80	0	0	0
	Crazy Golf in the Town park	Prudential	100	100	0	0	0
	Newport Fitness facility	Prudential	791	41	750	0	0
	Brindleyford	S106	8	8	0	0	0

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
	Parks & Play Areas	220	220	0	0	0	0
	Sub Total Other Schemes	1,200	450	750	0	0	0
Total		7,297	4,434	1,690	223	950	0
Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing							
	Works In Default	0	0	0	0	0	0
	Loan Contingency grant	5	5	0	0	0	0
	Loan Contingency grant	36	36	0	0	0	0
	Housing	360	210	150	0	0	0
	Housing Strategy & Enabling	1,984	1,502	482	0	0	0
	Housing Strategy & Enabling NGP , Gov Grant	238	238	0	0	0	0
	Sub Total Housing Schemes	2,623	1,991	632	0	0	0
	Youth	75	75	0	0	0	0
	Oakengates	1,664	1,664	0	0	0	0
Total	Sub Total Oakengates	1,664	1,664	0	0	0	0
	Sutton Hill	284	284	0	0	0	0
	Gov Grant	0	0	0	0	0	0
	Sutton Hill Local Centre	-191	-191	0	0	0	0
	Gov Grant	0	0	0	0	0	0
	Cap Receipts	275	275	0	0	0	0
Total	Sub Total Sutton Hill & Local Centre	368	368	0	0	0	0
	Hadley Local Centre Phase 1 & 2	985	685	300	0	0	0
	Gov Grant	2,666	1,266	1,400	0	0	0
Total	Sub Total Hadley Local Centre	3,651	1,951	1,700	0	0	0
	Woodside	1,311	1,311	0	0	0	0
	Woodside Local Centre & Project	230	230	0	0	0	0
	Woodside Local Centre & Project	30	30	0	0	0	0
Total	Sub Total Woodside	1,571	1,571	0	0	0	0
	Brookside	4,651	1,037	3,173	441	0	0
	Gov Grant	362	362	0	0	0	0
	Cap Receipts	1,135	155	480	500	0	0
Total	Sub Total - Brookside	6,148	1,554	3,653	941	0	0
Total		16,099	9,173	5,985	941	0	0

Ensure That Neighbourhoods are Safe, Clean and Well Maintained

Wellington Civic Works	Prudential	-4,459	-4,459	0	0	0	0
	Cap receipts	4,605	4,605	0	0	0	0
Wellington Street Works	Prudential	32	32	0	0	0	0

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
Total	Sub Total - Wellington BTI	178	178	0	0	0	0
	Dawley	0					
	Dawley Ground works Prudential	-7,455	3,495	-3,650	-7,300	0	0
	Dawley Cap Receipts	18,550	2,000	5,250	11,300	0	0
	Dawley-Town Park Access section Prudential	-11,350	-5,650	-1,700	-4,000	0	0
	Dawley-Project Management cost Prudential	300	200	100	0	0	0
	Dawley-MUGAS Prudential	500	0	500	0	0	0
Total	Sub Total Dawley	545	45	500	0	0	0
	Newport Feasibility Prudential	3	3	0	0	0	0
	Victoria Park Prudential	3	3	0	0	0	0
	Canal Prudential	39	39	0	0	0	0
Total	Sub Total Newport	45	45	0	0	0	0
	BTI Small Grants Prudential	47	47	0	0	0	0
	Ironbridge Prudential	16	16	0	0	0	0
	Malinslee Local Centre Cap Receipts	623	0	288	335	0	0
	Prudential	-350	238	-253	-335	0	0
	Ironbridge CIPS Gov Grant	0	0	0	0	0	0
Total	Sub Total Other BTI	336	301	35	0	0	0
	Ironbridge Gorge Stability Gov Grant	12,003	526	1,534	8,618	1,325	0
	Ironbridge Gorge Stability Prudential	5,600	0	0	0	5,600	0
Total	Sub Total Ironbridge Gorge Stability	17,603	526	1,534	8,618	6,925	0
	Leegomery Local Centre BTI Prudential	-1,350	-1,350	0	0	0	0
	Gov Grant	5	5	0	0	0	0
	Cap Receipts	1,350	1,350	0	0	0	0
Total	Sub Total Leegomery Local Centre BTI	5	5	0	0	0	0
	Integrated Transport Borrow App	130	130	0	0	0	0
	Prudential	588	55	533	0	0	0
	Gov Grant	3,345	1,086	939	1,320	0	0
	Integrated Transport External	196	196	0	0	0	0
	Street Lighting Energy Programme Prudential	1,300	325	325	325	325	0
	Highways & Bridges Capital Maint Borrow App	499	242	257	0	0	0
	Gov Grant	2	2	0	0	0	0
	Gov Grant	8,462	3,121	3,142	2,199	0	0
	Highways / Footpaths Prudential	8,226	1,682	2,544	2,000	2,000	0
	Highways Maintenance External	55	55	0	0	0	0
	Box Road Revenue	120	40	40	40	0	0
	Box Road Gov Grant	6,544	199	3,202	3,143	0	0
	Box Road External	2,464	377	269	1,818	0	0
	Box Road Prudential	2,687	78	2,594	15	0	0

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
	Local Sustainable Transport Fund Gov Grant	1,578	1,030	438	110	0	0
	Road Safety Schemes Gov Grant	95	95	0	0	0	0
	Sub Total Transport & Highways Schemes	36,291	8,713	14,283	10,970	2,325	0
	Wellington Cemetery Prudential	125	125	0	0	0	0
	Stoney Hill Prudential	81	81	0	0	0	0
	Sub Total - Other Schemes	206	206	0	0	0	0
Total		55,209	10,019	16,352	19,588	9,250	0

Improve Local People's Prospects through Education and Skills Training

	Building Schools for the Future Prudential	-1,165	-1,275	0	10,386	-2,169	-8,107
	Gov Grant	113,872	28,354	46,342	32,601	4,317	2,258
	External	7	7	0	0	0	0
	Revenue	-333	-333	0	0	0	0
	Cap Receipts	30,670	850	9,200	5,470	7,900	7,250
	Borrow App	1,268	1,268	0	0	0	0
	Sub Total - Building Schools for the Future	144,319	28,871	55,542	48,457	10,048	1,401
	Capital Maintenance - Various Scl Gov Grant	4,640	0	2,320	2,320	0	0
	Sub Total - Modernisation & Condition	4,640	0	2,320	2,320	0	0
	Devolved Formula Capital Gov Grant	1,574	522	526	526	0	0
	Burton Borough Roof Borrow App	11	11	0	0	0	0
	Grange Park Remodelling Cap Receipts	0	0	0	0	0	0
	John Fletcher / Madeley Infant An Gov Grant	74	74	0	0	0	0
	Millbrook Primary Library Gov Grant	19	19	0	0	0	0
	Millbrook Primary - Roofing Works External	6	6	0	0	0	0
	Meadows Primary Gov Grant	492	92	400	0	0	0
	Meadows Primary Borrow App	45	45	0	0	0	0
	Meadows Primary Prudential	16	16	0	0	0	0
	Meadows Primary/Burton Borough Cap Receipts	1	1	0	0	0	0
	Muxton Primary Classbase Extensic Gov Grant	450	15	435	0	0	0
	Muxton Primary Classbase Extensic Borrow App	84	84	0	0	0	0
	Muxton Primary Classbase Extensic Prudential	34	34	0	0	0	0
	Muxton Primary Classbase Extensic Cap Receipts	32	32	0	0	0	0
	Muxton Primary - 3 Classbase exte External	96	96	0	0	0	0
	Muxton Primary - 3 Classbase exte External	14	14	0	0	0	0
	Newdale Primary Cap Receipts	241	104	137	0	0	0
	Newdale Primary Gov Grant	413	0	413	0	0	0
	Newdale Primary Borrow App	70	70	0	0	0	0
	Newdale Primary - classbase exte External	156	156	0	0	0	0
	Redhill Demountable Cap Receipts	-10	-10	0	0	0	0
	Redhill Demountable External	5	5	0	0	0	0
	St Georges - 3 New Classbases Gov Grant	396	396	0	0	0	0

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
	Charlton Car Park	Prudential	0	0	0	0	0
	Charlton PRU Bungalow	Cap Receipts	0	0	0	0	0
	Charlton PRU Bungalow	External	0	0	0	0	0
	Newport Girls	Cap Receipts	-17	-17	0	0	0
	Newport Girls demountable phase	External	17	17	0	0	0
	Southall Primary - Demountable W	Gov Grant	108	108	0	0	0
	Mount Gilbert School - Gas Works	Gov Grant	3	3	0	0	0
	Hadley LC - Notices of Change	Gov Grant	30	30	0	0	0
	Dothill Primary - Asbestos /Phase 2	Gov Grant	15	15	0	0	0
	Asbestos Surveys	Gov Grant	33	33	0	0	0
	Asbestos Surveys	Cap Receipts	0	0	0	0	0
	Asbestos Surveys	Borrow App	16	16	0	0	0
	Various Schools - Asbestos Remov	Gov Grant	100	100	0	0	0
	Sustainability schemes	Gov Grant	32	32	0	0	0
	Energy Sustainability Schemes	Borrow App	118	118	0	0	0
	Fly Screens	Gov Grant	5	5	0	0	0
	Schools Tree Works	Gov Grant	60	60	0	0	0
	Various Schools - Asset Managem	Gov Grant	30	30	0	0	0
	Various Schools - Security Measure	Gov Grant	25	25	0	0	0
	Various Schools - Kitchen Planned	Gov Grant	60	60	0	0	0
	Various Schools - External Painting	Gov Grant	75	75	0	0	0
	Various Schools - Capital Enhance	Gov Grant	180	180	0	0	0
	Contingency for Reactive Works	Borrow App	27	27	0	0	0
	Contingency for Reactive Works	Prudential	8	8	0	0	0
	Contingency for Reactive Works	Cap Receipts	1	1	0	0	0
	Contingency for Reactive Works	External	50	50	0	0	0
	Contingency for Reactive Works	Gov Grant	61	61	0	0	0
	Donnington Wood Infants Main Blc	Cap Receipts	91	91	0	0	0
	Donnington Wood Infants Main Blc	Gov Grant	180	180	0	0	0
	Hollinswood Infant - Curtain Wall -	Gov Grant	35	35	0	0	0
	Newport Infants - Toilet refurbishm	Gov Grant	18	18	0	0	0
	Aqueduct Primary - Roof Works	Gov Grant	10	10	0	0	0
	Sir Alexander Flemming Primary - C	Gov Grant	7	7	0	0	0
	Crudgington Primary Car Park	Gov Grant	33	33	0	0	0
	Crudgington Primary - External Wc	External	7	7	0	0	0
	Crudgington Primary - External Wc	Gov Grant	33	33	0	0	0
	Crudgington Primary -New Biomas	Gov Grant	7	7	0	0	0
	Captain Webb - Intercom & fencir	Gov Grant	25	25	0	0	0
	Hollinswood Junior - Kitchen Works	Gov Grant	60	60	0	0	0
	John Fletcher roof works	Gov Grant	45	45	0	0	0
	John Fletcher roof works	External	5	5	0	0	0
	John Fletcher - Rewiring Phase 1	Gov Grant	39	39	0	0	0

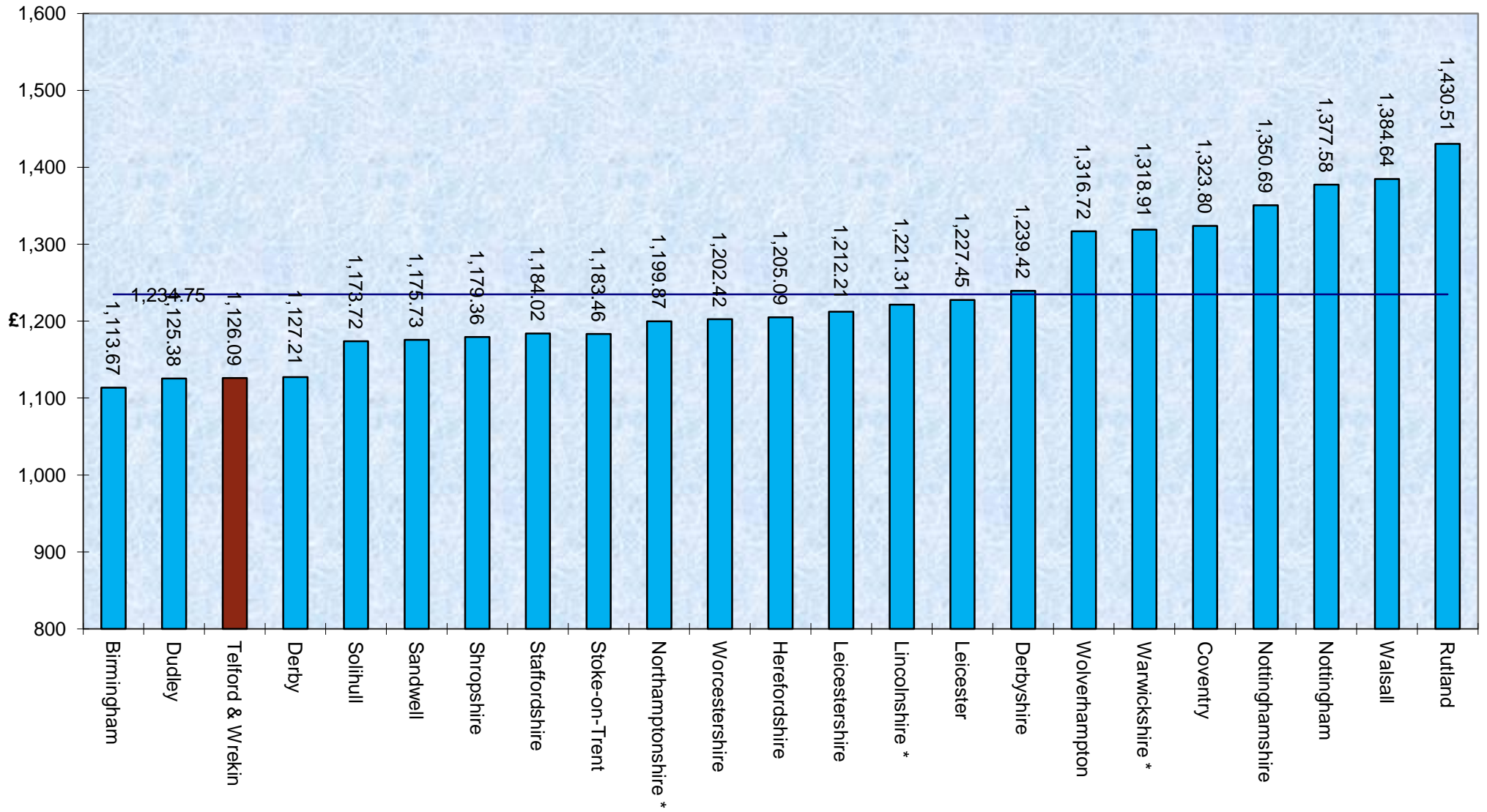
Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
	John Randal - Electrical Installatior Gov Grant	90	90	0	0	0	0
	Lawley Primary - Extension Gov Grant	0	0	0	0	0	0
	Lilleshall Primary - Roofing / Windo External	4	4	0	0	0	0
	Lilleshall Primary - Roofing / Windo Borrow App	13	13	0	0	0	0
	Lilleshall Primary - Roofing / Windo Gov Grant	103	103	0	0	0	0
	Meadows Primary - Electrical Insta Gov Grant	80	27	54	0	0	0
	Newport Junior Heating Gov Grant	0	0	0	0	0	0
	Newport Junior - Boiler Gov Grant	100	100	0	0	0	0
	Old Park Primary - Roof Works Gov Grant	4	4	0	0	0	0
	Queenswood - Curtain Walling Gov Grant	30	30	0	0	0	0
	Redhill Primary Remodelling Gov Grant	29	29	0	0	0	0
	St Lawrence Primary - Demountab Gov Grant	19	19	0	0	0	0
	St Patricks - Drainage Gov Grant	4	4	0	0	0	0
	Short Wood - Pot Holes Gov Grant	1	1	0	0	0	0
	Teagues Bridge Primary Gov Grant	345	345	0	0	0	0
	Tibberton Primary - Roofing Main B Gov Grant	123	123	0	0	0	0
	Wombridge Primary - Roof works Gov Grant	17	17	0	0	0	0
	Wombridge Primary - Curtain Walli Gov Grant	15	15	0	0	0	0
	Wombridge Primary - Boiler Gov Grant	100	100	0	0	0	0
	Wombridge Primary - New Entranc External	17	17	0	0	0	0
	Wrekin View Primary - Chimney Wc Gov Grant	7	7	0	0	0	0
	William Reynolds Jnr - Amalgamat Borrow App	6	6	0	0	0	0
	William Reynolds Jnr - Amalgamat Gov Grant	242	242	0	0	0	0
	William Reynolds Jnr - Amalgamat Gov Grant	56	56	0	0	0	0
	William Reynolds Jnr - Amalgamat Cap Receipts	25	25	0	0	0	0
	Lord Silkin - Perimeter Roof Gov Grant	14	14	0	0	0	0
	Sutherland School - Roofing Works Gov Grant	12	12	0	0	0	0
	Haughton Special School - Main S External	8	8	0	0	0	0
	Haughton Special School - Main S Gov Grant	90	90	0	0	0	0
	Short Wood Primary - Pool Works Gov Grant	0	0	0	0	0	0
	Basic Need Gov Grant	0	0	0	0	0	0
	Leegomery Changing Rooms Show Gov Grant	45	45	0	0	0	0
	Charlton School - Yellow lining for Gov Grant	1	1	0	0	0	0
	Admaston Tuition Centre - ICT External	10	10	0	0	0	0
	Admaston Tuition Centre - Capital Exnl cont, school fi	4	4	0	0	0	0
	Pupil Services DDA Access works & Revenue	14	14	0	0	0	0
	Cleaning Equipment Gov Grant	23	23	0	0	0	0
	Schools Access Initiative Gov Grant	46	46	0	0	0	0
	Schools Access Initiative Borrow App	26	26	0	0	0	0
	Southall Primary - DDA Works Gov Grant	0	0	0	0	0	0
	Aqueduct Primary - DDA Gov Grant	6	6	0	0	0	0
	Apley Wood DDA Works Gov Grant	10	10	0	0	0	0

Appendix 6 - Capital Programme - 2012/13 - 2015/16 & Later Years

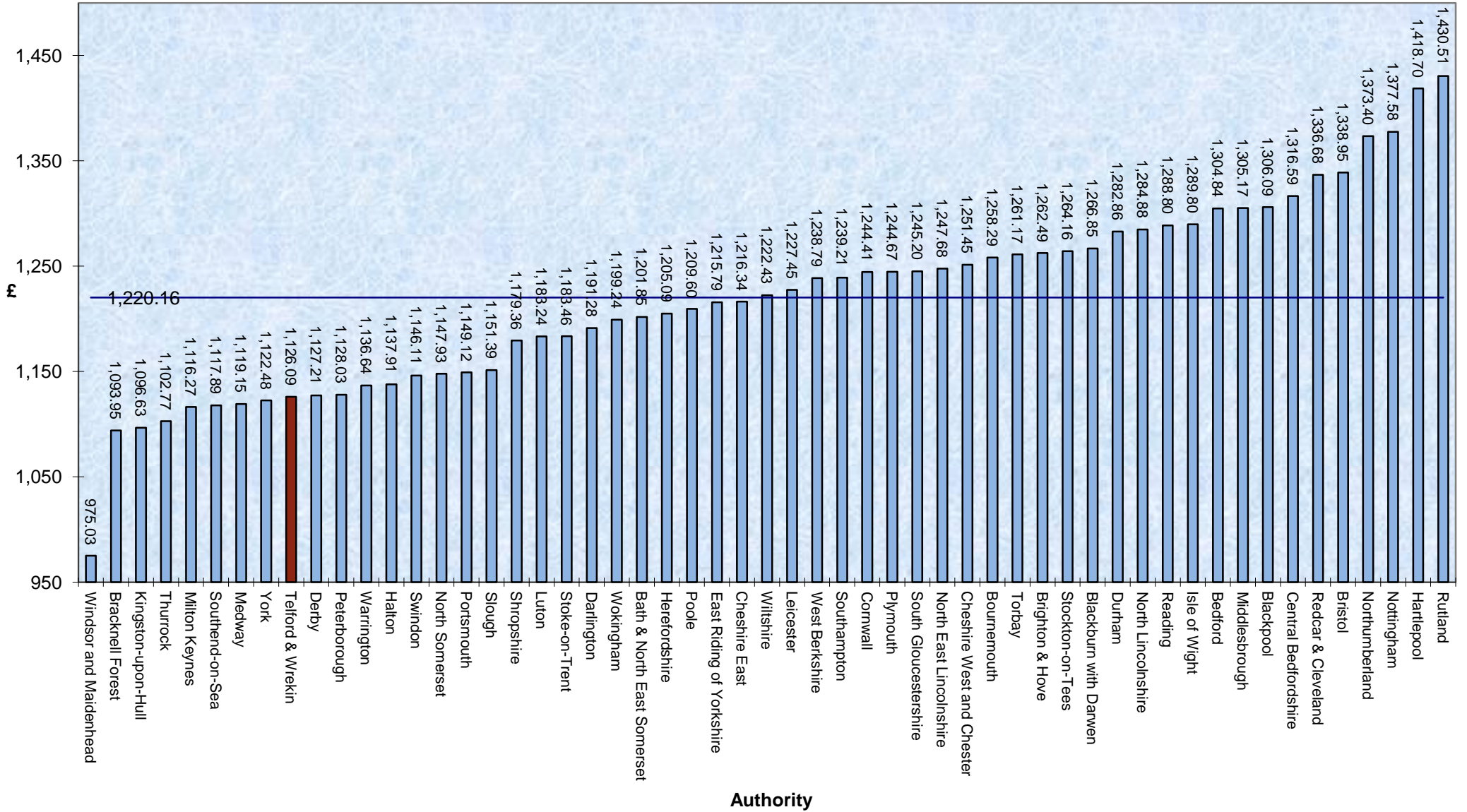
Priority Area	Scheme	Total £'000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £'000	Later Years £'000
	Crudgington Primary DDA Works Gov Grant	8	8	0	0	0	0
	High Ercall Primary - DDA Works Gov Grant	1	1	0	0	0	0
	Lilleshall Primary - DDA Gov Grant	25	25	0	0	0	0
	Newport Juniors - DDA Works Gov Grant	6	6	0	0	0	0
	Newport Juniors - 2 x Disabled Bay Gov Grant	1	1	0	0	0	0
	Redhill Primary - DDA works includi Gov Grant	20	20	0	0	0	0
	Short Wood Primary - Ceiling Track Gov Grant	5	5	0	0	0	0
	Haughton Special School - Ramps Gov Grant	7	7	0	0	0	0
	Woodlands Primary Prudential	409	409	0	0	0	0
	Short Breaks for Disabled Children Gov Grant	399	399	0	0	0	0
	Short Breaks for Disabled Children Cap Receipts	1	1	0	0	0	0
	Windmill Children Centre - Phase 2 Gov Grant	3	3	0	0	0	0
	King Street Pru External	8	8	0	0	0	0
	Madeley Court Demolition Cap Receipts	-10	-10	0	0	0	0
	Dothill Jnr / Inf Co-location Gov Grant	1	1	0	0	0	0
	Teagues Bridge Primary Cap Receipts	231	50	181	0	0	0
	Sub Total - Other Schemes	7,132	5,513	1,620	0	0	0
Total		157,666	34,907	60,008	51,303	10,048	1,401
Managing the Organisation							
	ICT/ eGov Prudential	2,873	773	700	700	700	0
	Revenue	0	0	0	0	0	0
	Sub Total - ICT / eGov	2,873	773	700	700	700	0
	Asset Management Plan - Genera Prudential	3,438	1,038	1,000	700	700	0
	Aggresso Project Prudential	55	55	0	0	0	0
	Stirchley Training Centre Prudential	-9	-9	0	0	0	0
	Finance Fees Prudential	510	0	170	170	170	0
	Property & Design Fees Prudential	600	0	200	200	200	0
	Commercial & Business Fund Cap Receipts	1,000	0	1,000	0	0	0
	Capital Receipts Site Preparation Prudential	500	500	0	0	0	0
	Capital Receipts Site Preparation Cap Receipts	2,000	0	500	500	500	500
	Use of Additional Capital Receipts Prudential	-15,039	-18,955	6,931	9,530	-3,950	-8,595
	To Reduce Prudential Borrowing Cap Receipts	15,039	18,955	-6,931	-9,530	3,950	8,595
	Sub Total - Other Schemes	8,094	1,584	2,870	1,570	1,570	500
Total		10,967	2,357	3,570	2,270	2,270	500

**Appendix 7 - Midlands Authorities 2012/13 Band D Council Tax for Equivalent Unitary Services
(Excluding Police, Fire* and Parish Precepts)**



Authority
* includes fire expenses

Appendix 8 - Unitary Authorities 2012/13 Band D Council Tax (Excluding Police, Fire and Parish precepts)



TELFORD & WREKIN COUNCIL
REVENUE BASE BUDGET

Service Delivery Unit	<u>2013/14</u> <u>GROSS</u> <u>EXPENDITURE</u> £	<u>2013/14</u> <u>GROSS</u> <u>INCOME</u> £	<u>2013/14</u> <u>NET</u> <u>EXPENDITURE</u> £
Law, Democracy & Public Protection	6,241,250	4,207,200	2,034,050
Neighbourhood & Leisure Services	47,844,630	17,903,470	29,941,160
Business Development & Housing	20,565,450	19,240,030	1,325,420
Customer & People Services	96,487,780	92,265,410	4,222,370
Finance, Audit & Information Governance	5,785,530	5,785,530	0
Care & Support (Adults & Children)	70,994,610	20,075,030	50,919,580
Family & Cohesion Services	32,633,550	9,885,660	22,747,890
Children's Safeguarding	19,158,820	530,940	18,627,880
Education, Culture & Skills	122,581,930	117,786,530	4,795,400
Co-operative Council	4,102,550	2,632,520	1,470,030
Council Wide Items	41,628,350	35,247,170	6,381,180
Netting off of Internal Recharges included above	(32,930,430)	(32,930,430)	0
Total	435,094,020	292,629,060	142,464,960

Appendix 9B - Analysis of Base Budget Position**2013/14**
£'000

2012/13 Base Budget	124,864
Add back one off impact of using balances in 2012/13	1,390
	126,254
Impact of grant transfers	12,133
Base Pressures	
Safeguarding Net Pressure/Cost Reductions	602
Re-instate cost of single status	-400
Impact of one off grant funding used in 12/13	305
Inflation	1,381
Pensions - Impact of auto enrolment	100
LABGI grant - benefit ceases	100
New Homes Bonus	-699
Loss of WMS Dividend	262
Local Support for Council Tax Scheme	735
Funding earmarked from CTB £1.4m above to fund discretionary pymts	65
Council tax support subsidy deletion of net budget	82
Reduced Housing/Council Tax Benefit Admin Grant	110
Leakage on Savings	386
Continuing Health Care - net pressure	80
Operational Properties - NNDR revaluations etc.	501
Procurement costs - recycling and waste	150
ICT - Additional Maintenance costs associated with systems	70
Revenues & Benefits - court fee shortfall	60
PIP Rental Shortfall	250
Planning Fee Income Shortfall	300
Building Control Fee Income shortfall	100
Home Improvement Service Surplus	-50
Winter Maintenance	150
Adult and Community Learning Skills	300
Adult Care Client Contributions shortfall	235
Cost of Capital Programme	129
Shropshire & Telford Joint Adoption Service	100
Other	270
Base Contingency used to fund ongoing pressures	-1,596
2013/14 Base Budget	142,465
Less Funding:	
Council Tax Income (adjusted for CTS)	-48,532
Revenue Support Grant	-50,872
Top Up Payment from Central Government	-2,037
Retained Business Rates	-31,206
Parishes Council Tax Support Funding	516
Collection Fund	-300
Base Funding Gap	10,034

Analysis of Usable Balances at 1 April 2013

		Estimated balance at 1 April 2013 £m
Total Reserves and Balances		20.97
Less Commitments/Earmarked Funds:		
School Funds	Balances held on behalf of schools; therefore not available to the Council	5.54
Funds held for other sectors/partnership working	Includes funds for the Local Safeguarding Partnership, YOS Partnership, Telford Energy Advice Centre, Arthog, PVI Early Years sector and the PCT	0.71
Building Schools for the Future Funds	Procurement, capital and lifecycle costs which are fully committed to delivering the BSF programme	0.89
Grant funding	Grant funding received and fully committed in the budget strategy	0.40
Bad Debt Reserve	Set aside to meet bad debts; level dictated by CIPFA methodology and audited by KPMG as part of the SOA.	2.74
Insurance Reserves	Required to cover policy excesses and other potential costs such as MMI liabilities and claims prior to 1998 (unitary)	1.85
Severance Fund	Funds set aside to meet one off severance costs associated with service redesign which delivers ongoing savings	1.04
Hadley PFI Sinking Fund	Based on funding model; fully committed equalisation fund	1.27
Environmental Fund	Committed to Environmental improvements	0.10
Invest to Save Fund	Available for ITS schemes which will deliver future savings	0.46
Capacity/Training Fund	Committed to initiatives to build capacity in the organisation	0.16
Other Corporate Items	For example, Collection Fund and WMS equalisation account	0.50
Specific Earmarked Service Balances	Residual balances held by services following a rigorous review of balances undertaken during 2012/13	1.65
Add:		
Uncommitted balance identified following risk assessment	An assessment of financial risks compared to balances was undertaken as part of the budget strategy.	0.01
Residual General Working Balances		3.67

Summary of Reserves & Balances Position

Telford & Wrekin Council	
Total Value of Reserves & Balances at 1 April 2013	
£20.9m	

Balances held with Specific Commitments	
£9.9m (47%)	
Capital Funding for BSF	£0.2m
School Funds	£4.4m
PFI Sinking Fund	£1.2m
Self Insurance Fund	£1.1m
Regulatory Funds (S 38)	£0.5m
Council Tax Collection Account	£0.5m
Early Retirement Fund	£1.0m
LPSA Reward Grant - LSP	£0.3m
Other	£0.7m
Total	£9.9m

Estimated Usage in 2013/14	£3.3m
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Estimated Usage in Future Years	£1.4m
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Estimated Balance at 1 April 2015	£5.2m
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General Working Balances	
£3.7m (18%)	
General / Special Fund Balances	£2.0m
Other General Balances	£1.7m
Total	£3.7m

Estimated Usage in 2013/14	£0.0m
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Estimated Usage in Future Years	£0.0m
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Estimated Balance at 1 April 2015	£3.7m
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Balances held to mitigate Specific Risks (linked to the Strategic Risk Register)	
£5.7m (27%)	
Bad Debt Provision	£2.7m
Insurance Fund	£0.7m
Environmental Fund	£0.1m
Invest to Save Fund	£0.5m
Education Risk Areas	£1.5m
Capacity	£0.2m
Total	£5.7m

Estimated Usage in 2013/14	£1.0m
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Estimated Usage in Future Years	£0.3m
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Estimated Balance at 1 April 2015	£4.4m
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Specific Earmarked Service Balances	
£1.6m (8%)	
Specific balances retained by Service Areas following the detailed review undertaken during 2010/11; including elections equalisation account, social care reserves and connexions balances	
	£1.6m
Total	£1.6m

Estimated Usage in 2013/14	£0.9m
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Estimated Usage in Future Years	£0.3m
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Estimated Balance at 1 April 2015	£0.4m
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Telford & Wrekin Council	
Total Value of Reserves & Balances at 1 April 2015	
£13.7m	

Schedule of Provisions, Reserves and Balances

Assistant Director	Balance Sheet Structure	Description	Type	April 2012 Opening	April 2013 Opening	April 2014 Opening	April 2015 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held			
				Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)			Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15
General / Special Fund Balances												
Corporate	Reserves	General Reserve	2	(629,000.00)		(629,000.00)		(629,000.00)	Supplementary reserve			
Corporate	Special Fund Bals	Special Fund Balance	2	(360,444.61)		(360,444.61)		(360,444.61)	Working balance	Sufficient Forms part of minimum level of balances required; budgeted use in the Medium Term Financial Strategy		
Corporate	General Fund Bals	General Fund Balance	2	(3,326,917.32)	1,640,000.00	(1,686,917.32)		(1,686,917.32)	General Fund Working Balance			
Corporate	Reserves	Budget Strategy Reserve	2	(823,976.60)		(823,976.60)		(823,976.60)	Available for budget strategy			
Corporate	Reserves	General Balances	2			0.00		0.00	General Balances			
Corporate	Reserves	LABGI	2	(103,099.00)	100,000.00	(3,099.00)		(3,099.00)	Local Authority Business Growth Incentive Grant	Committed to the budget strategy		
Corporate	Reserves	Additional Contingency	2	(1,130,010.30)	1,100,000.00	(30,010.30)		(30,010.30)	One Off budget contingency for 12/13			
Corporate	Reserves	Additional Contingency	2	(2,145,000.00)	2,145,000.00	0.00		0.00	One Off contingency for 12/13			
Corporate	Fund Balances	Corporate	2	(122,001.66)		(122,001.66)		(122,001.66)	Available for budget strategy			
Total General / Special Fund Balances				(8,640,449.49)	4,985,000.00	(3,655,449.49)	0.00	(3,655,449.49)	0.00	(3,655,449.49)		
Specific Commitments not Available												
Corporate	Collection Fund	Council Tax Coll Fund Rev Acc	1	(802,810.25)	300,000.00	(502,810.25)	300,000.00	(202,810.25)	202,810.25	0.00	Collection fund surplus	T&W element of Collection fund balance; strategy for 12/13 uses £0.3m; use also in the strategy for subsequent 2 years.
Corporate	Reserves	Capital Funding Reserve for BSF	1	(245,425.68)		(245,425.68)		(245,425.68)		(245,425.68)	Fully committed for the capital programme	
Corporate	Reserves	LPSA - Reward Grant - Revenue	1	(59,149.07)	59,149.07	0.00		0.00		0.00	LPSA PRG - balance to be passed over to third party organisation per original agreement	Fully committed
Corporate	Reserves	Severance Fund	1	(2,040,095.96)	1,000,000.00	(1,040,095.96)	1,000,000.00	(40,095.96)		(40,095.96)	Fund set up to meet the one off costs of redundancies arising from restructures in order to deliver ongoing savings	Monitored as restructures progress.
Corporate	Provision	Severance Provision	1	(3,160,695.24)	3,160,695.24	0.00		0.00		0.00	Specific provision to meet one off costs associated with the Council re-structure - relates to those who had received notification of redundancy at 31 3 12	Fully committed
Corporate	Reserves	Insurance - Self Insurance Fund	1	(1,182,308.08)	100,000.00	(1,082,308.08)		(1,082,308.08)		(1,082,308.08)	Self insurance fund to cover insurance excesses - established in 2008/09 following decision to increase excesses.	Regularly reviewed - requirement depends on claims.
Corporate	Reserves	WMS Equalisation Reserve	1	(166,109.00)	166,109.00	0.00		0.00		0.00	Residual WMS dividend committed in 12/13	
Cooperative	Reserves	LPSA Reward Grant LSP element - revenue	1	(343,726.59)	113,782.30	(229,944.29)	36,300.00	(193,644.29)	36,300.00	(157,344.29)	Committed to fund Community Engagement Team	
Corporate	Reserves	LPSA Reward Grant LSP element - capital	1	(54,732.24)		(54,732.24)		(54,732.24)		(54,732.24)	Not required for original purpose - will fund capital spend currently funded by revenue therefore releasing a saving in 12/13	
Education & Skills	School Bals	School Balances	1	(6,984,403.06)	2,100,000.00	(4,884,403.06)	1,600,000.00	(3,284,403.06)	1,000,000.00	(2,284,403.06)	This represents school balances held by the LEA only. Additional amounts are held by schools as balances in independent bank accounts. Projected movement in balances is based on schools budget plans. It should be noted that schools budget outturns, over the sector as a whole are invariably better than initial budgets (i.e. balances are higher.)	This is partly offset by the LEA's borrowing from these balances.
Education & Skills	School Bals	LEA - loan from school balances	1	600,052.00	(55,090.00)	544,962.00	(55,090.00)	489,872.00	55,090.00	544,962.00	Overdrawn balance-loan from School balances	Repayment arrangement in place-should accelerate if funding allows to reduce risk of exposure should schools call more heavily on balances.
Education & Skills	Reserves	Schools' Supply Insurance Fund	1	(415.69)	415.69	0.00	0.00	0.00	0.00	0.00	Self Insurance Fund for supply teacher cover in Schools including maternity pay.	LA administered insurance fund to limit the additional costs incurred by schools resulting from contracted staff absence due to sickness. The premiums have been reviewed for the period 2011/12 to enable the fund to become self-financing. This is a fund constantly reviewed to ensure premiums are appropriate for the level of cover and claim

Schedule of Provisions, Reserves and Balances

Assistant Director	Balance Sheet Structure	Description	Type	April 2012 Opening	April 2013 Opening	April 2014 Opening	April 2015 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held			
				Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)			Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15
Education & Skills	Reserves	Theft & Vandalism Fund	1	(19,754.40)	5,000.00	(14,754.40)	5,000.00	(9,754.40)	4,754.40	(5,000.00)	Self Insurance fund to cover schools costs re theft and vandalism - would expect to hold small variance	
Education & Skills	Reserves	Schools Workforce	1	(65,827.14)	65,827.14	0.00	0.00	0.00	0.00	0.00	Balance used to support school workforce and ongoing provision of supply agency-budgeted commitment	
Education & Skills	Reserves	Other Schools Balances	1	(140,699.37)	40,000.00	(100,699.37)	40,000.00	(60,699.37)	40,000.00	(20,699.37)	Balances held by schools for specific projects - not available for general fund use.	Balance held on behalf of schools.
Family & Cohesion	Reserves	Youth Offending	1	(139,924.96)	50,000.00	(89,924.96)	89,924.96	0.00	0.00	0.00	T&W share of Partnership reserve for YOS - this will be required initially for new Trust arrangements - part of current discussions and agreement.	
Safeguarding		Local Safeguarding Board		(60,486.26)	25,000.00	(35,486.26)	20,000.00	(15,486.26)	5,000.00	(10,486.26)	T&W Share of Partnership reserve to support the work of the Local Safeguarding Board	
Education & Skills	Reserves	SDG Balances	1	(149,898.39)	100,000.00	(49,898.39)	20,000.00	(29,898.39)	20,000.00	(9,898.39)	School Development Group Fund - monies used to support development of Learning Communities by schools	Balance held on behalf of schools.
Education & Skills	Reserves	Burton Borough Cty Use	1	(48,529.35)	10,000.00	(38,529.35)	10,000.00	(28,529.35)	10,000.00	(18,529.35)	Monies derived from schools operation of their own community use facilities (provision funded by school)	Balance held on behalf of schools.
Family & Cohesion	Specified	Early Years	1	(88,043.86)	55,000.00	(33,043.86)	25,000.00	(8,043.86)	8,043.86	0.00	ring fenced fund for PVI early years sector used to pay for refurb and r&m on early years provision - £20k subject to S256 agreement with PCT for Family Nurse Partnership	reasonable
CYP General	Reserves - grant control account	Grant Control Account General	1	(560,852.64)	450,000.00	(110,852.64)	110,852.64	0.00	0.00	0.00	combination of 3 items - 251k committed for Adults and Children's Service Review ICT Transformation , 231k Neighbourhood Nursery Initiative monies received to support Newdale Nursery (Council provided)required to ensure sustainability of the provision. The provision will be subject to further review. £23k for specific Active involvement projects relating to Children with Disabilities. £54 k for Schools Sports Partnership - Phoenix School	
Finance, Audit & IG	Reserves	Match Funding Provision	1	(159,583.24)	50,000.00	(109,583.24)	50,000.00	(59,583.24)	50,000.00	(9,583.24)	Government grant - committed for match funding	
Neigh. & Leisure	Reserves	Arthog Trading Provision	1	(196,033.75)	96,033.75	(100,000.00)	100,000.00	(100,000.00)	100,000.00	(100,000.00)	Working balance for trading operation	Trading balance
Neigh. & Leisure	Reserves	Section 38 Income	1	(649,457.85)	200,000.00	(449,457.85)	449,457.85	(449,457.85)	449,457.85	(449,457.85)	Funds from developers when roads are adopted - used to ensure roads are brought up to standard prior to adoption	Funding provided for specific road schemes and cannot be used for other purposes. Therefore, fully committed.
Dvpt. Bus & Hsg	Reserves	Hadley PFI Sinking Fund	1	(1,273,435.24)		(1,273,435.24)		(1,273,435.24)		(1,273,435.24)	Equalisation account relating to Hadley PFI	Based on the funding model - fully committed
Dvpt. Bus & Hsg	Specified	TE Energy Advice Centre Balances	1	(22,137.08)	22,137.08	0.00	0.00	0.00	0.00	0.00	Specific funding to support regional costs of energy advice service including staffing and accommodation	Committed in 12/13
Total Specific Commitments				(18,014,482.39)	8,114,059.27	(9,900,423.12)	3,251,987.60	(6,648,435.52)	1,431,998.51	(5,216,437.01)		
Specific Earmarked Balances Identified as Risks												
Corporate	Debtors	Bad Debt Provision	3	(2,742,941.28)		(2,742,941.28)		(2,742,941.28)		(2,742,941.28)	To cover bad debts	Level based on formula
Neigh. & Leisure	Reserves	Corporate Environmental Fund	3	(400,000.00)	300,000.00	(100,000.00)	100,000.00	0.00	0.00	0.00	Committed to Environmental works	
Corporate	Reserves	Invest to Save Account Balance - catering system approval	3	(1,111,853.72)	656,000.00	(455,853.72)	416,853.72	(39,000.00)	39,000.00	0.00	Committed to ITS schemes which will generated future savings	
Corporate	Reserves	Corporate Capacity & Training Fund	3	(330,000.00)	174,000.00	(156,000.00)	156,000.00	0.00	0.00	0.00	Various initiatives to build capacity. Spend agreed by cabinet on 11.07.12.	
Corporate	Reserves	Insurance Funds	3	(513,893.16)		(513,893.16)		(513,893.16)		(513,893.16)	Self Insurance Reserve (non-Education) as part of overall insurance strategy	Level seems reasonable, based on the excesses to which the council is exposed under the current arrangements
Corporate	Reserves	General - Insurance - SCC liabilities	3	(250,378.05)		(250,378.05)		(250,378.05)		(250,378.05)	This is an additional insurance reserve which was established when the County Council's balance sheet was disaggregated and is available to cover claims liabilities that arise.	If this does ever become available following the actuarial valuation the level would increase the level of self insurance available to the authority.

Schedule of Provisions, Reserves and Balances

Assistant Director	Balance Sheet Structure	Description	Type	April 2012 Opening	April 2013 Opening	April 2014 Opening	April 2015 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held			
				Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)			Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15
Education & Skills	Reserves	Stop Loss Provision	31	(1,058,143.44)	150,000.00	(908,143.44)	150,000.00	(758,143.44)	150,000.00	(608,143.44)	Stop Loss Insurance - Self insurance to cover fire policy excesses on school buildings and other adhoc costs including lead roof theft and flooding - payments already made in 12/13	Revenue budget allows for growth in provision but this contribution will be delegated to schools from 13/14 as part of new funding arrangements
Education & Skills	Reserves	BSF Lifecycle and FM		(322,353.20)		(322,353.20)		(322,353.20)		(322,353.20)	The reserve reflects the Council's agreed approach to delivering FM & Lifecycle at secondary schools in line with EFA specifications - this will be reviewed during 12/13 to establish appropriate levels. The conversion of schools to Academies may have an impact on the levels - not able to project changes at this time	
Education & Skills	Reserves	Building Schools for the Future	31	(513,864.82)	190,000.00	(323,864.82)	190,000.00	(133,864.82)	133,864.82	0.00	Reserve set aside for procurement costs associated with BSF	
Total Specific Earmarked Balances Identified as Risks				(7,243,427.67)	1,470,000.00	(5,773,427.67)	1,012,853.72	(4,760,573.95)	322,864.82	(4,437,709.13)		
Specific Earmarked Service Balances												
Law, Democ & PP	Reserves	Elections Equalisation Provision	4	(34,656.61)	(50,000.00)	(84,656.61)	(50,000.00)	(134,656.61)	134,656.61	0.00	Set aside to assist in funding future local elections as annual revenue budget may not be sufficient in any given year.	depends on the number of elections that arise; next Borough election due May 2015
Law, Democ & PP	Reserves	Single Status Project	4	(239,674.51)	71,000.00	(168,674.51)	159,000.00	(9,674.51)	9,674.51	0.00	Required to fund single status project work (including legal and consultancy costs) and preparation for implementation	
Education & Skills	Fund Balances	E&T Balance Cwfd	4	(4,213.89)	4,213.89	0.00	0.00	0.00	0.00	0.00		
Education & Skills	Reserves	Balance Control Mechanism / Residual balances from closed schools	4	(141,968.97)	50,000.00	(91,968.97)	50,000.00	(41,968.97)	41,968.97	0.00	Balances clawed back from schools through the balance control mechanism plus residual balances from closed schools	To cover possible deficits of schools which close in the future.
Care & Support	Reserves	Health Watch	4	(5,000.00)	5,000.00	0.00	0.00	0.00	0.00	0.00	Specific funding for transition to health watch	
Safeguarding	Reserves	Connexions Balance	4	(13,381.64)	13,381.64	0.00	0.00	0.00	0.00	0.00	Committed for the CATE project used to support costs in 12/13	
Safeguarding	Specified	CYP Plan Priorities	4	(90,000.00)	90,000.00	0.00	0.00	0.00	0.00	0.00	Identified as offset to current Safeguarding position including CATE project	
Family & Cohesion	Reserves	Joint Commissioning Balance	4	(26,598.59)	26,598.59	0.00	0.00	0.00	0.00	0.00	Committed into budget	
Family & Cohesion	Reserves	Safer Communities cwfd	4	(114,918.62)	114,918.62	0.00	0.00	0.00	0.00	0.00	Combination of two reserves - this money will be required to fund impact of delay in restructure in Cohesion agreed to enable all appropriate candidates to be considered. In addition some one off funding required for offset of lost grants and income within 12/13 position.	
Family & Cohesion	Reserves	SIS - One vision	4	(26,634.06)	26,634.06	0.00	0.00	0.00	0.00	0.00	Given by One Vision Charity to support children with vision impairment - committed	
Family & Cohesion	Reserves	Youth Projects Support	4	(214,941.42)	100,000.00	(114,941.42)	75,000.00	(39,941.42)	25,000.00	(14,941.42)	Balance fluctuates - to fund external projects	
Family & Cohesion	Reserves	Stafford Park Pooled Fund	4	(61,786.96)	20,000.00	(41,786.96)	20,000.00	(21,786.96)	21,786.96	0.00	Pooled budget arrangement with PCT - our proportion reflected here.	
Family & Cohesion	Reserves - from creditors	Education Welfare Balance	4	(32,449.52)	24,449.52	(8,000.00)	4,000.00	(4,000.00)	4,000.00	0.00	Income from fixed penalty notices re Truancy etc - held to fund training and resources costs associated with this process.	
Education & Skills	Reserves	SMDS Reserve	4	(31,772.61)	31,772.61	0.00	0.00	0.00	0.00	0.00	Committed in 12/13 to offset trading income target in first full year of full trading	
Care & Support	Reserves	Personalisation Reserve	4	(310,231.18)	155,000.00	(155,231.18)	155,231.18	0.00	0.00	0.00	To fund emergency respite contracts and tender work	
Care & Support	Reserves	Enablement	4	(49,756.34)	49,756.34	0.00	0.00	0.00	0.00	0.00	Committed to ICT Transformation work - Adult and Children's Project	
Care & Support	Reserves	Trainee Social Worker Reserve	4	(247,586.84)	111,663.64	(135,923.20)	111,664.78	(24,258.42)	24,258.42	0.00	To support a bursary scheme for trainee social workers	Funds committed to specific posts - reflects 4 for 3 years
Care & Support	Reserves	Access & Social Inclusion Pump Priming Fund	4	(21,036.36)	21,036.36	0.00	0.00	0.00	0.00	0.00	will be spent - already in receipt of invoices for this amount.	

Schedule of Provisions, Reserves and Balances

Assistant Director	Balance Sheet Structure	Description	Type	April 2012 Opening		April 2013 Opening		April 2014 Opening		April 2015 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15			
Care & Support	Reserves	Supporting People Reserve	4	(52,341.64)	52,341.64	0.00		0.00		0.00		To support Extra Care schemes at Parkwood and Lightmoor	Will be required over the next 3 years to support various initiatives not covered in the base budget.
Care & Support	Reserves	Provision for Care Costs	4	(488,000.00)	488,000.00	0.00		0.00		0.00		Funding for reablement work - part of the overall transformation strategy and required to match fund PCT contribution	
Care & Support	Reserves	PCT monies	4	(290,735.47)	290,735.47	0.00		0.00		0.00		PCT Projects - monies paid to Council by PCT.	
Law, Democ & PP	Reserves	Civil Resilience	4	(19,127.00)	18,730.00	(397.00)		(397.00)		(397.00)		To purchase a new generator	
Law, Democ & PP	Reserves	Legal Reserve	4	(50,135.83)		(50,135.83)		(50,135.83)		(50,135.83)		£34k grant received for personal search fees potential liability; balance for standards investigations	Fully committed
Customer & People	Reserves	R&B General Staffing	4	(254,872.21)	204,100.00	(50,772.21)	50,772.21	0.00		0.00		To support additional staffing costs to meet Pis.	
Customer & People	Reserves	Register Office	4	(6,303.50)	6,303.50	0.00		0.00		0.00		To implement a scanning system in 2011/12. Final payments due in 2012/13.	
Neigh. & Leisure	Reserves	Leisure Sponsorship Fund	4	(39,725.06)		(39,725.06)		(39,725.06)		(39,725.06)		Sponsorship income	Third party income, so cannot be released
Customer & People	Reserves	Galaxy Software Upgrade	4	(17,273.21)	17,273.21	0.00		0.00		0.00		System implemented - awaiting charges from ICT. Balance will also fund Self Service	
Dvpt. Bus & Hsg	Reserves	Inward Investment & Marketing	4	(43,030.16)	0.00	(43,030.16)	43,030.16	0.00		0.00		To meet outstanding liabilities from Transforming Telford	This is dependent upon the timing of the wind up of TT, which is likely to be delayed until 13/14 financial year.
Education & Skills	Reserves	Student Awards	4	(18,274.34)	18,274.34	0.00		0.00		0.00		To offset shortfall of grant in Education Business Partnership	
Neigh. & Leisure	Reserves	Wheels to Work	4	(90,271.68)	90,271.68	0.00		0.00		0.00		Committed to fund costs associated with the scheme	Not aware of any commitments against this reserve
Neigh. & Leisure	Reserves	Granville House Improvements	4	(89,743.93)	40,000.00	(49,743.93)	49,743.93	0.00		0.00		For works to Granville House as part of corporate property review	Committed to refurbishment works at the depot as part of property rationalisation.
Neigh. & Leisure	Reserves	Area Based Grants	4	(143,262.70)	143,262.70	0.00		0.00		0.00			Not aware of any commitments against this reserve
Customer & People	Fund Balances	Education Catering provision	4	(136,007.93)	136,007.93	0.00		0.00		0.00		Trading Balance - will be committed to meeting the costs of school catering management	Committed in 12/13 for cashless
Dvpt. Bus & Hsg	Reserves	Feasibility, implementation and pump priming for property and land use	4	(200,000.00)	200,000.00	0.00		0.00		0.00			Committed in 12/13
Dvpt. Bus & Hsg	Reserves	Railfreight terminal - interim arrangements April - July 2012	4	(50,000.00)	50,000.00	0.00		0.00		0.00			Committed in 12/13
Dvpt. Bus & Hsg	Reserves	Development of the planning system	4	(100,000.00)	100,000.00	0.00		0.00		0.00			Committed in 12/12
Dvpt. Bus & Hsg	Reserves	R&M Leasehold properties	4	(52,421.03)	52,421.03	0.00		0.00		0.00		Repairs and Maintenance on Leasehold properties to improve standards (Telford Housing Company and Homeswap scheme)	Committed in 12/13
Dvpt. Bus & Hsg	Reserves	Home Improvement Agency	4	(3,367.84)	3,367.84	0.00		0.00		0.00		To provide small grants to individuals in relation to home improvements	Committed in 12/13
Dvpt. Bus & Hsg	Reserves	Provision for Planning Fees	4	(2,676.64)	2,676.64	0.00		0.00		0.00			Committed in 12/13
Family & Cohesion	Reserves	Preventing Repossessions	4	(74,463.00)		(74,463.00)		(74,463.00)		(74,463.00)			
Dvpt. Bus & Hsg	Reserves	Local Plan Enquiry	4	(50,000.00)	50,000.00	0.00		0.00		0.00		support for costs of development, waste, minerals and other plans as part of the LDF process	Committed to the public inquiry process.
Neigh. & Leisure	Fund Bal	Landfill Allowance Trading Scheme	4	1,626.50	(1,626.50)	0.00		0.00		0.00		Will be used in 11/12	
Neigh. & Leisure	Reserves	Waste procurement project	4	(270,000.00)	270,000.00	0.00		0.00		0.00		R9408 EWAQ - already drawn down	
Neigh. & Leisure	Reserves	Transport - routing and scheduling	4	(123,000.00)	123,000.00	0.00		0.00		0.00		R9408 ETAM - already drawn down	
Neigh. & Leisure	Reserves	Smart Card ticket machines	4	(65,000.00)	65,000.00	0.00		0.00		0.00		R9408 ETAA - already drawn down	
Neigh. & Leisure	Reserves	Car Parking Enforcement	4	(60,000.00)	30,000.00	(30,000.00)	30,000.00	0.00		0.00			Intention still to introduce parking enforcement
Neigh. & Leisure	Reserves	S 143 Highways Appeals Reserve	4	(45,860.00)	45,860.00	0.00		0.00		0.00		Commitments in 11/12 - costs of dealing with enforcement of a Highways Planning Order.	Hold for Kynnersley Barn appeal
Finance, Audit & IG	Reserves	New Technology	4	(140,009.92)	70,009.92	(70,000.00)	70,000.00	0.00		0.00		Committed to Financial Management system	
Customer & People	Reserves	PCT contribution to health hub	4	(75,000.00)	75,000.00	0.00		0.00		0.00		PCT contribution For Health Hub	
Cooperative	Reserve	Employability Project Reserve	4	(10,000.00)	10,000.00	0.00		0.00		0.00			

Schedule of Provisions, Reserves and Balances

Assistant Director	Balance Sheet Structure	Description	Type	April 2012 Opening		April 2013 Opening		April 2014 Opening		April 2015 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15			
Customer & People	Creditor	Organisational Improvement Fund	4	(491,421.19)	350,421.19	(141,000.00)	141,000.00	0.00		0.00	0.00	To fund Organisational Improvement Programme; £210k non committed at present	
Cooperative	Reserves	Cooperative Council Initiatives	4	(14,553.15)	14,553.15	0.00		0.00		0.00	0.00	To support Co-Operative Council initiatives/schemes	
Cooperative	Reserves	Telford & Ironbridge Festival	4	0.00	(50,000.00)	(50,000.00)		(50,000.00)		(50,000.00)		Set up at year end by Richard Partington. Being managed by Katherine Kynaston	
Customer & People	Reserves	Mystery Shopper	4	(6,000.00)	6,000.00	0.00		0.00		0.00	0.00	Mystery Shopper Exercise due between October 2012 and March 2013.	
Customer & People	Reserves	Self Service Facility at Madeley	4	(15,000.00)	15,000.00	0.00		0.00		0.00	0.00	Funding for the implementation of the self-service facility at Madeley/Oakengates and Stirchley in 2012/13.	
Finance, Audit & IG	Reserves	Finance capacity reserve	4	(70,000.00)		(70,000.00)	18,000.00	(52,000.00)		(52,000.00)			
Neigh. & Leisure	Reserves	Leisure	4	(88,000.00)		(88,000.00)		(88,000.00)		(88,000.00)		Provision for any income shortfall at TIR arising from the refurbishment.	Requirement will be monitored through 12/13
Customer & People	Reserves	Equality & Diversity - NEETS	4	(24,000.00)	24,000.00	0.00		0.00		0.00	0.00	No commitments for equality, however Angie has made a request to use this to cover R&B staffing - not agreed	
Law, Democ & PP	Reserves	Member Services Equipment Reserve	4	(20,618.00)	20,618.00	0.00		0.00		0.00	0.00	To provide replacement PC's for members	
Education & Skills	Reserves	T&W Leadership Conference	4	(5,855.97)		(5,855.97)		(5,855.97)		0.00	(5,855.97)	Used to offset costs of the schools annual Leadership conference	
Family & Cohesion	Reserves	J/A Special Support Services	4	(3,967.00)	3,967.00	0.00	0.00	0.00		0.00	0.00	Small reserve as a one off for services in Joint Arrangement - currently awaiting notification from Shropshire of results of their review of costs - will be used in revenue account in year.	
Family & Cohesion	Reserves	Clusters	4	(125,263.53)	96,000.00	(29,263.53)	25,000.00	(4,263.53)		4,263.53	0.00	£56k built in revenue budget as funding in 12/13 for continuation of Relateen work - further Early Intervention projects/ strategies to be funded	
Neigh. & Leisure	Reserves	Tennis Centre Sinking Fund	4	(13,022.02)		(13,022.02)		(13,022.02)		(13,022.02)			
Dvpt. Bus & Hsg	Reserves	Procurement Advice Reserve	4	(23,561.00)	23,561.00	0.00		0.00		0.00	0.00		Committed
Family & Cohesion	Reserves	Young Persons Substance Misuse	4	(74,891.17)	45,000.00	(29,891.17)	25,000.00	(4,891.17)		4,891.17	0.00	Planned use to offset loss of Drugs funding	
Family & Cohesion	Reserves	Community Safety Fund	4	(57,245.10)	57,245.10	0.00		0.00		0.00	0.00	Funding used for projects agreed by the Community Safety Board	
Corporate	Reserves/Specified	Capacity Building/Organisational Development	3	(422,671.25)	422,671.25	0.00		0.00		0.00	0.00	To recognise capacity issues within the organisation/ in addition to capacity fund	available for intended use/no known commitments
Total Specific Earmarked Service Balances				(6,181,954.09)	4,545,471.36	(1,636,482.73)	977,442.26	(659,040.47)	270,500.17	(388,540.30)			
Overall Total				(40,080,313.64)	19,114,530.63	(20,965,783.01)	5,242,283.58	(15,723,499.43)	2,025,363.50	(13,698,135.93)			
						(20,965,783.01)		(15,723,499.43)		(13,698,135.93)			
						0.00		(0.00)		(0.00)			

Provisions, Reserves and Balances / Major Risk Areas

Summary of Reserves and Balances		£
Total Projected Reserves and Balances at 1 April 2015		13,698,136
Less specific Commitments not available		-5,216,437
Less specific Earmarked Service Balances identified		-388,540
Less Net Financial Impact of Risks identified- see below		-4,052,941
Less Surplus Balances within the Education ring-fence		-370,497
Balance available for Medium Term Financial Strategy		3,669,720
General/Special Fund Balances		-3,655,449
Specific Earmarked Balances (after risks deducted)		-14,271
Balance Available for Strategy		-3,669,720

H	1.00
L	0.10
L/M	0.20
M	0.50
M/H	0.75

0

	1 April 2012	Estimated Use 2012/2013	1 April 2013	Estimated Use 2013/14	1 April 2014	Estimated Use 2014/15	1 April 2015
Total Reserves and Balances	-40,080,313.64	19,114,530.63	-20,965,783.01	5,242,283.58	-15,723,499.43	2,025,363.50	-13,698,135.93
Less Specific Commitments / External Funds	-18,014,482.39	8,114,059.27	-9,900,423.12	3,251,987.60	-6,648,435.52	1,431,998.51	-5,216,437.01
Balance Remaining	-22,065,831.25	11,000,471.36	-11,065,359.89	1,990,295.98	-9,075,063.91	593,364.99	-8,481,698.92

Major Risk Areas

Area of Risk	Description	Link to Key Strategic Risks	Estimated Exposure £	Risk Level - H, M, L	FACTOR	Mitigation	Financial Impact of Mitigation £	Net Exposure £
Winter Maintenance/Flooding	Based on previous years costs of gritting key principle routes and bus routes and incidence of flooding. Risk of not being able to react to adverse weather conditions	1	200,000	M/H	0.75	Additional funds included in base budget in 13/14; budget contingency	-150,000	0
Hosting Contract	If de-minimus on highways work not reached T&W in danger of losing discount included in the contract. As LTP reduces the risk is higher.	1	50,000	L	0.10	capital programme	-5,000	0
Waste Contract	Risk that procurement process is delayed/new contract is not implemented on time	1	800,000	M	0.50	One off funds included in 14/15 budget as contingency for any delays	-400,000	0
ERDF Project - possibly railfreight and AWM grant - outputs not being met	Risk of clawback on Council-led elements of the project; risk on £22m grant @ 10% = £2.2m.	1	2,200,000	L	0.10	Investment in programme management team carrying out rigorous control/review; use of prudential borrowing to fund and meet cost of servicing from revenue contingency, maximum exposure £40 k p.a.	-220,000	0
Insurance Stop Loss (Education)	Education insurance excess £0.250m. Per incident, risk of more than one major fire plus theft and vandalism	1	500,000	H	1.00			500,000
Loan from School Balances	Risk of loan being recalled sooner than budgeted repayment	1	600,000	L	0.10	is low the correct risk level with schools transferring to academies?		60,000
Building Schools for the Future	Risk of not being able to deliver all elements of the Building Schools for the Future Programme	1, 5	4,000,000	L/M	0.20	BSF programme under continual review and close monitoring is undertaken to manage spend within resources available	-800,000	0
Emergency Planning/ Health & Safety	Risk of a major disaster/health and safety incident occurring and having to meet immediate costs of incidents such as major flooding, land stability and other emergencies	1, 5, 6	2,000,000	L/M	0.20	Capital programme resources, land stability investment in the Gorge plus contingency	-400,000	0
Children in Care / Safeguarding	highly volatile area of care provision; risk based on historic information and costs (2012/13 monitoring shows a projected overspend on £2.6m).	1, 2, 3, 5	2,600,000	M/H	0.75	Revenue budget increased in 2013/14 .Action plan in place focussing on Early Intervention ; use of revenue budget contingency	-1,950,000	0

Area of Risk	Description	Link to Key Strategic Risks	Estimated Exposure £	Risk Level - H, M, L	FACTOR	Mitigation	Financial Impact of Mitigation £	Net Exposure £
Bad Debts provision		1	2,742,941	H	1.00	based on formulae		2,742,941
Treasury Management	Risk of volatile interest rates; £47m investment at 1% and £113m borrowing	1, 6	1,600,000	M/H	0.75	strategy to reduce borrowing by using maturing investments; general fund balances and contingency; monitoring credit ratings and counterparty exposure; govt. backing for key banks; advice from Treasury Advisors; current economic climate of flat interest rates	-1,200,000	0
Buildings	Immediate response needed to urgent repairs and maintenance issues in council owned buildings and major equipment	1, 7	300,000	M	0.50	comprehensive rolling programme of maintenance to tackle back-log; in line with AMP and capital programme; rationalisation of office accommodation	-150,000	0
Income	Failure of major facility due to investment needs, leading to closure and loss of income - risk of not meeting income targets in year, including PIP income, Leisure income, Car Parking, Markets - based on 1% variance from budget	1, 4, 5, 6, 8	1,100,000	H	1.00	Close monitoring giving early indication of issues and corresponding action plans to address/switch budget. This together with the AMP investment programme, use of service balances and the corporate contingency would act as mitigation.	-1,100,000	0
Insurance	Self Insurance Fund to meet potential costs arising from: increased premiums, public liability excesses, environmental warranties, property excesses, any residual costs relating to pre SCC disaggregation; MMI liability	1	1,000,000	M/H	0.75	Insurance policies and provisions for any residual financial exposure		750,000
Data Security	Abuse of sensitive data/breaking confidentiality / failure to manage public information / IT information security and confidentiality	1, 3, 6, 7	100,000	M	0.50	Corporate Contingency	-50,000	0
Partnership Working	Deterioration in partnership working impacts on the Council's ability to delivery outcomes	5		L	0.10	Working through LSP and cooperative council approach		0
Business Continuity/Systems Failure/Supplier Issues/Partner issues	Failure to have in place a robust corporate business continuity plan and related operational procedures. Including major systems failure damaging the ability to provide essential duties and the risk of a major supplier defaulting on a contract and failing to perform.	1, 3, 6, 7	1,000,000	L/M	0.20	Corporate Business Continuity Plan; new infrastructure and use of corporate contingency together with the capital programme	-200,000	0
Potential Litigation	Risk of litigation with financial consequences	1, 8	200,000	M	0.50	Effective inhouse/external legal advisors; negotiation; contingency	-100,000	0
Insufficient resources	Insufficient capacity to deal with increased workloads and significant public sector funding cuts - this is an overarching risk addressed by the Service & Financial Planning Strategy	1		M	0.50	Budget contingency available; continuous review of capital programme; service review programme; close monitoring of specific and other grant funding		0
Social Care (Adults & Childrens)	Death or serious harm of a vulnerable child or vulnerable adult (breach of duty of care)	2		L	0.10	Effective management controls and insurance policies and provision and service prioritising process for budget pressures.		0
Total Identified Risks			20,992,941					4,052,941
Balance Remaining after setting aside for Risks								-4,428,758
Less Specific Earmarked balances								388,540
Less residual balances within the Education Ring fence								370,497
Balance Remaining for Medium Term Budget								-3,669,720

APPENDIX 11 - Progress on impact assessments and engagement for additional budget savings presented to Cabinet in September 2012

Nos:	Saving proposal ref:	Description of saving	Year	Lead officer	EIA Required	Engagement Required	Progress
1	Budget Strategy Nos: 2	Care and Support Meals on Wheels review £57,000	2013/ 14	Chris Harrison	Yes	Yes	Meals on Wheels review has not been planned to date.
2	N/A	Resource Allocation System – RAS	2012/ 13	Richard Smith	Yes	No	Advice sought from the regional personalisation meeting around service user consultation. On advice, we will not be consulting but we will be communicating the new system with service users and advocates. Impact Assessment is under development.
3	N/A	Service Review – Adult Social Care – Services for people with learning disabilities	2012/ 13	Deb Williams/ Karen K	Yes	Yes	Currently service users, carers and staff are being asked what is working well and not so well about current services. This will help inform the development of a draft model, which will be out for consultation from March 2013.
4	Budget Strategy Nos: 200	Highways and Transport Reduce Rights of Way maintenance this will result in only £5,500 remaining in the budget £7,000	2013/ 14	Ian Goffe	Yes	No	In summary, the reduction is across the area and mitigation includes community action and drawing in partnership arrangements and external funding. There is no significant detriment or disproportionate impact in the adopted approach. The Local Access Forum acts as a stakeholder and sounding board to ensure this remains the case.
5	Additional savings proposals Nos: 64	Highways and Transport Subsidised bus services – consider reducing/removing the subsidy on existing	2015/ 16	Helen Hill	Yes	Yes	There are 3 subsidised routes in the borough. Savings will be made by altering other areas within this budget rather than impacting on these. They conduct engagement with regard to

APPENDIX 11 - Progress on impact assessments and engagement for additional budget savings presented to Cabinet in September 2012

Nos:	Saving proposal ref:	Description of saving	Year	Lead officer	EIA Required	Engagement Required	Progress
		subsidised routes £50,000					adjustments of the subsidised routes as and when it comes up.
6	Budget Strategy Nos: 206	Environmental Services Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge £23,000	2013/ 14	Dave Hanley	Yes	No	Initially enquiries are underway as to evidence base and whether a detailed impact assessment is required.
7	Budget Strategy Nos: 84	Families and Communities CSS – Short Breaks – definition of more appropriate packages in line with criteria set out in the approved Short Breaks Statement £25,000	2013/ 14	Viv McKay	No	No	Follow on from last year's savings. Impact is broadly positive through a tiering approach based on individual need. Saving will come about from a more efficient approach to needs analysis.
8	Budget Strategy Nos: 92	Families and Communities Commissioning of Teenage Pregnancy Services £38,000	2012/ 13 and 2013/ 14	Chris Marsh	No	No	Commissioners have been working to this funding reduction for some time. It initially featured in 2011/12 proposals. Following a reconfiguration of services a post previously funded from this budget is now funded elsewhere. Hence the impact on service provision will be small. £18,000 has already been saved in 12/13 with a further reduction of £20,000 in 13/14.
9	Budget Strategy Nos: 107	Families and Communities Reduction in the number of statements of education	2012/ 13201 3/14 and	Di Partridge	No	No	A single multi agency approach is being developed to deliver appropriate care and efficiencies.

APPENDIX 11 - Progress on impact assessments and engagement for additional budget savings presented to Cabinet in September 2012

Nos:	Saving proposal ref:	Description of saving	Year	Lead officer	EIA Required	Engagement Required	Progress
		need and out of county placements for special education £411,000	2014/15				An officer working group will evaluate practice from Pathfinder projects in other LA. It is recommended that a timely evaluation of practice is carried out with parent/carers during 2013/14
10	Budget Strategy Nos: 195	Families and Communities Various youth initiatives £95,000	2013/14	Jas Bedesha	No	No	Shaping the Future consultation highlighted 'things to do for young people' as high on people's priorities. This saving has been identified from an ongoing, historic budget under spend. This is now being used as a one off saving.
11	Budget Strategy Nos: 208	Families and Communities Review provision model for domestic violence (women's refuge) and increase in HIA and PSH fees and charges £30,000	2013/14	Jas Bedesha	Yes	No	IDVA – Questionnaire and focus group plans agreed by CARM May 2012. No consultation will be delivered now. This will be part of the review. A Housing Task Group has been set up to explore how we support and accommodate people who have experienced domestic abuse. With regard to a future model an Equality Impact Assessment will be carried out prior to decision making.
12	Budget Strategy Nos: 114 Additional savings	Housing services – storage costs/bonds etc. £20,000 Various savings on Housing, Homelessness	2013/14	Jas Bedesha	Yes (for Homelessness Strategy)	No	As a result of a new protocol for evictions with registered social landlords demand on storage will decrease. Further to the restructure and new approach to using bed and breakfast accommodation

APPENDIX 11 - Progress on impact assessments and engagement for additional budget savings presented to Cabinet in September 2012

Nos:	Saving proposal ref:	Description of saving	Year	Lead officer	EIA Required	Engagement Required	Progress
	proposals Nos: 3,4,5,6,7	and Resettlement £90,000					savings will be made. Currently, a Homelessness and Resettlement Review is taking place. As part of the review a Homeless Strategy will be presented to Cabinet in January 2013.
13	Budget Strategy Nos: 209	Families and Communities Placements Strategy £2,918,000	2012/13, 2013/14 and 2014/15	Karen Perry	No	No	No current engagement identified.
14	Additional savings proposals Nos: 9	Education, Culture & Skills Lifelong Learning/age careers service £100,000	2013/14	Jim Collins	No	Yes	Customer satisfaction and benchmarking with other authorities will support the review. To date there has been engagement with service users including focus groups. It is currently proposed to increase income through traded services and therefore no equality impact assessment is required for the time being.
15	Additional savings proposals Nos: 10	Education, Culture & Skills The Place £180,000	2013/14 and 2014/15	Jim Collins	Yes	Yes	Consultation is currently being delivered until early January 2013.
16	N/A	Council Tax Support Scheme	2012/13	Lee Higgins	Yes	Yes	Consultation results and EIA on website - http://www.telford.gov.uk/counciltaxsupport

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Equality Impact Analysis Required	Consultation/Engagement Required	Communication Required
Income										
2	Neighbourhood & Leisure Services Highways: increase car parking charges in Council car parks in Ironbridge by a further 20% from 2013/14. Example of new charges - all day £2.40; 3 hr £2.30; 2hr £1.30; 30 mins £0.70		16,000		16,000	Keith Harris	Generates increased income from car parks where charges already apply. Helps to encourage greater use of Ironbridge Park & Ride that is now operational at peak visitor times. Residents are protected via permit scheme.	No	No	Possible
3	Family & Cohesion Education Psychologists	544,021	5,000	10,000	15,000	Diane Partridge	Service review underway has identified an opportunity for trading non core elements of the service	No	Yes - planned for January 2013	No
4	Customer & People Services Burials - increase in Burial Fees to West Mids National Average (but higher than Shropshire)		7,000	7,000	14,000	Andrew Meredith	This further increase will bring us in line with the West Midlands national average for cost of burials	No	No	Possible
Non-Staff										
10	Family & Cohesion Teenage Pregnancy	108,000	50,000	18,000	68,000	Chris Marsh	Reduce size of programme and link to transferring responsibilities for sexual health	Yes	Yes	No
16	Family & Cohesion Community Safety	41,447	38,650		38,650	Jas Bedesha	efficiencies and greater partnership working	Yes	No	No
17	Family & Cohesion Homelessness Project	14,280	14,280		14,280	Jas Bedesha	STAY contract ended and not renewed earlier this year. The Housing task Force is looking at a different approach to dealing with homelessness	Yes - as part of the Homelessness Strategy		
18	Family & Cohesion Early Years Special Educational Needs	106,000		10,000	10,000	Chris Marsh	Review options for reducing funding to support SEN within PVI sector. The review will consider whether amended early years funding within the Dedicated Schools Grant can provide additional support	Yes	No	No
19	Family & Cohesion Support for communication with parent and parent groups.	-		10,000	10,000	Viv McKay	Review impact of current arrangements and options for future engagement with parents.	No	No	Possible
28	Law, Democracy & Public Protection Reduction in members allowances budget		50,000		50,000	Jonathan Eatough	Underspend in current year	No	No	Possible
29	Care & Support Application of a series of funding restrictions detailed below which will contribute to the delivery of the 2012/13 budget strategy savings for 2013/14 and 2014/15 as listed in Appendix 3 and also the additional savings target of £317k for 2013/14:		317,000	-	317,000	Karen Kalinowski		Yes	Yes	Yes
	Care & Support 1) Imposition of a funding ceiling - either through the application of RAS or through a ceiling linked to the alternative cost of residential care) for community based care packages				-	Karen Kalinowski	The cost of caring for an individual with a high level of need in their own home can be considerably more than the cost of a residential placement			
	Care & Support 2) Review of policy provision/revision of expectation in ALD and Transition service areas to clarify that basis of future accommodation provision in the community will be on shared basis only.				-	Karen Kalinowski	It is accepted by society that young adults not in receipt of social care services live in shared accommodation or continue in the family home due to the economic state which prevents their access to single rented or purchased accommodation			
	Care & Support 3) Review of Adults with Learning Disability Provider Services				-		The introduction of personal budgets gives individuals increased choice and control over how their council funded care is provided. As a result In house services will be in direct competition with external service providers and other models of service delivery e.g. personal assistants. In order to survive the services have to be more cost effective and deliver the services of choice.			
	Care & Support 4) A panel process will be introduced to review and agree all ongoing care packages to ensure consistency and utilisation of alternative less costly forms of service provision such as assistive technology				-	Karen Kalinowski	Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available			

No.	Description of Saving	2012/13 Budget £	2013/14 Saving £	2014/15 Saving £	Total Ongoing Saving £	Lead Officer	Rationale	Equality Impact Analysis Required	Consultation/Engagement Required	Communication Required
30	Care & Support Dependent on delivery of existing savings and enhancements outlined above it is likely that the Council will need to consider commencing a consultation process during 2013/14 around a review of eligibility criteria to reduce statutory access to services to those with critical needs only			1,957,000	1,957,000	Karen Kalinowski	In order to reduce the levels of care provided need to have legal basis on which reviews and decisions are made. Otherwise likely to be subject to challenge and judicial review.			
Procurement										
32	Family & Cohesion Home to school transport		200,000		200,000	Viv Mckay	Efficiency Savings identified during 2012/13	Yes	No	No
Property Rationalisation										
49	Neighbourhood & Leisure Services Highways & Transport - change Road Safety and Sustainable Travel team to become largely self funding from grants and income generation		45,000		45,000	Keith Harris	Further opportunities for income generation by charging schools and other external organisations for road safety / driver training courses and through developer contributions.	No	No	Possible
Service Review/Redesign										
57	Neighbourhood & Leisure Services Waste Services - introduce Black bag sort scheme at CRC's - ie stop and sort customer services helping to reduce landfill.		30,000	30,000	60,000	Dave Hanley / Debbie Germany	negotiate with TWS and Sita to change current operation at CRC to ask staff to stop and sort / guide customers to ensure full recycling takes place, ie nothing is sent to landfill that could be recycled	No	No	Yes
65	Family & Cohesion Commissioning Review of Transport and Public Transport		250,000	600,000	850,000	Viv Mckay	Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country	Yes	Yes	Yes

Care & Support Budget Savings Update and Proposals

This appendix provides an update on the financial position of care and support in respect of the cumulative savings now required of the service from 2013/14 onwards. It describes the implications of the actions being taken in respect of the existing savings requirements and proposals for addressing the additional target including the ongoing £1.365m overspend from the current year.

The further savings required of the service are summarised in the table below:

	<u>2013/14</u>	<u>2014/15</u>	<u>Total</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
2012/13 budget strategy savings	1.901	1.102	3.003
Ongoing overspend from 2012/13	1.365		1.365
Additional target 2013/14 budget	<u>0.317</u>	<u>1.957</u>	<u>2.274</u>
Total	3.583	3.059	6.642

In addition the service is facing funding pressures from demography and inflation which effectively means that further savings are required in order for the council to be able to meet its statutory duty to provide care for eligible unmet needs. The delivery of the above savings together with the current in year savings detailed below represents 27% of the service budget and inevitably will, if implemented in full, result in a reduction in the care provided to individuals.

Context – Current Year 2012/13 Savings

In the current financial year the service is delivering £2.546m of non staff savings and £2.251m of staff savings, a total of £4.797m.

These savings are being delivered through a complete remodelling of service delivery. The new personalised model of service delivery is based on 4 key actions:

- Establishment of enablement and reablement for the vast majority of service users prior to assessment for ongoing service eligibility and care planning with the objective of reducing or, where deterioration is occurring, stabilisation of pre-existing care package costs
- Utilisation of assistive technology as a preventative measure and as an alternative to personal care provision
- Development of personal budgets and self directed support by individuals as an alternative to council led service determination.
- Signposting and direction of individuals to community and voluntary sector based support as an alternative to council funded provision.

In delivering this remodelling of service delivery the service currently has the following workstreams underway:

- Business Processes - new processes to meet Personalisation and transformation agenda.

- Systems - Adult Care & Support System requirements linking to ICT Corporate Plan including equipping staff with ICT equipment .
- MyLife Portal – providing effective searching, information and guidance to enable signposting as needed through one system rather than multiple systems. Intended as alternative initial access for people which would signpost to alternative service provision as well as Council funded.
- Resource Allocation System - (RAS) -the RAS will be used to assist the council to calculate a fair and equitable allocation of Council financial resource for each service user and provide greater choice and control.
- Self Directed Support (Personal Budget Support Service) -the SDS budget management system will be used to assist the Council to monitor and manage it's financial resources effectively and provide information to service users on the application of their personal budgets
- Information and Advice – Directory of Resources to help people live their own lives as they wish without necessarily recourse to the council.
- Assistive Technology, Community Alarms & Telecare
- Enablement and Prevention - commissioning/ strategy development in partnership with Health partners
- Transition & Leaving Care Service - development of a Transition service for 16-25 yr old for young people who may need support from Adult Social Care services
- Provider Services - to consider and review the role of our in house services in future delivery of care for ALD and other service users. To agree the future purpose, structure and resources for the in house services which currently include:- Shared Lives, Residential Care, Community Support, Day Opportunities
- Market and Community Development - -development of small local care and support providers and the development of a homecare framework agreement to reduce unit costs
- Supporting People – realignment of service provision to floating support not accommodation specific provision so support is only provided to those with a clear eligibility need.
- Advocacy development
- Autism strategy and action plan implementation
- Review of meals on wheel

In addition the following specific savings actions have been implemented:

- Implementation of care cost funding calculator for all adult with learning disability residential placements
- Low level preventative Service – implementing full cost recovery rate
- Holding of inflation on existing placement contracts below level of inflation provision. However this position will not be sustainable for the forthcoming year without risk of seriously destabilising the care market.
- Implementation of charging policy revisions including: removal of maximum contribution, disability related expenses to be supported by care plan.

Whilst work is progressing on these workstreams to deliver the service savings required, three significant factors are offsetting the savings being delivered.

- Firstly the impact of the PCT's 75%+ reduction in NHS funding for Continuing Health Care since 2009/10 (funding for people with long term conditions and therefore more severe health and care needs) continues to have a huge financial impact on the service. The additional costs now being met by the reducing funds available to the Council are some £8-9m per year and rising and despite the receipt of some non recurring funding from the PCT, mean that the savings arising from the new model of service delivery are being more than offset by this pressure. These clients, by their very nature of having previously been CHC funded or being eligible for consideration, have very high level and complex needs which puts them at the top end of the cost spectrum.
- Secondly the increased rate of hospital discharges has put significant pressure on our resources. People are being discharged earlier and consequently with higher levels of need. This results in increased demand and also higher care costs for social care as well as increasingly complex health demands for care service providers to manage.

The council's average unit cost for care provision has risen and continues to rise as a consequence of the above two factors.

- Thirdly, as part of the service restructure the service area became responsible for the transition of young people in care. In taking operational responsibility for the service an overspend of £500k has also been transferred from children's to adults services.

Consequently in spite of significant savings being delivered, the service overall is currently forecast to overspend by £1.365m in 2012/13 and this has had to be addressed on a non recurring basis by the use of the remaining service reserves. These will not be available in future so the additional costs must be addressed by further ongoing savings within the service.

Actions to address the original £1.9m target for 2013/14 (rising to £3.003m in 2014/15)

It was anticipated that the completion of the Workstreams listed above would deliver the additional savings required for 2013/14. Whilst work has progressed on the Workstreams there has been slippage which reflects the impact of the 20% reduction in staffing achieved as part of the service restructure. Steps have been taken to address this through the utilisation of one off resources through the invest to save initiative in respect of implementing a framework for the domiciliary care market and the development of a health and social care economy wide assistive technology strategy to realise the full potential of savings .

In order to address the shortfall a number of further actions will be required;

- Imposition of a funding ceiling (either through the application of the RAS or through a ceiling linked to the alternative cost of residential care) for community based care packages. This will significantly reduce the choice for individuals and a significant number will have to go into residential provision and will not be allowed to continue to live in their own homes.
- The review of provider services currently underway will be required to deliver a savings target representing some 10% of its running costs (£500k). This is in the context of it having already contributed to the delivery of the savings targets for 2012/13.
- Review of policy provision/revision of expectation in ALD and Transition service areas to clarify that basis of future accommodation provision will be on shared basis only

- Peer review will be sought to identify potential areas for further action to deliver savings
- Additional support is being sought to accelerate and broaden the systems and process review workstream.

Actions to address the 2012/13 £1.365m ongoing overspend

As discussed above there are three key issues contributing to this overspend and actions are proposed to address these:

- An invest to save bid has been approved and advertisement is underway for two social worker posts who will focus entirely on CHC. The posts will have the required expertise and knowledge to be able to challenge the current application of the criteria locally.
- Ongoing discussions are underway with the CCG with a view to addressing on a longer term basis the impact of decisions which have already been made and to mitigate the impact of potential future decisions.
- In partnership with children's services a review of transition arrangements will be undertaken with particular focus on the nature and cost of placements made for children in the two years prior to the transfer of responsibility to Care & Support at 16. The reduction in costs which can be achieved post transfer need to be time shifted back to avoid the higher costs being incurred initially. This will require significant work by both commissioning and operational staff in both service areas in order to address the legislative constraints which would appear to be a fundamental factor in the cost of these placements (section 20 children have to be accommodated in regulated services and similarly the cost of foster placements is significantly higher than associated adult shared lives costs)
- A panel process will be introduced to review and agree all ongoing care packages to ensure consistency and utilisation of alternative less costly forms of service provision such as assistive technology.

Action to address the Additional Savings Targets £0.317m in 2013/14 rising to £2.274m in 2014/14

Implementation of all the above actions should address the original savings targets and the overspend but they will not be sufficient to meet the increased demographic demand and the full value of the additional targets now issued. Implementation of the actions outlined in the various sections above will reduce the cost and volume of care packages delivered and will enable the 20% reduction in staffing to be implemented without an adverse impact on the safe delivery of care services. They should also enable the additional saving of £317k in 2013/14 to be met. However the additional £1.957m in 2014/15 will not be deliverable without reducing even further the amount of services delivered.

This can only be achieved by reviewing and reducing the level of support currently provided. Turnover within services is not sufficient to enable this to be achieved by application to new cases alone which would also leave us open to challenge on grounds of equality. It also requires the acceptance (albeit unwillingly) of the service users of change on a legally valid basis. In order to achieve this we may have to consider consulting on a review of the level at which we set our eligibility criteria during next year.

APPENDIX 14 - PUBLIC HEALTH SERVICE & SAVINGS

1. Introduction

1.1 From the 1st April 2013, under new statutory arrangements set out in the Health & Social Care Act, T&W Council will be responsible for a range of Public Health functions, previously commissioned or provided by T&W Primary Care Trust. To fund these new responsibilities the Council will receive a ring-fenced grant but announcement of allocations has just been deferred yet again by Department of Health until some time in January. Previous DoH announcements indicate that this area will see its level of funding cut over an unspecified period while others like Shropshire will receive increases.

1.2 The functions we will be responsible for fall largely into the following categories:

- Health Improvement – such as nutrition, obesity & physical activity; smoking cessation; dental public health; children’s health; health check for older adults and wider health and wellbeing
- Health Protection – planning to protect the local population against a range of threats and hazards to health and life
- Public Healthcare advice – providing a core offer of public health advice to the NHS locally

1.3 In addition two largely treatment related functions (with elements of health improvement and preventative activity linked to them) are also being passed to local authorities as part of the new Public Health package:

- sexual health and
- drug and alcohol treatment.

1.4 In Telford & Wrekin these functions have not previously been commissioned under a public health remit.

1.5 Some elements of the above functions are mandatory as follows, though quality and quantity are not prescribed:

- NHS Health Check Programme
- National Child measurement Programme
- Local Authority role in Health Protection
- Public Healthcare advice
- Sexual Health

2. Financial Summary

2.1 The PCT have indicated that they had a budget of £10.4m across all of these services, though we have not received from the PCT a fully detailed, financial breakdown as to how this sum has been arrived at. To date we have only been able to project likely spend in 2012/13 of around £9.1m on services that pass to the Council as per the table below (a detailed analysis of spend is set out later in this report).

:

T&W PCT 2012/13 Public Health budget	£10.4m
Unutilised budget in 12/13 (assumed contingency)	(£1.0m)
Possible T&W CCG responsibility 2013/14	(£0.3m)

T&W Council responsibility 2013/14	£9.1m
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2.2 In the continuing absence of clear information from the Department of Health the working assumption at this point, is for a ring-fenced grant payment next year of £8.2m, a shortfall therefore of £0.9m based on existing spend. The announcement of the grant has now been deferred to some time in January which does not help with robust service planning and consultation.

2.3 Although we will receive a single grant we must then prioritise, the preferred distribution across three components:

- a component to support mandated services
- a component to support drugs services which are currently commissioned by DATs through the Pooled Treatment Budget (PTB) formula. These drugs services are non-mandated
- a component to support non-mandated services, other than drugs services

2.4 Very late in the day it has been announced that a Health Infection function will also pass to local authorities. This paper has not been able to take account of costs associated with this function or any grant increase that relates to it.

3. Public Health Services and related spend

3.1 The main areas of public health related activity can be categorised as: spend within a staffed public health unit (transferring to the Council) and externally commissioned services covering nutrition, obesity & physical activity; drug and alcohol misuse; smoking cessation; children 5-19; NHS health check programme; sexual health; and other health improvement & wellbeing as set out below. In summary:

Area of Activity	Estimated 2012/13 Spend (£000)
Public Health staff & overheads (mandated)	1,171
Nutrition, Obesity & Physical Activity	812
Smoking cessation	827
Children 5-19	583
NHS Health Check Programme (mandated)	506
Misc Health Improvement & Wellbeing	985
Drugs & Alcohol Support (treatment)	2,910
Sexual Health (mandated/treatment)	1,335
TOTAL	9,129

3.2 More detail is set out in the table below:

Public Health Services and Spend			
Service	Description	Budget/ Spend £000	Status M = Mandatory NM = Non-mandated P = HWB Priority T = Treatment OF = Impact on indicator within PH Outcomes Framework

Public Health Team	<p>Director of Public Health (DPH) and 17 staff responsible for Health Protection, Public Healthcare advice, information & Intelligence, and commissioning of Public Health services – Currently employed by T&W PCT and will transfer to T&W Council</p> <p>Salary costs and other related support expenditure</p>	<p>£1,170k</p>	<p>DPH = M Health Protection = M Healthcare advice = M</p>
Public Health commissioned services	<p>Nutrition, Obesity & Physical Activity: A wide range of lifestyle risk management services across all ages, targeting alcohol prevention, emotional health & wellbeing, weight management, nutrition, physical activity, healthy eating and breastfeeding.</p> <p>Includes:</p> <p>National Child Measurement Programme (NCMP – provided via School Nursing Service see “Children 5-19” below), weight and life style management, healthy eating & physical activity interventions, walking & cycling schemes and breastfeeding support provided by the SCT NHS Trust (634k)</p> <p>“Lets get moving”, physical activity interventions and “Five a day” scheme provided or supported by the Council (179k)</p>	<p>£812k</p>	<p>NCMP = M All remainder other than Breastfeeding = P Most = OF</p>
	<p>Smoking Cessation: Primarily service to help people stop smoking through one to one and group behavioural support and pharmacotherapy provided by:</p> <p>Shropshire Community Trust (contract currently out to re-tender) including interventions to quit and stop smoking in pregnancy (£700k)</p> <p>SATH – interventions to quit for in/out patients (£38.6k)</p> <p>Malling Health (£30k)</p> <p>Solution 4 Health (£50k)</p> <p>Website support and advertising (£8k)</p>	<p>£827k</p>	<p>NM P OF</p>

	<p>Children 5-19: School nursing (£398k) including Human Papilloma Virus (HPV has been linked cervical cancer) vaccination for girls in secondary schools (£26k). HPV vaccines (30k) National Child Measurement programme (£6k) and health promotion and interventions (£148.5k) provided by SCT.</p>	£583k	NCMP component = M School Nursing – P Health promotion interventions - NM
	<p>NHS Health check programme: A targeted approach to all adults aged 40-75 years who are not already known to have diagnosis of heart disease, stroke, kidney disease or type 2 diabetes on a 5-year rolling programme basis (invite 20% of relevant population per year and achieve 50% uptake). Provided primarily through GP practices by GPs (£84k – though £100k required for 2013/14) and Healthcare Assistants (£236k though current value £201k)</p> <p>But also spends in respect of:</p> <p>Lloyds Pharmacies (£48k) Health Intelligence (£38k) Graphnet (£26.9k) Telehealth (£850) Alere UK (£71.6k)</p>	£506k	M
	<p>Misc Health Improvement & Wellbeing:</p> <p>Public Mental Health: Mind (£30k) My Time (£10k) SCT (£120.7k) Suicide & Harm Prevention – SSSFT (£40k)</p> <p>Variety of general Health Promotion activities & Health Trainers: SCT (£762.6) T&W Council (£73k) Healthy warmth (£25k) and Health Trainers (£47k) Birmingham PCT – Health Trainer performance monitoring (£4.8k) Less CCG responsibilities £56k</p>	£985k	NM

Sexual Health Commissioned Services	<p>Community Contraception and Sexual Health Services (including Genito-Urinary Medicine (GUM) and Sexually Transmitted Infection (STI) clinics, sexual/psycho sexual counselling and targeted outreach to vulnerable groups), Chlamydia Patient Tests results service and HIV Prevention & Support Service</p> <p>The main provider is currently Shropshire Community NHS Trust (though this service is currently out to tender because of quality concerns) - £986k</p> <p>Supported by: Enhanced Services provided by GP Practices - £200k Pharmacies - £27k Shropshire PCT - £16k Terrence Higgins Trust (HIV service) - £71k Gum Out of Area payments - £35k</p>	<p>£1,335k</p>	<p>M T</p>
Total Budget/Spend		<p>£9,129k</p>	

4. Public Health Service Providers

4.1 From this table you will see that the majority of the contracted spend is with a small number of local NHS/health providers or the Council. Smaller voluntary sector and/or social enterprises receive £703k in total. Spend by provider is summarised below:

Provider	Spend £m
Shropshire Community NHS Trust	4.10
SATH NHS Trust	0.46
SSS NHS Foundation Trust	0.04
GP Practices	0.61
Pharmacies	0.37
T&W Council	1.26
Voluntary Organisations – Social Enterprises	0.70
Other	0.36
TOTAL	7.90
Public Health unit	1.20
Total Budget	9.10

4.2 Historically public health related contracts with NHS providers have been part of the wider contracts the PCT held with these providers in itself adding complication to “disaggregation”

4.3 However every contract that has been let has been on the basis that they end at 31 March 2013. Therefore though a contract transfer scheme has been put in place as part of the national transition arrangements, legally there are no contracts which will automatically transfer to the Council though we are sure there is an expectation that they will.

4.4 As part of the national arrangements there is scope for the Council to approach the PCT Cluster team (now being overseen by the Local Area Team director as part of the emerging NHS Commissioning Board) to seek their agreement to extend specific contracts beyond the 31 March 2013 thereby allowing them to be novated to the Council.

4.5 Officers have indicated to the LAT Director that we are likely to want to use this route, though not for all contracts and probably not at the full value. All providers have received an initial letter jointly signed by the local Director of Adult & Community Services and Director of Public Health informing them that there is no guarantee of their existing PCT contracts being taken over by the Council.

4.6 We now urgently need to move on and make firm decisions about all of the contracts against the background of the grant being less than the current spend and an understanding that Public Health will find a share of the additional savings facing the whole Council. The sooner we do this the better as some contracts may have clauses requiring up to 6 months notice to be given, particularly relating to staff related costs. However until now we have not been in a position to make these decisions without fully understanding the services we are inheriting and though still without definite information about the ring fenced grant to be received we need to move forward with our planning and consultation.

4.7 Budget and savings options are set out below.

5. Budget options

5.1 Council Officers with Public Health, Sexual Health and Drugs & Alcohol NHS Commissioners have been looking how the spend on public health services can be reduced to:

(a) bring spend down to the ring fenced grant total – required reduction of £0.9m (assuming grant will be £8.2m) and in addition

(b) make a further contribution of £1.2m towards the overall Council savings strategy target - with a view to substituting existing council funded services that are public health related and deemed to be a higher priority, therefore allowing the full ring fenced grant still to be claimed.

5.2 As a result of this work savings proposal has been put together which if accepted would reduce spend on current activity by £2.1m in 2013/14 to enable protection of key front line universal services that make a major contribution to the health and well being of our local community. (£2.7m in a full year 2014/15) as summarised below.

If implemented then these proposals would eliminate the potential shortfall in grant funding and contribute £1.2m towards overall budget strategy savings in 2013/14 rising to £1.8m in 2014/15. This would then leave a further £0.7m ongoing savings to be determined during 2013/14 for the 2014/15 strategy though this will vary depending on the actual 13/14 and 14/15 PH grant allocations when these are known. Robust consultation and impact assessments will now be required.

Area of Activity	2013/14 Savings (£000)	2014/15 Saving (full year effect) (£000)
Public Health staff (mandated)	0	0
Nutrition, Obesity & Physical Activity	344	459
Smoking cessation (includes 50% reduction in available "quit" sessions)	450	450

Children 5-19	111	188
NHS Health Check Programme (mandated)	49	49
Misc Health Improvement & Wellbeing	354	471
Drugs & Alcohol Support (treatment)	487	720
Sexual Health (mandated/treatment)	323	373
TOTAL	2,118	2,710

5.3 A more detailed analysis of these proposals by area, provider and associated risks is set out below.

Service Area	Savings Proposals	Risks	£ Impact (Saving)
Nutrition, Obesity & Physical Activity:	1. Specialist weight management activities– (SCT £39.5k) 2. Weight management – (SCT £105k/+35k) 3. Physical activity brief interventions – (SCT £76k/+25k) 4. Walking & Cycling – (SCT £20k/+7k) 5. Community Food – (SCT £34k/11k) 6. Breastfeeding – (SCT £79k/+26k)	Will be a reduction in general health promotion initiatives but we will look to mitigate through directing current Council services and capacity	£353k – 13/14 £458k – 14/15
Smoking Cessation:	1. Promotion work (£8k) 2. Saving built into to Integrated Service tender (£105k including - £30k Mailing Health & £50k Solution for Health) 3. 50% reduction on core contract activity currently being tendered- then to be reviewed during the year in terms of area wide impact on smoking levels (£337k)	1. Can be provided through Council's own specialist resources. 2. Reliant on procurement process but is achievable with little risk 3. Failure to reach targets. Some increased risk to health of population.	£450k – 13/14 £450k – 14/15
Children 5-19:	1. Health Promotion & Prevention for young people – (SCT £111k/+40k) 2. School Nursing Service – 10% reduction in overall cost by 2014/15 through contract re-negotiation/workforce review	1. Reduced program for children and young people, including targeted groups. Mitigate through role of School Nurse/other Council services. 2. Minimal impact if it can be delivered through efficiencies	£111k – 13/14

			£188k – 14/15
NHS Health check programme:	<ol style="list-style-type: none"> 1. Pharmacy Project with Lloyds (£48k) 2. Telehealth – cardiopod (<£1k) 	No significant impact.	£48.8k
Misc Health Improvement & Wellbeing:	<ol style="list-style-type: none"> 1. Mental Wellbeing – (SCT £46k/+15k) 2. General Health Promotion – (SCT £259k/+86k) 3 Workplace & mens’ health – (SCT £49k/+16k) 	Will be a reduction in general health promotion initiatives but use of existing Council resources to mitigate impacts	£354k – 13/14 £471k – 14/15
Tier 1, 2, 3 & 4 Drugs and Alcohol support and treatment services	<ol style="list-style-type: none"> 1. Various lower level activities/initiatives (£147k-day visit rehab services) 2. After care & TACT (£15k) 3. Tier 1 Alcohol Prevention – (SCT £35k) 4. NACRO & IMPACT contract reductions (£65k) 5. DARS Treatment Service- efficiencies available to deliver current level of service with deletion of unfilled posts (£225k in 2013/14, Further £200k in 2014/15 following full service review) 	<p>No significant Treatment risks. All service users will continue to have a service. Small risk of not meeting recovery KPI</p> <p>Risks will increase in 14/15</p>	£487k – 13/14 £720 – 14/15
Sexual Health Commissioned Services	<ol style="list-style-type: none"> 1. GP Lead for Sexual Health (- £23k) 2. Sexual Health Tender – Contract savings and improved services (£215k + additional savings to be discussed £50k rising to £100k in 2014/15) 3. GUM out of area (35k) 	No significant risks in respect of most. However a little more work is required to understand whether additional £100k saving on contract can be achieved through efficiencies alone	£323k – 13/14 £373k – 14/15
TOTAL Saving			£2.118m 13/14 £2.710m 14/15

Appendix 15 - Budget Strategy – Key Communication and Engagement Actions – November 2012 to February 2013

Task	Actions	Responsible person	Timescale
Distribution of Autumn Your Voice	Initial budget messages	Nigel	From 12 November
Draft up and agree key budget information and consultation		Ken, Nigel and Andy	19 December
Confirm visits to local forums to present the budget information	<ul style="list-style-type: none"> • Deaf Club • Listen not Label • Parent and Carers Forum • PODS • LINK • Telford Business Forum 	Andy	19 December
Draft up and agree – Your Voice budget special		Nigel	19 December
Attend Scrutiny	All meetings 6.30pm Committee Room 3 – Darby House	Cllr McClements and Ken	18 December 9, 15 and 22 January
Sign up people to receive budget updates and consultation	<ul style="list-style-type: none"> • Through Autumn Your Voice • Press release • Facebook and Twitter campaign • Through our existing networks • Through our online community notice boards 	Nigel and Andy	By 31 December
Distribute - Your Voice budget special		Nigel	From 7 January
Attend Telford and Wrekin Parishes Forum	6.30pm AFC Telford Learning Centre	Cllr McClements and Ken	10 January
Launch consultation	<ul style="list-style-type: none"> • All residents via Your Voice • All employees • Town and Parish Councils • Service users and customers • Businesses • Schools and colleges 	Andy and Nigel	11 January

	<ul style="list-style-type: none"> • Local forums and members • Council database – 26,000 • HWB database • Voluntary and community sector 		
Managers brief on the budget		Sharon	7 January
Attend Senior Citizens Forum	@ The Place	Cllr McClements and Ken	14 January
Community Panel survey		Helen and Andy	14 January
Taking Part Committee	Park Lane Woodside 12 to 12.45pm	Cllr McClements and Debbie	15 January
Public budget event	The Place, Oakengates Invite all key stakeholders including all forum members i.e. Ward, Town and Parish Councillors, Forum Members	Andy	16 January
Attend Young People's Forum	The Salvation Army Building in Oakengates	Cllr McClements and Andy	23 January
Attend Employee Joint Information and Consultation Forum (JICF)		Cllr McClements and Ken	30 January 5.30pm
Close of consultation			10 February
Deadline for consultation report		Helen and Jon	12 February
Initial presentation of the findings of the consultation	To Cllrs Sahota and McClements	Ken, Andy, Helen	13 February
Press releases on the final agree budget strategy		Nigel	

TELFORD & WREKIN COUNCIL

CABINET – 10 JANUARY 2013

REPRESENTATION ON OUTSIDE BODIES

REPORT OF THE ASSISTANT DIRECTOR: LAW, DEMOCRACY & PUBLIC PROTECTION

LEAD CABINET MEMBER – CLLR RICHARD OVERTON

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To consider the appointment of a representative to the Board of the Telford Co-operative Multi-Academy Trust, which will oversee the future running of three Telford secondary schools.

2. RECOMMENDATION

2.1 That the Cabinet Member: Children, Young People & Families be appointed to the Telford Co-operative Multi Academy Trust Board until the end of the 2014/15 civic year.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	No	Not applicable
	Will the proposals impact on specific groups of people?	
	No	Not applicable
TARGET COMPLETION/DELIVERY DATE	Not applicable	
FINANCIAL/VALUE FOR MONEY IMPACT	No	Not applicable
LEGAL ISSUES	No	Not applicable
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	Not applicable
IMPACT ON SPECIFIC WARDS	No	Not applicable

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Three current secondary schools within Telford are planning to form a multi-academy trust to be known as the Telford Co-operative Multi-Academy Trust. Members of the Governing bodies of Wrockwardine Wood Arts College, Sutherland Business and Enterprise College and the Phoenix School are working with representatives from the Schools Co-operative Society and the Council to set up a multi academy trust.
- 4.2 At present a shadow trust board is in place and the Department of Education has let it be known that the approval for each of the schools to convert to academy status from 1st April 2013 is likely to be formalised shortly. This means that the new board will go live from 1st April 2013.
- 4.3 The Cabinet Member: Children, Young People & Families is part of the shadow trust board by virtue of his role on the Pegasus Trust for Wrockwardine Wood Arts College. Formal approval is sought for the relevant Cabinet Member to be part of the board of the new Multi Academy Trust Board being constituted.
- .

5.0 PREVIOUS MINUTES

None

Report prepared by Kathy Swallow, Service Delivery Manager – School Organisation Services (01952 380905) and Phil Smith, Democratic Services Team Leader (01952-383211)

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 10th January, 2013 at 5.00 p.m. at the AFC Telford Learning Centre, Haybridge Road, Wellington, Telford

PUBLISHED ON WEDNESDAY, 16th JANUARY, 2013

(DEADLINE FOR CALL-IN: MONDAY, 21st JANUARY, 2013)

PRESENT: Councillor K.S. Sahota (Leader and Chair), E.A. Clare, S. Davies, A.R.H. England, W.A.M. McClements, R.A. Overton, H. Rhodes, C.F. Smith and P.R. Watling

ALSO PRESENT: Councillor A.J. Eade (Conservative Group Leader), Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader)

CB-83 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 20th December 2012 be confirmed and signed by the Chairman.

CB-84 APOLOGIES FOR ABSENCE

None

CB-85 DECLARATIONS OF INTEREST

Councillor E A Clare declared a personal non-pecuniary interest in Agenda item 6 – Representation on Outside Bodies – as a governor of one of the schools involved in the Telford Co-operative Multi Academy Trust.

CB-86 FINANCIAL MONITORING 2012/13

Key Decision identified as **2012/13 Financial Monitoring** in the Notice of Key Decisions published on 14 September 2012.

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Assistant Director: Finance, Audit & Information Governance, which provided Members with the latest financial monitoring information for 2012/13.

Revenue spending for the year was projected to be within budget at year end, which, within the context of having to make unprecedented savings of £19m, was a very positive position. Since the last report to Cabinet in October 2012, the overall position had improved by £4.1m following rigorous financial review and management over the past few months. This meant the amount of unused contingency which could potentially be carried forward to support the

2013/14 budget on a one-off basis was now £4.607m. There were still a number of significant pressures on the budget, including the cost of Children in Care placements and use of agency staff in the Safeguarding service (projected variation of £2.8m overspent); the cost of Adult Care and Support services following withdrawal of PCT funding (projected overspend of £0.194m); and the cost of Specialist Education, along with income shortfalls of £1.7m relating to a number of services. Projected variances of over £0.100m for individual service delivery units were detailed in the report. There were benefits from active treasury management, a one-off refund of £0.351m from the Government in relation to academies funding, and savings against employee budgets relating to vacant posts totalling £1.5m.

The capital programme totalled £98m, which included approved changes for slippage and new approvals. Spend was currently standing at 30%, and robust programme management and monitoring was in place to ensure schemes were delivered. Appended to the report were a number of new allocations, virements and slippage for approval. The capital programme over the next few years relied on a significant amount of capital receipts as part of its funding, and the position was being closely monitored. There was no variation from receipts delivered compared to expectation to date.

Collection levels for NNDR, Council Tax and Sales Ledger debt were all behind target, while NNDR income was ahead of target at the end of November 2012.

The report also detailed an ongoing liability that the Council, along with many other authorities, had in relation to Municipal Mutual Insurance (MMI) Ltd which ceased trading in 1992 and who had been declared insolvent in November 2012. The MMI Board had confirmed that an element of outstanding claims costs would be charged via a levy to local authorities. The amount of this levy was not yet known, but it was proposed that initially the cost be covered from the Council's self-insurance fund. In order to maintain the adequacy of this fund, it was also proposed to transfer £0.350m from freed-up reserves and balances to the Insurance Fund along with the other transfers to reserves set out in the report.

RESOLVED –

- (a) that it be noted that 2012/13 revenue spend is currently projecting to be within budget at year end, and that there has been significant improvement since the last report;**
- (b) that the pending insurance liability relating to Municipal Mutual Insurance Ltd be noted, and the approach to meeting the costs, as outlined at paragraph 7 of the report, be approved;**
- (c) that the carry-forward of any remaining balance in the budgeted contingency to 2013/14 to create a one-off contingency, as detailed in paragraph 6 of the report, and the use of reserves identified in paragraph 8 of the report, be approved;**

- (d) that the position in relation to capital spend be noted, and to **RECOMMEND to Council the approval of the slippage, virements and new allocations identified at Appendix 3 of the report;**
- (f) that it be noted that collection rates are behind target for NNDR, council tax and sales ledger.

CB-87 SERVICE AND FINANCIAL PLANNING 2013/14 – 2015/16

Key Decision identified as **Service & Financial Planning 2013/14 – 2015/16** in the Notice of Key Decisions published on 7 December 2012.

Council decision – not subject to Call-in

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Managing Director and the Chief Financial Officer, which set out the proposed service and financial planning strategy for the period 2013/14 to 2015/16 with specific budget proposals for 2013/14, and the proposed engagement and consultation activities with the community. He thanked the Chief Financial Officer and his team for all their hard work in preparing the draft budget, particularly given the late announcement by central Government of the grant settlement. Information on the grant for Public Health had only been received that day, and therefore further work was needed on this element of the budget.

The Cabinet Member set out the background and context to the budget round, particularly in relation to the unprecedented cuts in Government grant funding which had resulted in savings equivalent to more than £500 for every household in the Borough. Despite the extent of the savings, front line services had largely been protected. The Autumn Statement announced on 19th December 2012 made it clear that the national deficit recovery period had been extended to 2017/18.

In terms of the base budget position, the Council was facing a funding gap of £10.034m for 2013/14. The report set out the proposals to bridge the gap, including savings proposals and public health funding. It was not proposed to use balances to help offset the shortfall. The proposals had been developed in the light of extensive consultation with the community, and included:

- making it easier for businesses to come to the Borough and grow, offering support to attract new firms and help create new jobs;
- continuing to invest in projects to ensure the future prosperity of the area and its residents – eg: Southwater regeneration, Ice Rink, Building Schools for the Future programme;
- safeguarding children and young people, including an additional £0.6m in revenue funding to protect children at risk, and the most vulnerable adults;
- investing in land stability schemes to protect the Ironbridge Gorge;
- continuing to regenerate areas such as Brookside, Hadley and Oakengates;
- protecting as far as possible key services;

- £150k ongoing revenue funding for further spending on Winter maintenance of the road network;

It was vital for the Council to work with partners to secure economic growth and increase the employment opportunities for local people, many of whom were facing significant financial difficulties. Proposed initiatives included a new one-off £1m Commercial and Business Fund to help new commercial ventures and to invest in businesses in the Borough and a £150k one-off revenue investment in 'Destination Telford'.

Attached to the report were a number of appendices, including updated and additional savings proposals, a Safeguarding and Early Help Cost Improvement Plan, Reserves and Balances and details of the capital investment programme. In relation to Council Tax, a strategy of a 2.5% increase per annum over three years had been agreed by Council in March 2012. However, the proposal for 2013/14 was to increase Council Tax by 1.9% (with similar increases in the following 2 years), as an increase of 2% or more would result in the Council having to carry out a referendum at a significant cost to taxpayers. This was a long-term strategy to ensure the budget was sustainable, and while a government grant equivalent to a 1% Council Tax increase was available for the next two years, it was less than half the rate of inflation and would leave the Council with a further significant budget shortfall in the short term and when the grant ceased.

A programme of community engagement and consultation on the budget proposals would be undertaken until the 10 February 2013. Views would be sought on the overall approach whether there was broad support for the proposed strategy given the very challenging circumstances the Council was now operating in. Details of the communication and engagement plan were appended to the report. Final proposals would be considered by the Cabinet on 28 February 2013 for recommendation to full Council on 7 March 2013.

During the ensuing debate, Councillor W. Tomlinson (Lib Dem/Independent Group Leader) commented on the levels of reserves and balances, and welcomed the proposal not to make one-off use of reserves to help balance the budget in 2013/14. Councillor A. Eade (Conservative Group Leader) stated that there was a lot of detail to look at, but that he welcomed some of the proposals, particularly the continuation of investment projects begun by the previous administration and the initiatives to attract new investment and jobs to the Borough. In relation to this, he suggested that some investment be made in improving existing industrial estates. In respect of expected capital receipts from the sale of assets, there was a major risk that these would not be achieved if the proposed sale of the Station Road, Newport site did not proceed. Concern was also expressed at the proposal not to accept the Government's grant which would allow council tax to be frozen over the next two years. The Cabinet Member: Resources and Service Delivery responded that the Council had a duty to maximize the return from its assets for the benefit of all people in the Borough. In relation to safeguarding, Councillor P.R. Watling, Cabinet Member: Children, Young People & Families, advised that there was a robust plan in place to address the overspend, and this was starting to have an effect. However, he was concerned that a Government cut

of £2m in Early Intervention Grant was likely to be counter-productive by creating longer term problems for safeguarding services.

RESOLVED – that the Service and Financial Planning strategy set out in the report be approved for consultation with the community.

CB-88 REPRESENTATION ON OUTSIDE BODIES

Non-Key Decision

Councillor R.A. Overton, Deputy Leader, presented the report of the Assistant Director: Law, Democracy & Public Protection concerning the appointment of a representative to the Board of the Telford Co-operative Multi-Academy Trust.

Members of the Governing Bodies of Wrockwardine Wood Arts College, Sutherland Business & Enterprise College and the Phoenix School were working with representatives from the Schools Co-operative Society and the Council to set up a multi-academy trust. At present, a shadow trust board was in place, and subject to formal approval from the Department of Education for the schools to convert to academy status, the new board would go live from 1 April 2013. The Cabinet Member: Children, Young People & Families was currently serving on the shadow board by virtue of his role on the Pegasus Trust for Wrockwardine Wood Arts College. Formal approval was now sought for the Cabinet Member to be appointed to the board of the new Multi-Academy Trust.

RESOLVED – that the Cabinet Member: Children, Young People & Families be appointed to the Telford Co-operative Multi-Academy Trust Board until the end of the 2014/15 Civic Year.

The meeting ended at 5.55 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & Public Protection
Date: 16 January 2013

Signed:

Date: