

BOROUGH OF TELFORD & WREKIN

Minutes of a meeting of the Borough of Telford & Wrekin held on Thursday, 24 January, 2013 at 6.30 p.m. at The Place, Oakengates, Telford.

PRESENT:

Councillors K.R. Guy (Mayor), S. Bentley, K.T. Blundell, F.M. Bould, S.P. Burrell, E.J. Carter, E.A. Clare, D.G. Davies, S. Davies, N.A. Dugmore, A.J. Eade, C.B.A. Elliott, A.R.H. England, N.A.M. England, R.C. Evans, I.T.W. Fletcher, V.A. Fletcher, G.M. Green, E.J. Greenaway, T.J. Hope, M.B. Hosken, M.G. Ion, A.S. Jhavar, R.T. Kiernan, A. Lawrence, J. Loveridge, A.A. Mackenzie, C.N. Mason, A.D. McClements, W.A.M. McClements, A.A. Meredith, J.C. Minor, C.P.R. Mollett, L.A. Murray, R.A. Overton, F.R. Picken, G.C.W. Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota (Leader), R.G. Scammell, J.M. Seymour, R.J. Sloan, C.F. Smith, A.J. Stanton, B.J. Thompson, K.L. Tomlinson, W.L. Tomlinson, C.R. Turley, P.R. Watling and D.R.W. White.

58. MINUTES OF THE COUNCIL

RESOLVED – that the minutes of the meeting of Council Meeting held on 22 November 2012, be confirmed and signed by the Mayor.

59. APOLOGIES FOR ABSENCE

Councillors R.K. Austin and M.J. Smith.

60. DECLARATIONS OF INTEREST

Councillors Dugmore declared a personal interest in agenda item 8 – Financial Monitoring 2012/13.

61. LEADER'S REPORT & ANNOUNCEMENTS

a) Leader's Report

The Leader paid tribute to Borough councillor Brian Duce who had passed away recently following a short illness. Councillor Duce had served as a Borough councillor since May 2011 and had also been Chairman of Great Dawley Parish council. He had been a hardworking and supportive colleague as well as a good friend who would be sadly missed by all those who knew him. Staff accommodation moves were now complete and the old Civic offices site had been vacated, leading to efficiency savings of £2m per year. The council continued to suffer from government 'damping' which meant that the council did not receive much needed funding. The council would continue to lobby for a fair deal for the Borough. Government benefit changes would take effect early in 2013 and would adversely affect those people in the Borough who were least able to afford extra costs. Gritting teams had been hard at work during the recent harsh weather and volunteer snow wardens had provided valuable help

to local communities. The work of snow wardens was a good example of the council working co-operatively with local communities. In December the council had signed the Armed forces community covenant at the Abraham Darby Academy. The covenant would help to forge closer links with and to help support the local armed services community.

The council's Licensing committee had recently considered the recommendations of the independent inspector in to an application for village green status for land at Station Road, Newport. The committee had endorsed the inspector's recommendations that there was no valid case to register this land as a village green. The Leader supported and respected the independent process and believed that the recommendations had vindicated the council's commitment to maximise the use of the Borough's assets for the benefit of all residents of the Borough.

62. MAYOR'S ANNOUNCEMENTS

(a) Mayoral Engagements

The Mayor told members that he had attended a number of excellent events over the Christmas period. He drew members' attention to the forthcoming Holocaust Memorial Day and to the Park run on 16 February. Looking further ahead, he was particularly looking forward to the 'from here to maternity' walk which was due to take place in May.

63. PUBLIC QUESTIONS

None received.

64. CABINET DECISIONS MADE SINCE THE LAST MEETING OF THE COUNCIL

Members received the report on the Cabinet decisions made since the last meeting of the Council on 22 November, 2012.

Councillor V.A. Fletcher, referring to Cabinet item 2.1.2 Telford & Wrekin Crisis Help Network, asked about provision for 18-25 year old homeless people who were in need of crisis loans. Councillor S. Davies, Cabinet Member: Neighbourhood Services & Co-operative council, replied that crisis loans had been abolished by the current government but that his colleague councillor C.B.A. Elliott may be able to offer further information on this issue. Councillor N.A. Dugmore, referring to Cabinet item 2.1.7, Telford Town Centre – Car parking for employees, asked how employees would be compensated for the costs of car parking. Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, replied that proposals were currently being finalised on staff parking arrangements. Councillor A.J. Eade, referring to Cabinet item 2.3.2, Service & Financial Planning 2013/14-15/16, asked why the £21m capital receipt for Newport was not identified as a significant risk within the budget. Councillor McClements replied that balancing capital receipts was part of the normal budget process. There were risks in all

decisions the council made but that the administration was determined to fight for the best interests of all people of the Borough. Councillor I.T.W. Fletcher, referring to item 2.1.6 of the Cabinet report, Building schools for the future, asked if plans to build a secondary school in Priorslee had progressed further. Councillor P.R. Watling, Cabinet Member: Children Young People & Families, replied that this matter was currently in negotiation.

65. RECOMMENDATIONS FROM CABINET

10 January 2013 Cabinet

i) Financial Monitoring 2012/13

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Head of Finance, Audit & Information Governance which sought approval for slippage, virements and new allocations which were identified at Appendix 3 of the report.

RESOLVED -That the slippages, virements and new allocations identified at Appendix 3 of the report be approved.

66. SETTING OF COUNCIL TAX BASE 2013/14

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Assistant Director: Finance, Audit & Information Governance and Chief Financial Officer which determined the council tax base for general and special fund purposes for the financial year 2013/14.

RESOLVED-

- a) That the calculation of the tax base for 2013/14 as shown at paragraph 6.6 and Appendix 1 of the report be approved;**
- b) That in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012:2914), the amount calculated for Telford & Wrekin Council Tax Base for 2013/14 for its Special Fund Area shall be as per the appropriate amounts detailed in Appendix 1 for the Parishes listed in paragraph 6.7 of the report.**

67. MINUTES OF BOARDS AND COMMITTEES

Council noted the resolved minutes of Boards and Committees:

Licensing Committee	20 November
Plans Board	14 November, 29 November and 12 December
Standards Committee	13 December

Budget & Finance Scrutiny Committee	16 October
Children & Young People Scrutiny Committee	5 November & 11 December
Co-operative & Communities Scrutiny Committee	11 & 23 October
Scrutiny Management Board	14 September & 16 November

68. QUESTIONS

The following Questions were asked in accordance with Council Procedure Rule 10:

- a) Councillor I.T.W. Fletcher asked the following question of Councillor K.S. Sahota, Leader of the Council.

In the light of the financial difficulties facing the council can Cabinet members assure us that any commercial contracts their area has entered in to are effective and good value for the authority and can you confirm that effective monitoring processes are in place?

Councillor Sahota replied that he was confident that effective processes were in place to monitor contracts.

- b) Councillor Fletcher then asked a further question of Councillor H. Rhodes, Cabinet Member: Transport & Community Protection.

Following the granting of permission and building of the Aldi and Wickes stores on the old Holyhead Road near to the Greyhound roundabout have there been any reported traffic incidents in that area relating to access and egress from the site?

Councillor Rhodes replied that the council only received information on accidents relating to personal injury and that data on any 'near misses' was not available.

- c) Councillor Stephen Bentley asked the following question of Councillor Charles Smith, Cabinet Member: Housing, Regeneration & Economic Development.

Would Councillor Smith please confirm his commitment to the Council's Co-operative values and briefly explain those values?

Councillor Smith confirmed his commitment to the Council's Co-operative values and gave a brief explanation of those values

69. NOTICES OF MOTION

None received.

The meeting ended at 7.04 pm

Mayor:

Date:

MAYORAL ENGAGEMENTS **20th January 2013 – 25th February 2013**

January	25th	M	Holocaust Memorial Day at Meeting Point House, Telford
	26th	DM	Telford & Wrekin Open Art Exhibition 2013 at The Gallery Bar, The Place, Oakengates
		M	Jean Martyn in Concert, Trinity Church, Wellington Road, Newport
February	3rd	DM	Parade in honour of the Prophet's Birthday at The Mosque, Regent Street, Wellington
	4th	M	Opening of the Grazing Cow Public House, Lawley
	5th	DM	Telford Dance Showcase at The Place at Oakengates Theatre
	16th	M	Launch of Telford Parkrun at Visitor Centre, Telford Town Park
	20th	M	Citizenship Ceremonies at Wellington Registry Office
	22nd	M	West Midlands Ambulance Service NHS Trust Visit at Regional Ambulance Headquarters, Brierley Hill
		M	Official Launch of Telford & Wrekin Fairtrade Alliance at Harper Adams University, Newport

TELFORD & WREKIN COUNCIL

COUNCIL – 7 MARCH 2013

REPORT OF CABINET – FOR INFORMATION ONLY

MATTERS DETERMINED BY THE CABINET

1.0 INTRODUCTION

This report sets out those matters determined by the Cabinet at its meeting on 31st January 2013.

2.0 CABINET BUSINESS

Matters that have been determined by Cabinet are listed below:

2.1 31st January 2013

- 2.1.1 Use of Jigsaw Houses
- 2.1.2 Planning of School Places: Schools which have or are planning to Change their Status
- 2.1.3 Relocation of Civic Offices Sunday Car Boot Market
- 2.1.4 Energy Company Obligation and Green Deal – Options and Recommendations
- 2.1.5 Sale of Trench Lock 3, Trench Lock Industrial Estate

3.0 DELEGATION OF POWERS GRANTED BY THE CABINET

REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Use of Jigsaw Houses	Director of Children's Services	In consultation with the Cabinet Member for Children, Young People & Families to award the contract on completion of the tender for up to 8 residential beds for children in care on the Jigsaw site.

C

Relocation of Civic Offices Sunday Car Boot Market	Assistant Director: Development, Business & Housing Assistant Director: Law Democracy & Public Protection	To negotiate and agree terms for the relocation of the Sunday Car Boot Market; To execute all documents necessary to give effect to the above.
Energy Company Obligation and Green Deal – Options and Recommendations	Assistant Director: Development, Business & Housing Assistant Director: Law, Democracy & Public Protection	In consultation with the Cabinet Member: Housing, Regeneration & Economic Development to agree contractual arrangements with the Birmingham Energy Savers Green Deal delivery partner, Carillion Energy Savers, to maximise the Authority's opportunities associated with ECO funding and the use of Green Deal funding; To sign or seal all documentation required to give effect to any agreement reached pursuant to the above.
Sale of Trench Lock 3, Trench Lock Industrial Estate	Assistant Director: Development, Business & Housing Assistant Director: Law, Democracy & Public Protection	In consultation with Cabinet Member: Housing, Regeneration & Economic Development, to dispose of Trench Lock 3, Trench Lock Industrial Estate in accordance with the report; To execute any documents necessary to give effect to the above.
LEGAL COMMENT FINANCIAL COMMENT LINKS WITH CORPORATE PRIORITIES RISKS AND OPPORTUNITIES ENVIRONMENTAL IMPACT EQUALITY & DIVERSITY WARD IMPLICATIONS		As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council

APPENDIX 3 - SUMMARY OF SAVINGS PROPOSALS

Service Area	Savings Proposals By Year					Total Saving	
	2013/14	2014/15	2015/16	2016/17			
	£	£	£	£	£		
Family & Cohesion Services	1,776,510	896,930	50,000	-	2,723,440	-	
Education & Skills	636,000	114,000	-	-	750,000	-	
Children's Safeguarding					-		
Care & Support	2,218,000	3,059,000	-	-	5,277,000	-	
Law, Democracy & Public Protection	183,600	-	-	-	183,600	-	
Finance, Audit & Information Governance	236,799	84,742	-	-	321,541	-	
Customer & People Services	893,250	614,985	306,000	-	1,814,235	-	
Neighbourhood and Leisure Services	1,207,500	1,274,000	203,000	58,000	2,742,500	-	
Development, Business & Housing	1,016,740	278,935	-	-	1,295,675	-	
Co-operative Council	98,810	-	-	-	98,810	-	
Council Wide	344,000	-	-	-	344,000	-	
Total	8,611,209	6,322,592	559,000	58,000	15,550,801		
	-	-	-	-	-		
Savings Proposals By Type							
	2013/14	2014/15	2015/16	2016/17	Total Saving		
	£	£	£	£	£		
Income	475,600	353,000	20,000	20,000	868,600	-	
Non-Staff Savings	2,658,940	2,784,810	133,000	38,000	5,614,750	-	
Procurement	1,781,800	531,930	306,000	-	2,619,730	-	
Property Rationalisation	413,520	55,110	-	-	468,630	-	
Strategic Review of Capacity	967,489	349,742	50,000	-	1,367,231	-	
Service Review/Redesign	2,313,860	2,248,000	50,000	-	4,611,860	-	
Total	8,611,209	6,322,592	559,000	58,000	15,550,801	-	
	-	-	-	-	-		
	-	-	-	-	-		

TELFORD & WREKIN COUNCIL

**CABINET
COUNCIL**

**28 FEBRUARY 2013
7 MARCH 2013**

PLANNED BUILDING MAINTENANCE PROGRAMME 2013/14

**REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS
HOUSING**

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To identify the proposed planned building Maintenance programme for financial year 2013/14, in accordance with Service & Financial Planning strategy for 2013/14 to 2015/16.

2. RECOMMENDATIONS

- 2.1 That Cabinet approve the planned building capital maintenance programme for 2013/14 as identified as part of this report.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Maintaining Council property provides an environment for high quality services to be delivered. The investment contributes to the delivery of the following priorities: • Ensuring neighbourhoods are safe, clean and well maintained. • Improve prospects through education & skills training. • Improving health and wellbeing of communities. • Protect and support vulnerable children and adults. • Putting Children & Young People first. • Regenerating neighbourhoods in need, and ensuring access to suitable housing.
	Will the proposals impact on specific groups of people?	
	Yes	All residents accessing Council Services
TARGET COMPLETION/DELIVERY DATE	Most projects will be delivered during the financial year 2013/14. Larger projects may cover more than one financial year.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Budgetary provision for the planned programme of works £1.2 million Educational and £1 million Operational (as

		detailed in Appendix 1) is included within the proposed Service and Financial Planning Report 2013/14 to 2015/16. Confirmation of the Education capital allocations for 2013/14 have not been received and are expected to be notified in February 2013 by the Department for Education, and appropriate adjustments to the programme of works will be made accordingly to ensure spend is within available funds.
LEGAL ISSUES	No	There are no direct legal implications arising from this report however any repair/ maintenance works will be subject to competitive procurement to ensure best value is achieved for the Council
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Where improvements are made to properties, other opportunities when the works are being undertaken are investigated and implemented where possible. This may include contributing to larger schemes where a maintenance liability will be reduced or reducing energy costs.
IMPACT ON SPECIFIC WARDS	No	Borough wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

The Asset Management Plan and associated data on property (i.e. condition, suitability, sufficiency, access and asbestos) informs the Council's planned building capital investment programme. The Council has completed condition surveys for operational properties used for the delivery of its services; these are updated on a rolling programme each year. The Council's Asset Management Plan 2011/2014 has identified a condition backlog of approximately £8.7m for operational properties (excluding schools) and £30.6m for school/education properties.

The school condition back log will be significantly addressed over the next few years with the investment from the Building Schools for the Future programme. The operational property backlog has reduced in 2012/13 due to the corporate property rationalisation and investment (i.e. ice rink) by circa £4m. There has also been a 34% delivered and planned reduction in office accommodation space.

The planned building capital investment programme as identified in Appendix A, is set in accordance with the approved framework for prioritising condition backlog as included in the Asset Management Plan. The proposed level of investment included in the Capital Programme 2013/14 is £1.21m for

Educational assets and £1.0m for all other operational assets. The budget allocations do not take into account the capital investment relating to amalgamation of schools and the secured investment relating to Building Schools for the Future which will greatly reduce the condition backlog for Education properties as part of the building rationalisation process. In addition to the above capital allocations, schools are also in receipt of Devolved Formula Capital (DFC) which is used fundamentally for maintaining and investing in the school building stock on a day to day basis.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

Community Impact

Maintaining buildings ensures that Council Services are delivered efficiently and with service continuity. Many of the key services are delivered from the Council's property portfolio and are the first key point of contact with our customers.

Equalities Impact

Where possible, as part of the planned building capital investment funding, improvements to accessibility will be carried out. Where improvements to existing facilities are being undertaken, Equalities Issues are also included as part of the scheme.

Environmental Impact

Environmental improvements are incorporated into schemes where appropriate, in an aim to reduce the Council's Carbon Emissions. This will improve the Council's Carbon Reduction Commitment liability and reduce any financial penalties that may be incurred under the scheme.

6. PREVIOUS MINUTES

N/A

7. BACKGROUND PAPERS

Asset Management Plan 2011/2014 (refreshed 2013)

Report prepared by Matthew Taylor, Team Leader, Property Management & Design, 01952 384305

APPENDIX A - Education Planned Building Capital Works Programme 2013/14

Asset	Description of Works	Estimated Budget	Corporate Priorities	Ward
Teagues Bridge Primary	Re-roofing of main school block and boiler replacement. The main school roof is in poor condition and the boilers are at the end of their economic life. The school is being extended in 2013/14 to increase numbers and the proposals would be included within the main contract.	£250,000	Putting Children & Young People first.	Wrockwardine Wood & Trench
Aqueduct Primary	Phase 1 rewire - the proposals are to replace the sub distribution boards and incoming cables to the school as a phase 1 to rewiring the property.	£30,000	Putting Children & Young People first.	Dawley Magna
Dothill Primary	Phase 2 Heating installations - The boilers to the main school were replaced in 2011/12 and the proposals are to replace the remaining heat emitters in the class bases. This will provide a more efficient heating system and reduce energy usage.	£75,000	Putting Children & Young People first.	Dothill
Dothill Primary	The existing kitchen in the infant building was not refurbished as part of the amalgamation of the Infant and Junior Schools. The area needs to be refurbished to bring the space back into operation. The space would provide a support base for local residents and improve links between the community and the school.	£50,000	Improve prospects through education & skills training. Improving health and wellbeing of communities.	Dothill
Southall Primary	Re-roofing to main school and electrical installation upgrades. The budget allocated will form part of the BSF proposals and remove a condition problem. The proposals for the BSF project include provision of a new sports hall and class base extension. The allocation allows for the BSF funding to be committed to improving education as opposed to dealing with elements of the condition backlog.	£90,000	Putting Children & Young People first.	Dawley Magna
John Fletcher of Madeley Primary	The building fixed wiring test has reported a number of issues with the condition of the system. The property has been recommended for a full rewire.	£75,000	Putting Children & Young People first.	Madeley
KS1, 2 & 3 Short Stay School (Admaston Pupil Referral Unit)	The building fixed wiring test has reported a number of issues with the condition of the system. The property has been recommended for a full rewire.	£30,000	Putting Children & Young People first.	Dothill

Annex II of Budget Strategy

Meadows Primary	Electrical installation replacement - The power and lighting at the school will be replaced. The work will form part of the proposals to extend the building to accommodate additional pupil places.	£60,000	Putting Children & Young People first.	Ketley & Oakengates
Moorfield Primary	The boiler installation has failed a number of times over the last year and is past economical repair. It is proposed to replace the installation with energy efficient boilers to maintain the operation of the school.	£100,000	Putting Children & Young People first.	Newport West
Wrockwardine Wood Infant	The boiler plant is not easily maintained and is inefficient. It is proposed to replace the system with an energy efficient solution to reduce carbon emissions and help reduce running costs.	£100,000	Putting Children & Young People first.	Wrockwardine Wood & Trench
Various Schools	Data updates - to update the asset management data. This will include condition and suitability surveys and updated drawing/floor plans of buildings as and when upgrades are carried out.	£30,000	Putting Children & Young People first.	Various
Various Schools	Checks are undertaken annually but this year it is proposed to undertake new Asbestos Management Surveys on all school properties. Where removals are required these will be prioritised using the Asbestos Management survey data.	£100,000	Putting Children & Young People first.	Various
Various Schools	Adaptations to automated gates - the HSE have released legislation regarding the safety of automated gates. A survey has been undertaken of all the school installations and a list of works has been produced.	£50,000	Putting Children & Young People first.	Various
Various Schools	External decoration and preventative maintenance - It is vital to carry out a programme of preventative planned maintenance to minimise future capital expenditure. The proposed programme is to carry out work at approximately 15 schools per year based on a 4 year rolling programme.	£75,000	Putting Children & Young People first.	Various
Various Schools	Emergency works / Security Works - budget allocation for emergency works or where school security issues are identified. Examples are major boiler failures. This will ensure that schools are able to remain operational with minimum closures.	£100,000	Putting Children & Young People first.	Various
	TOTAL	£1,215,000		

Corporate Planned Building Capital Works Programme 2013/14

Asset	Description of Works	Estimated Allocated Budget	Corporate Priorities Contributed to proposals	Ward
Various Properties	Emergency works/unforeseen works - A reserve budget to cover landlord responsibilities for major unplanned replacements (i.e. boiler failure).	£200,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities. - Protect and support vulnerable children and adults.	Various
Various Properties	External Painting - It is vital to undertake preventative planned maintenance to minimise future capital expenditure, it is proposed to repaint approximately 15 properties per year	£65,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing	Various
Various Properties	Although checks are undertaken annually it is proposed to undertake new Asbestos Management Surveys on all operational properties. Where removals are required these will be prioritised using the Asbestos Management survey data.	£150,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing	Various
Various Properties	Carbon Reduction Commitment Funding - To ensure that the Council meets its obligations regarding legislative carbon reduction. This is linked to Salix funding and includes heating control and monitoring replacement together with lighting and sensor controls upgrades.	£75,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Various
Various Properties	Data Updates - to update the asset management data on operational assets. This includes condition and suitability surveys together with updated plans on 20% of properties.	£30,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing	Various

Madeley Ski Centre	The condition report identifies that the electrical installations in the centre are in need of replacement.	£40,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Madeley
Oakengates Leisure Centre	Internal Refurbishment - Works are required to the internal fabric of the building which could include wet side changing rooms, toilets, sports hall floor, lighting and decoration, this funding will form part of the overall BSF proposals and invest to save funding.	£200,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Ketley & Oakengates
Brookside Community Centre	The community centre is being refurbished as part of Brookside Regeneration programme of works. It makes economic sense to undertake the condition related work at the same time as the main regeneration scheme.	£100,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Brookside
Downing House	Internal redecoration / refurbishment - The centre has not been internally redecorated since its construction in 2006. The proposal is to internally decorate all main corridors and replace some internal fire doors which are damaged.	£25,000	- Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Dothill
Addenbrooke House	The replacement roof covering was not included within the original refurbishment project due to time constraints, the original survey identified that it is at the end of its economic life. The works will not require scaffolding of the property and it will improve the energy efficiency/running costs.	£100,000	Ensuring neighbourhoods are safe, clean and well maintained.	Lawley & Overdale

Annex II of Budget Strategy

The Place	Part internal redecoration - the property has not been internally decorated since its refurbishment.	£15,000	• Regenerating neighbourhoods in need, and ensuring access to suitable housing • Improving health and wellbeing of communities.	Ketley & Oakengates
	TOTAL	£1,000,000		

Please note: - the costs shown in the above tables are estimates. Actual costs will be established by competitive tendering in accordance with the Councils Tendering Procedures. All figures are inclusive of Project Management/Design Fees

2013/14 TREASURY STRATEGY AND TREASURY UPDATE REPORT

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

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The report updates members on Treasury Management activities during 2012/13 and details the Treasury Strategy recommended to be adopted for 2013/14

2012/13 Treasury Management Update

The treasury portfolio at the end of December showed overall net indebtedness of £79.8m (borrowing: £126.2m less investments: £46.4m). Base rates have remained at 0.5% all year with the next move expected to be upwards but not for some time, perhaps until 2015/16.

The borrowing strategy for 2012/13 is to use maturing investments to reduce borrowing where possible. To date, one PWLB loan has matured and no new loans have been taken out. Short term borrowing has been used to fund short term cash flow requirements.

The investment strategy for 2012/13 is to gain maximum benefit with security of capital being the primary consideration. The weighted average return on internal investments at the end of December 2012 was 3.9% compared to a benchmark return for the period of 0.51%. This is an outstanding over-achievement against benchmark and reflects decisions taken some years ago to place investment funds in longer-term fixed rate investments when interest rates were considerably higher than they are today. A schedule of investments is shown at Appendix F.

TREASURY STRATEGY

The Council's Treasury Management Strategy is set within the parameters of the relevant statute, guidance and accounting standards which include the Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services and the Prudential Code.

The Council is expected to be required to borrow up to £3.4m in 2013/14 and will adopt a flexible approach to borrowing. In consultation with its treasury management advisors consideration will be given to affordability, maturity profile of existing debt, interest rate and refinancing risk as well as borrowing source.

Where possible, maturing investments will be used to reduce the level of additional borrowing which will reduce investment exposure going forward. The strategy for any new investments will be to lengthen investment periods, where cash flow permits, to achieve higher interest rates within acceptable risk

parameters. Maximum investment levels with counterparties will be set to ensure prudent diversification is achieved.

The report also includes the Council's Minimum Revenue Provision Statement, which is unchanged from 2012/13 and sets the Prudential Indicators associated with Treasury for 2013/14.

2. **RECOMMENDATIONS**

Members are asked to note the treasury management activities for the first half year, note the Treasury Management Policy Statement (Appendix A) and approve the Treasury Strategy, including the Annual Investment Strategy for 2013/14 together with the associated treasury Prudential Indicators and the Minimum Revenue Provision Statement.

3. **SUMMARY IMPACT ASSESSMENT**

COMMUNITY IMPACT Do these proposals contribute to specific priority plan objectives?

Yes/~~No~~ Maximisation of investment income whilst managing risks and minimising borrowing costs whilst also managing risks helps to support the council's overall financial position and therefore the delivery of all policy objectives.

Will the proposals impact on specific groups of people?

~~Yes~~/No

**TARGET
COMPLETION /
DELIVERY DATE**

Part of ongoing Treasury Management Activities within the Treasury Management Strategy and Policy approved by Council.

**FINANCIAL/VALUE
FOR MONEY IMPACT**

Yes/~~No~~ Where appropriate these are detailed in the body of the report.

LEGAL ISSUES

Yes/~~No~~ The Council's Treasury Strategy has to comply with the relevant statute, codes and guidance which are set out both in the main body of this report and Appendices A and C of the strategy itself Attached).

The Assistant Director: Finance , Audit & Information Governance (Section 151 Officer) has responsibility for the administration of the financial affairs of the Council. In providing this report the Assistant Director: Finance, Audit & Information Governance is meeting one of the responsibilities of the post contained within the Council's Constitution at Part 2, Article 12, paragraph 12.04(f) which states "The Chief financial Officer will contribute to the promotion and maintenance of high standards of governance, audit, probity and propriety, risk management and the

approval of the statement of accounts through provision of support to the Audit Committee.”

OTHER IMPACTS, RISKS AND OPPORTUNITIES

Yes/No

The key opportunities and risks associated with treasury management activities are set out in the body of the report and in the Treasury Management Strategy and Policy approved by Council and will be regularly monitored throughout the year.

IMPACT ON SPECIFIC WARDS

Yes/No

PART B – ADDITIONAL INFORMATION

4. 12/13 TREASURY MANAGEMENT UPDATE

4.1 CURRENT PORTFOLIO POSITION

	31 March 12	31 Dec 12
	Principal	Principal
	£m	£m
Fixed Rate Borrowing - PWLB	56.523	51.022
Fixed Rate Borrowing - LOBO	60.000	60.000
Variable Rate Borrowing - LOBO/market	<u>31.146</u>	<u>15.200</u>
Total Debt	147.669	126.222
Investments - in-house	<u>53.027</u>	<u>46.422</u>
Total Investments	53.027	46.422
Net Indebtedness	94.642	79.800

4.2 INTEREST RATES

Base rates began the year at 0.5% and have remained unchanged all year. The Bank of England extended its Quantative Easing programme in July by £50bn to £375bn. The next move in the base rate is expected to be upwards, but not for some time, perhaps until 2015/16 and will be strongly linked to the recovery of the economy.

4.3 BORROWING & RESCHEDULING

The borrowing strategy for the current year has been to use maturing investments to reduce borrowing where possible.

Rescheduling

During 2012/13 no rescheduling has taken place as market conditions have not been favourable, however the scope for opportunities is regularly monitored.

New Borrowing

During the year 1 PWLB loan matured in May for £5m.

Between the period 1 June 2012 (previous Member update) and 31 December 2012, £17.2m of temporary loans have been raised in order to fund short-term cash flow requirements at various points. Interest rates have ranged from 0.26% to 0.29% - interest rates have remained fairly low during this time. £15.2m of this temporary borrowing was outstanding at 31 December 2012.

4.4 INVESTMENTS

The strategy for the current year is: To gain maximum benefit, subject to risk control parameters, whilst achieving as a minimum target the 7 day deposit rate.

4.4.1 In-House Investments

The majority of the Council's investments are internally managed - a mix of both temporary investments for cash flow purposes and longer term investments are undertaken internally. The target return is to achieve at least the 7 day deposit rate.

Temporary Investments

A proportion of funds are invested by the Council's own officers in order to maximise returns from day to day cash flows

In total £1,052m of investments were placed between 1 June and 31 December. Interest rates have ranged from 0.35% to 0.80% and periods ranged from overnight deposits to 4 days. £21.422m in house temporary investments were held at 31 December 2012.

Longer Term Investments

A number of internally managed deposits have been made previously. This has not been added to during 2012/13 and a number of investments have matured during the year totalling £25.0m. A full list of longer term investments is shown below.

		£m	%
Fixed Deposit	02/10/08 – 02/10/13	5.0	6.80
Fixed Deposit	03/08/09 – 01/08/14	5.0	6.32
Fixed Deposit	06/03/09 – 06/03/14	5.0	6.31
Fixed Deposit	31/03/09 – 31/03/14	5.0	6.37
Fixed Deposit	22/04/09 – 22/04/14	5.0	6.35
Total		25.0	

It should be noted that under the current guidance from our Treasury Advisors our investment policy would mean that new investments should not be placed for longer than 12 months. However the majority of these investments were placed before the start of the financial crisis which resulted in recommended periods for maximum duration being shortened considerably. The council is benefiting from very attractive rates of interest that are no longer available as a result of the decisions to place these investments for longer term periods when interest rates were considerably higher.

Overall the weighted average return on all internal investments for the year to date was 3.90% compared to a benchmark return for the period of 0.51%.

4.4.2 Overall Position and Exposure

A full analysis of all Council investments at the end of December is shown in Appendix F.

Our current counterparty limit and maximum exposure is £20.0m with any one counterparty, which was agreed when we had 3 fund managers, Counterparty limits will be reviewed when our long term investments mature in 2014. At the end of December the greatest exposure with a single counterparty was £20.0m with Barclays (43% of the total portfolio).

No investments in Supranational Bonds were held at the end of December.

The Council is guided by its Treasury advisers, Arlingclose, in assessing investments.

4.5 LEASING

Each year the Council arranges operating and finance leases for assets such as vehicles, computers and equipment. This helps to spread the cost over a number of years.

No lease drawdowns have been made so far this year, however one is anticipated in March.

5.	<u>PREVIOUS MINUTES</u>
	Audit Committee 31 January 12 Council 1 March 12 Audit Committee 26 June 12

6. TREASURY STRATEGY FOR 2013/14 to 2015/16

6.1 BACKGROUND

6.1.1 The CIPFA Treasury Management Code of Practice

The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services (the "CIPFA TM Code") and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement (TMSS) and Prudential Indicators on an annual basis. The TMSS also incorporates the Annual Investment Strategy as required under the CLG's Investment Guidance.

The purpose of this TMSS is, therefore, to approve the:

- Treasury Management Strategy for 2013/14
- Annual Investment Strategy for 2013/14
- Prudential Indicators for 2013/14, 2014/15, 2015/16 and 2016/17
- MRP Statement.

Treasury Management is about the management of risk. The Authority is responsible for its treasury decisions and activity. No treasury management activity is without risk.

As per the requirements of the Prudential Code, the Authority has adopted the CIPFA Treasury Management Code at a meeting of Full Council on 4 March 2010.

All treasury activity will comply with relevant statute, guidance and accounting standards.

The strategy takes into account the impact of the Council's Revenue Budget and Capital Programme on the Balance Sheet position, the current and projected Treasury position (Appendix B), the Prudential Indicators (Appendix C) and the outlook for interest rates (Appendix D).

6.1.2 Context

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The CFR, together with Usable Reserves, are the core drivers of the Authority's Treasury Management activities.

The Authority's current level of debt and investments is set out at Appendix B.

The Authority is able to borrow funds in excess of the current level of its CFR up to the projected level in 2016/17. The Authority is likely to only borrow in advance of need if it felt the benefits of borrowing at interest rates now compared to where they are expected to be in the future, outweighs the current cost and risks associated with investing the proceeds until the borrowing was actually required.

The forecasted movement in the CFR in coming years is one of the Prudential Indicators (PIs). The movement in actual external debt and usable reserves combine to identify the Authority's borrowing requirement and potential investment strategy in the current and future years.

6.1.3 Balance Sheet and Treasury Position

The underlying need to borrow for capital purposes, as measured by the Capital Financing Requirement (CFR), together with Balances and Reserves, are the core drivers of Treasury Management Activity. The estimates, based on the current Revenue Budget and Capital Programmes, are:

	31/03/13 Estimate £m	31/03/14 Estimate £m	31/03/15 Estimate £m	31/03/16 Estimate £m	31/03/17 Estimate £m
Capital Financing Requirement	241.734	237.879	242.081	239.262	215.771

6.1.4 Interest Rate Forecast

The economic and interest rate forecast provided by the Authority's treasury management advisor is attached at Appendix D. The Authority will reappraise its strategies from time to time in response to evolving economic, political and financial events.

6.1.5 Borrowing Strategy

Treasury management and borrowing strategies in particular continue to be influenced not only by the absolute level of borrowing rates but also the relationship between short and long term interest rates. The interest rate forecast provided in Appendix D indicates that an acute difference between short and longer term interest rates is expected to continue. This difference creates a "cost of carry" for any new longer term borrowing where the proceeds are temporarily held as investments because of the difference between what is paid on the borrowing and what is earned on the investment. Whilst the cost of carry can be assumed to be a reasonably short-term issue since borrowing is often for longer dated periods (anything up to 50 years) it cannot be ignored against a backdrop of uncertainty and affordability constraints in the Authority's wider financial position.

The Authority has a gross and net borrowing requirement and will be required to borrow up to £3.4m in 2013/14. The Authority will adopt a flexible approach to this borrowing in consultation with its treasury management advisers, Arlingclose Ltd. The following issues will be considered prior to undertaking any external borrowing:

- Affordability;
- Maturity profile of existing debt;
- Interest rate and refinancing risk;
- Borrowing source.

6.1.6 Sources of Borrowing and Portfolio implications

In conjunction with advice from its treasury advisor, Arlingclose Ltd, the Authority will keep under review the following borrowing sources:

- PWLB
- Local authorities
- Commercial banks
- European Investment Bank
- Money markets
- Capital markets (stock issues, commercial paper and bills)
- Structured finance
- Leasing

The cost of carry has resulted in an increased reliance upon shorter dated and variable rate borrowing. This type of borrowing injects volatility into the debt portfolio in terms of interest rate risk but is counterbalanced by its affordability and alignment of borrowing costs with investment returns. The Authority's exposure to shorter dated and variable rate borrowing is kept under regular review by reference to the difference or spread between variable rate and longer term borrowing costs. A narrowing in the spread by 0.5% will result in an immediate and formal review of the borrowing strategy to determine whether the exposure to shorter dated and variable rates is maintained or altered.

The Authority has £60m exposure to LOBO loans (Lender's Option Borrower's Option) of which £45m of these can be "called" within 2013/14. A LOBO is called when the Lender exercises its right to amend the interest rate on the loan, at which point the Borrower (i.e. the Council) can accept the revised terms or reject them and repay the loan. LOBO loans present a potential refinancing risk to the Authority since the decision to call a LOBO is entirely at the lender's discretion.

Any LOBOs called will be discussed with the treasury advisers prior to acceptance of any revised terms. The default position will be the repayment of the LOBO without penalty i.e. the revised terms will not be accepted.

6.1.7 Debt Rescheduling

The Authority's debt portfolio can be restructured by prematurely repaying loans and refinancing them on similar or different terms to achieve a reduction in risk and/or savings in interest costs.

The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has adversely affected the scope to undertaken meaningful debt restructuring although occasional opportunities arise. The rationale for undertaking any debt rescheduling would be one or more of the following:

- Savings in risk adjusted interest costs
- Rebalancing the interest rate structure of the debt portfolio
- Changing the maturity profile of the debt portfolio

Borrowing and rescheduling activity will be reported to the Audit Committee in the Annual Treasury Management Report and the regular treasury management reports presented to the Audit Committee.

6.2 Annual Investment Strategy

In accordance with Investment Guidance issued by the CLG and best practice this Authority's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yields earned on investments are important but are secondary considerations.

Credit markets remain in a state of distress as a result of the excessive and poor performing debt within the financial markets. In some instances, Greece and Italy being the most notable examples, the extent and implications of the debt it has built up have lead to a sovereign debt crisis and a banking crisis with the outcome still largely unknown. It is against this backdrop of uncertainty that the Authority's investment strategy is framed.

Investments are categorised as "Specified" or "Non-Specified" within the investment guidance issued by the CLG.

Specified investments are sterling denominated investments with a maximum maturity of one year. They also meet the "high credit quality" as determined by the Authority and are not deemed capital expenditure investments under Statute. Non specified investments are, effectively, everything else.

The types of investments that will be used by the Authority and whether they

are specified or non-specified are as follows:

Table 2: Specified and Non-Specified Investments

Investment	Specified	Non-Specified
Term deposits with banks and building societies	✓	✓
Term deposits with other UK local authorities	✓	✓
Investments with Registered Providers	✓	✓
Certificates of deposit with banks and building societies	✓	✓
Gilts	✓	✓
Treasury Bills (T-Bills)	✓	x
Bonds issued by Multilateral Development Banks	✓	✓
Local Authority Bills	✓	x
Commercial Paper	✓	x
Corporate Bonds	✓	✓
AAA rated Money Market Funds	✓	x
Other Money Market and Collective Investment Schemes	✓	✓
Debt Management Account Deposit Facility	✓	x

Registered Providers have been included within specified and non-specified investments for 2013/14. These investments will be analysed on an individual basis and discussed with Arlingclose prior to investing.

In September the Council changed its counterparty policy to rely on the list produced and monitored by Arlingclose. Their current criteria for counterparties is as follows. The minimum credit rating for non-UK sovereigns is AA+ (or equivalent). For specified investments the minimum long term rating for UK counterparties is A- (or equivalent). As detailed in non-specified investments in Appendix E, the Chief Finance Officer will have discretion to make investments with counterparties that do not meet the specified criteria on advice from Arlingclose.

The Authority and its advisors, Arlingclose Ltd, select countries and financial institutions after analysis and ongoing monitoring of:

- Published credit ratings for financial institutions
- Credit Default Swaps (where quoted)
- Economic fundamentals (for example Net Debt as a percentage of GDP)
- Sovereign support mechanisms
- Share Prices
- Corporate developments, news, articles, markets sentiment and

- momentum
- Subjective overlay – or, put more simply, common sense.

Arlingclose provide the authority with a list of approved counterparties on a weekly basis, counterparties are always checked before making an investment to ensure they are still on the list of approved counterparties directly with Arlingclose. This list details both the approved counterparties and the maximum duration for any investment.

Any institution can be suspended or removed should any of the factors identified above give rise to concern.

The countries and institutions that currently meet the criteria for term deposits, Certificates of Deposit (CDs) and call accounts are included in Appendix E.

In the current financial climate the policy adopted will be that as investments mature they will not be reinvested, but be used to minimise borrowing.

Authority's Banker – The Authority banks with HSBC. At the current time, it does meet the minimum credit criteria. Even if the credit rating falls below the Authority's minimum criteria HSBC will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements.

6.3 Investment Strategy

With short term interest rates low for even longer, an investment strategy will typically result in a lengthening of investment periods, where cash flow permits, in order to lock in higher rates of acceptable risk adjusted returns. The problem in the current environment is finding an investment counterparty providing acceptable levels of counterparty risk.

In order to diversify an investment portfolio largely invested in cash, investments will be placed with a range of approved investment counterparties in order to achieve a diversified portfolio of prudent counterparties, investment periods and rates of return. Maximum investment levels with each counterparty will be set to ensure prudent diversification is achieved.

Money market funds (MMFs) can be utilised, but good treasury management practice prevails and whilst MMFs provide good diversification the Authority will also seek to diversify any exposure by utilising more than one MMF. The Authority will also restrict its exposure to MMFs with lower levels of funds under management and will not exceed 0.5% of the net asset value of the MMF. We currently have no funds with MMF's, however this will be reviewed when our longer term investments have matured.

6.4 Ethical Investment

The Council will not knowingly directly invest in organisations whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the Council. At the same time the Council will take full responsibility for proper management of risk and safeguarding its investments by ensuring that they are diversified and made with organisations suitably credit assessed. The Council's lending activity will be subject to (in order of rank)

- The assessment of meeting the minimum lending criteria as specified in the current Treasury Management Strategy and the minimum credit ratings as outlined in the Strategy;
- Meeting the Security, Liquidity & Yield criteria as set out in the current Treasury Management Strategy and Compliance with the Treasury Management Practice Statements;
- And investments are not contrary to the values outlined in the Ethical Investment Framework.

6.5 The Use of Financial Instruments for the Management of Risks

Currently, Local Authorities' legal power to use derivative instruments remains unclear. Consequently, the authority does not intend to use derivatives.

Should this position change, the Council may seek to develop a detailed and robust risk management framework governing the use of derivatives, but this change in strategy would require full Council approval.

6.6 Balanced Budget Requirement

The Authority complies with the provisions of S32 of the Local Government Finance Act 1992 to set a balanced budget.

6.7 2013/14 MRP Statement

6.7.1 The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 08 (SI 08/414) place a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

6.7.2 The four MRP options available are:
 Option 1: Regulatory Method
 Option 2: CFR Method
 Option 3: Asset Life Method
 Option 4: Depreciation Method
 NB This does not preclude other prudent methods.

6.7.3 MRP in 2013/14: Options 1 and 2 may be used only for supported expenditure. Methods of making prudent provision for self financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).

6.7.4 The MRP Statement will be submitted to Council before the start of the 2013/14 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.

6.7.5 The Council will apply Option 1 in respect of supported capital expenditure and Option 3 in respect of unsupported capital expenditure.

And

MRP in respect of leases and Private Finance Initiative schemes brought on Balance Sheet under the International Financial Reporting Standards (IFRS)

based Accounting Code of Practice will match the annual principal repayment for the associated deferred liability.

6.8 Monitoring and Reporting on the Treasury Outturn and Prudential Indicators

The Assistant Director: Finance, Audit & Information Governance will report to the Audit Committee on treasury management activity / performance and Performance Indicators as follows:

- half yearly against the strategy approved for the year. The Authority will produce an outturn report on its treasury activity no later than 30th September after the financial year end.
- Audit Committee will be responsible for the scrutiny of treasury management activity and practices rather than the Budget and Finance Scrutiny Committee.

7 Other Items

7.1 Training

CIPFA's Code of Practice requires the responsible officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

Reviewing and addressing training needs: The authority regularly reviews the training needs of its staff involved with treasury management and ensures that staff are appropriately trained.

7.2 Investment Consultants/Treasury Advisors

The Council uses Arlingclose as its external treasury management advisers.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review to ensure the quality of any such service is controlled.

8. BACKGROUND PAPERS

CIPFA Code of Practice for Treasury Management in Local Authorities
Temporary Borrowing Records

PWLB records

Investment records

Draft Treasury Strategy provided by Arlingclose

Local Government Act 2003

CLG Guidance on Local Authority Investments

Audit Commission – Risk and Return

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TREASURY MANAGEMENT POLICY STATEMENT

1. INTRODUCTION AND BACKGROUND

1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.

1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

1.3 The Council will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Audit Committee and for the execution and administration of treasury management decisions to Assistant Director: Finance, Audit & Information Governance, who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

1.5 The Council nominates Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

2.1 The Council defines its treasury management activities as:

“The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”

2.4 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council

transparency and control over its debt. The Council will look to minimise borrowing through the use of maturing investments to fund capital expenditure rather than reinvestment.

2.5 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yield earned on investments remain important but are secondary considerations. Generally as investments mature they will not be reinvested but be used to minimise borrowing.

APPENDIX B

EXISTING PORTFOLIO PROJECTED FORWARD

	Current Portfolio £m	%	31/3/13 Estimate £m	31/3/14 Estimate £m	31/3/15 Estimate £m	31/3/16 Estimate £m	31/3/17 Estimate £m
External Borrowing:							
Fixed Rate – PWLB	51.0	27	50.5	39.5	28.5	27.5	26.5
Fixed Rate – Market	60.0	32	60.0	60.0	60.0	60.0	60.0
Variable Rate – PWLB	0.0	0	0.0	0.0	0.0	0.0	0.0
Variable Rate – Market	15.2	8	11.2	10.8	23.2	28.2	12.4
Total External Borrowing	126.2	67	121.7	110.3	111.7	115.7	98.9
IFRS Long Term Liabilities:							
PFI	62.4	33	62.4	61.0	59.7	58.0	56.9
Finance Leases	0.7	0	0.7	0.7	0.7	0.7	0.7
Total Gross External Debt	189.3	100	184.8	172.0	172.1	174.4	156.5
Investments: <i>Managed in-house</i>							
Short-term monies (Deposits/ monies on call /MMFs)	21.4	46	15.0	10.0	0.0	0.0	0.0
Long-term investments (maturities over 12 months)	25.0	54	10.0	0.0	0.0	0.0	0.0
Total Investments	46.4	100	25.0	10.0	0.0	0.0	0.0
(Net Borrowing Position)/ Net Investment position	(142.9)		(159.8)	(162.0)	(172.1)	(174.4)	(156.5)

Appendix C

Prudential Indicators 2013/14 – 2016/17

1 Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

2. Gross debt and the Capital Financing Requirement:

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.

The Assistant Director: Finance, Audit & Information Governance reports that the authority had no difficulty meeting this requirement in 2012/13, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. Estimates of Capital Expenditure:

3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.

Capital Expenditure	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
Total	95.919	79.670	107.199	76.018	22.518	1.901

**if applicable*

3.2 Capital expenditure will be financed or funded as follows:

Capital Financing	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
Capital receipts	34.203	33.139	39.127	11.813	12.350	16.345
Government Grants	47.158	46.512	64.087	50.983	6.198	2.258
Revenue / External contributions	0.212	1.019	0.349	1.858	0.000	0.000
Total Financing	81.573	80.670	103.563	64.654	18.548	18.603
Supported borrowing	0.138	2.056	0.257	0.000	0.000	0.000
Unsupported borrowing	14.208	-3.056	3.379	11.364	3.970	-16.702
Total Funding	14.346	-1.000	3.636	11.364	3.970	-16.702
Total Financing and Funding	95.919	79.670	107.199	76.018	22.518	1.901

4. Ratio of Financing Costs to Net Revenue Stream:

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code.

4.2 The ratio is based on costs net of investment income.

Ratio of Financing Costs to Net Revenue Stream	12/13 Approved %	12/13 Revised %	13/14 Estimate %	14/15 Estimate %	15/16 Estimate %	16/17 Estimate %
Total	3.15	2.87	3.11	3.40	3.00	2.70

5. Capital Financing Requirement:

5.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing.

Capital Financing Requirement	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
Total CFR	256.922	241.734	237.879	242.081	239.262	215.771

6. Actual External Debt:

6.1 This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

Actual External Debt as at 31/03/12	£m
Borrowing	147.669
Other Long-term Liabilities	63.408
Total	211.077

7. Incremental Impact of Capital Investment Decisions:

7.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	12/13 Approved £	13/14 Estimate £	14/15 Estimate £	15/16 Estimate £	16/17 Estimate £m
Increase in Band B Council Tax	-0.53	-3.71	10.31	26.53	25.83

7.2 The increase in Band B council tax reflects the increases in the provision for Capital Financing Charges of £0.987m by 2019/20 to undertake additional borrowing of £14.149m arising from the proposed capital programme. In the short term there are savings due to the rephasing of existing planned borrowing and medium term there is spending ahead of anticipated capital receipts, but once complete the overall increase in Band B is £17.76.

8. Authorised Limit and Operational Boundary for External Debt:

8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.

8.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing,

overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

8.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

8.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

Authorised Limit for External Debt	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
Borrowing	169	169	145	146	150	135
Other Long-term Liabilities	67	67	65	64	63	62
Total	236	236	210	210	213	197

8.5 The Operational Boundary links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

8.6 The Assistant Director: Finance, Audit & Information Governance has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Audit Committee.

Operational Boundary for External Debt	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
Borrowing	149	149	125	126	130	115
Other Long-term Liabilities	65	65	63	62	61	60
Total	214	214	188	188	191	175

9. Adoption of the CIPFA Treasury Management Code:

9.1 This indicator demonstrates that the Council has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its Council meeting on 4 March 10.

The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

10. Gross Debt and the Capital Finance Requirement

10.1 The purpose of this treasury indicator is to highlight a situation where the Council is planning to borrow in advance of need. If these figures exceed CFR (which they don't) they would indicate we are borrowing in advance of need.

Gross and Net Debt	12/13 Estimated £m	13/14 Authorised £m	14/15 Authorised £m	15/16 Authorised £m	16/17 Authorised £m
Outstanding Borrowing (at nominal value)	123.833	110.303	111.667	115.637	98.935
Other Long-term Liabilities (at nominal value)	63.100	61.742	60.432	58.756	57.605
Gross Debt	186.933	172.045	172.099	174.393	156.540

11. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

11.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments / total debt net of total investments)

11.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments

Guidance note on quantum of acceptable volatility...

	Existing level (or Benchmark level) at 31/03/12 %	12/13 Approved %	12/13 Revised %	13/14 Estimate %	14/15 Estimate %	15/16 Estimate %	16/17 Estimate %
Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100	100	100
Upper Limit for Variable Interest Rate Exposure	25	25	30	30	30	30	30
Local Indicator – Upper limit for net variable rate exposure. (Net principal re gross variable rate borrowing and investments divided by gross borrowing plus investments)	80	80	80	60	60	60	60

11.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

12. Maturity Structure of Fixed Rate borrowing:

12.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to

protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

- 12.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

Maturity structure of fixed rate borrowing	Existing level (level at 31/03/12) %	Lower Limit for 13/14 %	Upper Limit for 13/14 %
under 12 months	12 (25)	0	40
12 months and within 24 months	9 (7)	0	25
24 months and within 5 years	10 (9)	0	50
5 years and within 10 years	3 (2)	0	75
10 years and within years	0 (0)	0	75
years and within 30 years	0 (0)	0	75
30 years and within 40 years	4 (3)	0	100
40 years and within 50 years	22 (19)	10	100
50 years and above	40 (34)	15	100

13. Credit Risk:

- 13.1 The Council considers security, liquidity and yield, in that order, when making investment decisions.

- 13.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council's assessment of counterparty credit risk.

- 13.3 The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country's net debt as a percentage of its GDP);
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

- 13.4 The only indicators with prescriptive values remain to be credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

14. Upper Limit for total principal sums invested over 364 days:

- 14.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

Upper Limit for total principal sums invested over 364 days	12/13 Approved £m	12/13 Revised £m	13/14 Estimate £m	14/15 Estimate £m	15/16 Estimate £m	16/17 Estimate £m
	95	95	95	95	95	95

Appendix D – Economic & Interest Rate Forecast (Sections 4.1 & 5.1)

	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Official Bank Rate													
Upside risk			0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk		-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
3-month LIBID													
Upside risk	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Central case	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.50	0.55	0.55	0.55	0.60	0.60
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
1-yr LIBID													
Upside risk	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Central case	0.90	0.90	0.95	0.95	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
5-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
Central case	0.80	0.90	0.90	0.90	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.20	1.20
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
10-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00
Central case	1.90	1.90	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.20	2.20	2.20
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
20-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
Central case	2.80	2.80	2.80	2.80	2.90	2.90	2.90	2.90	3.00	3.00	3.00	3.00	3.00
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
50-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00
Central case	3.30	3.30	3.30	3.40	3.40	3.40	3.50	3.50	3.50	3.50	3.60	3.60	3.60
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25

Underlying Assumptions:

- Consumer Price Inflation is 2.7% having fallen from a peak of 5.2%. Near term CPI is likely to be affected by volatility in commodity prices and its decrease towards the 2% target is expected to be slower than previously estimated.
- Strong Q3 growth data has provided encouragement with the larger than expected 1% rise in GDP. Consumers are yet to loosen purse strings and businesses are still reticent to make long-term investments. The momentum in growth is unlikely to be sustained whilst uncertainty over the economic outlook persists.
- In the absence of large, unexpected decline in growth, QE is likely to remain on hold at £375bn for now. The availability of cheaper bank borrowing and subsequently for corporates through the Funding for Lending Scheme (FLS) is a supporting factor.
- The US Federal Reserve's shift in its rate guidance from a date-based indication to economic thresholds (6.5% unemployment, inflation 1 – 2 years out projected to remain below 2.5%, longer term inflation expectations remain well anchored) is likely to increase market uncertainty around the highly volatile US employment data releases.
- A last minute agreement on 1st January between the US President and Congressional Republicans to increase taxes on higher earning Americans partly averted the fiscal cliff (which would have meant automatic tax hikes and spending cuts). However the issues of spending cuts, cutting the budget deficit and raising the country's debt ceiling remained unresolved. A failure to address these by March 2013 could lead to a similar showdown and risks a downgrade to the US sovereign credit rating by one or more agencies.

- The Eurozone is making slow headway (the European Stability Mechanism is now operational, announcements on the OMT programme, slow progress towards banking union) which has placated markets and curtailed some of the immediate risks although peripheral countries continue to struggle. Full-fledged banking and fiscal union is still some years away.

Appendix E – Recommended Sovereign and Counterparty List (Section 8)

- **Group Limits** - For institutions within a banking group, the authority executes a limit at the highest of any of the single banks within that group.
- **Sovereign Limit** – The Council will only invest a maximum of 20% of the portfolio with non UK sovereigns.

Instrument	Country/ Domicile	Counterparty	Maximum Counterparty Limit %/£m	Maximum Group Limit (if applicable) %/£m	Council Holding At 31/12/12 £m
Term Deposits / CDs / Call Accounts	UK	Santander UK Plc (Banco Santander Group)	20	20	7
Term Deposits / CDs / Call Accounts	UK	Bank of Scotland (Lloyds Banking Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Lloyds TSB (Lloyds Banking Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Barclays Bank Plc	20	20	20
Term Deposits / CDs / Call Accounts	UK	HSBC Bank Plc	20	20	7.4
Term Deposits / CDs / Call Accounts	UK	Nationwide Building Society	20	20	0
Term Deposits / CDs / Call Accounts	UK	NatWest (RBS Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Royal Bank of Scotland (RBS Group)	20	20	12
Term Deposits / CDs / Call Accounts	UK	Standard Chartered Bank	20	20	0
Term Deposits / CDs / Call Accounts	Australia	Australia and NZ Banking Group	20	20	0
Term Deposits / CDs / Call Accounts	Australia	Commonwealth Bank of Australia	20	20	0
Term Deposits / CDs / Call Accounts	Australia	National Australia Bank Ltd (National Australia Bank Group)	20	20	0
Term Deposits / CDs / Call Accounts	Australia	Westpac Banking Corp	20	20	0

Term Deposits / CDs / Call Accounts	Canada	Bank of Montreal	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Bank of Nova Scotia	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Canadian Imperial Bank of Commerce	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Royal Bank of Canada	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Toronto-Dominion Bank	20	20	0
Term Deposits / CDs / Call Accounts	Finland	Nordea Bank Finland	20	20	0
Term Deposits / CDs / Call Accounts	Finland	Pohjola	20	20	0
Term Deposits / CDs / Call Accounts	France	BNP Paribas	20	20	0
Term Deposits / CDs / Call Accounts	France	Credit Agricole CIB (Credit Agricole Group)	20	20	0
Term Deposits / CDs / Call Accounts	France	Credit Agricole SA (Credit Agricole Group)	20	20	0
Term Deposits / CDs / Call Accounts	France	Societe General	20	20	0
Term Deposits / CDs / Call Accounts	Germany	Deutsche Bank AG	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	ING Bank NV	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	Rabobank	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	Bank Nederlandse Gemeenten	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	DBS Bank Ltd	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	Oversea-Chinese Banking Corporation (OCBC)	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	United Overseas bank (UOB)	20	20	0
Term Deposits / CDs / Call	Sweden	Svenska Handelsbanken	20	20	0

Accounts					
Term Deposits / CDs / Call Accounts	Switzerland	Credit Suisse	20	20	0
Term Deposits / CDs / Call Accounts	US	JP Morgan	20	20	0

***Please note this list could change if, for example, a counterparty/country is upgraded, and meets our other creditworthiness tools. Alternatively, if a counterparty is downgraded, this list may be shortened. The counterparty list was correct as at 9 January 2013.*

TOTAL RISK PER COUNTERPARTY AS AT 31 DECEMBER 12

	CREDIT RATING				TOTAL £000
<u>Fixed Deposits</u>					
Barclays	UK AAA	F1+AA-	B	1	20,000
HSBC	UK AAA	F1+AA	B	1	7,422
Royal Bank of Scotland	UK AAA	F1+AA-	C/D	1	12,000
Santander	UK AAA	F1+AA-	B	1	7,000
TOTAL- FIXED TERM AND CASH DEPOSITS					46,422

<u>SUMMARY BY SOVEREIGN RATING</u>	<u>£000</u>	<u>%</u>
UK AAA	46,422	100
Total	46,422	100

Credit Ratings – A Guide.

Long-term credit ratings and Sovereign Ratings

Fitch Rating's long-term credit ratings are set up along a scale from 'AAA' to 'D', first introduced in 1924 and later adopted and licensed by Standard & Poors (S&P). Moody's also uses a similar scale, but names the categories differently. Like S&P, Fitch also uses intermediate modifiers for each category between AA and CCC (i.e., AA+, AA, AA-, A+, A, A-, BBB+, BBB, BBB- etc.).

Investment grade

- **AAA** : the best quality, reliable and stable
- **AA** : good quality, a bit higher risk than AAA
- **A** : economic situation can affect finance
- **BBB** : medium class counterparties, which are satisfactory at the moment

Non-investment grade

- **BB** : more prone to changes in the economy
- **B** : financial situation varies noticeably
- **CCC** : currently vulnerable and dependent on favourable economic conditions to meet its commitments
- **CC** : highly vulnerable, very speculative bonds
- **C** : highly vulnerable, perhaps in bankruptcy or in arrears but still continuing to pay out on obligations
- **D** : has defaulted on obligations and Fitch believes that it will generally default on most or all obligations
- **NR** : not publicly rated

Short-term credit ratings

Fitch's short-term ratings indicate the potential level of default within a 12-month period.

- **F1+** : best quality grade, indicating exceptionally strong capacity of obligor to meet its financial commitment
- **F1** : best quality grade, indicating strong capacity of obligor to meet its financial commitment
- **F2** : good quality grade with satisfactory capacity of obligor to meet its financial commitment
- **F3** : fair quality grade with adequate capacity of obligor to meet its financial commitment but near term adverse conditions could impact the obligor's commitments
- **B** : of speculative nature and obligor has minimal capacity to meet its commitment and vulnerability to short term adverse changes in financial and economic conditions
- **C** : possibility of default is high and the financial commitment of the obligor are dependent upon sustained, favourable business and economic conditions
- **D** : the obligor is in default as it has failed on its financial commitments.

Bank Individual Ratings

Individual Ratings are assigned to banks that are legal entities. The term "banks" here includes bank holding companies and bank assurance holding companies, bank assurance companies operating as single legal entities, investment banks and private banks. These ratings may also be assigned to leasing companies, instalment credit companies, credit card companies, brokerage houses, investment management companies and securities dealing companies, as circumstances demand. These ratings, which are internationally comparable, attempt to assess how a bank would be viewed if it were entirely independent and could not rely on external support. These ratings are designed to assess a bank's exposure to, appetite for, and management of risk, and thus represent the agency's view on the likelihood that it would run into significant financial difficulties such that it would require support.

- A:** A very strong bank. Characteristics may include outstanding profitability and balance sheet integrity, franchise, management, operating environment or prospects.
- B:** A strong bank. There are no major concerns regarding the bank. Characteristics may include strong profitability and balance sheet integrity, franchise, management, operating environment or prospects.
- C:** An adequate bank, which, however, possesses one or more troublesome aspects. There may be some concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects.
- D:** A bank that has weaknesses of internal and/or external origin. There are concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects. Banks in emerging markets are necessarily faced with a greater number of potential deficiencies of external origin.
- E:** A bank with very serious problems, which either requires or is likely to require external support.
- F:** A bank that has either defaulted or, in Fitch Ratings' opinion, would have defaulted if it had not received external support. Examples of such support include state or local government support, (deposit) insurance funds, acquisition by some other corporate entity or an injection of new funds from its shareholders or equivalent.

Notes: Gradations may be used among the ratings A to E: i.e. A/B, B/C, C/D, and D/E. No gradations apply to the F rating.

Support Ratings (1 – 5)

The Purpose and Function of Support Ratings

Support Ratings are Fitch Ratings' assessment of a potential supporter's propensity to support a bank and of its ability to support it. Its propensity to support is a judgment made by Fitch Ratings. Its ability to support is set by the potential supporter's own Issuer Default Ratings, both in foreign currency and, where appropriate, in local currency. Support Ratings do not assess the intrinsic credit quality of a bank. Rather they communicate the agency's judgment on whether the bank would receive support should this become necessary. These ratings are exclusively the expression of Fitch Ratings' opinion even though the principles underlying them may have been discussed with the relevant supervisory authorities and/or owners.

Timeliness and Effectiveness Requirements

Fitch Ratings' Support Rating definitions are predicated on the assumption that any necessary "support" is provided on a timely basis. The definitions are also predicated on the

assumption that any necessary support will be sufficiently sustained so that the bank being supported is able to continue meeting its financial commitments until the crisis is over.

Obligations and Financial Instruments Covered

In terms of these definitions, unless otherwise specified, "support" is deemed to be in terms of foreign currency. It is assumed that typically the following obligations will be supported: senior debt (secured and unsecured), including insured and uninsured deposits (retail, wholesale and interbank); obligations arising from derivatives transactions and from legally enforceable guarantees and indemnities, letters of credit, and acceptances; trade receivables and obligations arising from court judgments.

Likewise, the agency does not assume that the following capital instruments will be supported when sovereign support is involved: preference/preferred shares or stock; hybrid capital (tier 1 and upper tier 2), including reserve capital instruments (RCIs) and variations upon RCIs; and common/ordinary equity capital. It is also assumed that there will be no support for any moral obligation on securitizations. The sovereign support status of subordinated debt is difficult to categorize in advance; it is assessed on a case by case basis, distinguishing among different jurisdictions.

Definitions:

- 1:** A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long-Term Rating floor of 'A-'.
- 2:** A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question. This probability of support indicates a minimum Long-Term Rating floor of 'BBB-'.
- 3:** A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of 'BB-'.
- 4:** A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of 'B'.
- 5:** A bank for which external support, although possible, cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so. This probability of support indicates a Long-Term Rating floor no higher than 'B-' and in many cases no floor at all.

GLOSSARY

Term	Meaning
Affordable Borrowing Limit	The amount the authority would normally borrow at any point of time in the year. This boundary might be exceeded temporarily but only in exceptional circumstances. The limit is set by Full Council at the beginning of March and is a prudential indicator.
Authorised Borrowing Limit	The maximum amount the authority can borrow at any point of time in the year. This limit should never be exceeded. The limit is set by Full Council at the beginning of March and is a prudential indicator.
Capital Financing Requirement (CFR)	This represents the underlying need for the authority to borrow and represents the assets of the authority less the long term capital liabilities.
Credit Default Swaps (CDS)	CDS are bought by investors to insure against defaults (i.e. the counterparty not being able to repay). The higher the cost/premium then the higher the risk – CDS therefore given a market view of the credit worthiness of an organisation.
Credit Ratings	Rating on the ability of an organisation to meet its obligations; ratings are assigned by independent, specialist companies, such as Fitch and Moodys using market intelligence they gather.
Credit Risk	The risk that the debtor will default on their obligations
Counterparty	The organisation that you are conducting your business with.
Debt Management Account Deposit Facility	Provided by the Debt Management Office , users can place cash in secure fixed-term deposits. Deposits are guaranteed by the government and therefore have the equivalent of a sovereign triple-A credit rating.
Derivative Instruments	A security whose price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. Most derivatives are characterized by high leverage. For example, a stock option is a derivative because it derives its value from the value

	of a stock. An interest rate swap is a derivative because it derives its value from one or more interest rate indices.
Discounts	These relate to Public Works Loans Board loans. If rates have increased since the borrowing was undertaken then part of the benefit that PWLB will achieve from being able to loan out at that higher rate are passed back to an authority if they repay the loan early.
Fund Managers	Independent investment managers who work to a specific mandate and invest funds on behalf of the Council
Inflation	The rise in prices of goods and services over a period of time.
Interest Rate Risk	The risk that the value of an investment will change due to changes to the interest rate.
Internal Borrowing	This is where the amount of an authority's borrowing is less than its CFR or underlying need to borrow and represents the use of internal balances rather than borrowing from the market.
LIBID	London inter-bank bid rate. Interest rate at which prime banks will borrow money in the London inter-bank market.
LIBOR	London inter-bank offer rate. Interest rate at which prime banks will lend money in the London inter-bank market. Fixed every day by the British Bankers Association to five decimal places.
Liquidity Risk	The risk of not being able to trade an investment quickly to release cash.
Minimum Revenue Provision (MRP)	This is the amount charged against the Income and Expenditure Account for the year in relation to the repayment of debt on borrowing in order to fund capital expenditure.
Obligor	An individual or company that owes debt to another individual or company (the creditor), as a result of borrowing or issuing bonds.
Premia	This is the penalty applied to the early redemption of PWLB loans where rates have fallen since the loan was undertaken.
Prudential Code	A professional code of practice which provides regulatory framework to local authorities on capital expenditure, investments and borrowing activities.
Prudential Indicators	A set of indicators developed within the Prudential Code which define thresholds for investment and borrowing within a local authority.

PWLB	Public Works Loans Board – a Government agency providing long and short term loans to local authorities. Interest rates are generally lower than the private sector and slightly higher than the rates at which the Government themselves may borrow.
Re-scheduling	This relates to repaying existing borrowing early and replacing it with borrowing for a different period usually, but not necessarily, at lower rates
Return	The gain from holding an investment over a given period
Security	An investment instrument, other than an insurance policy or fixed annuity, issued by a corporation, government or other organisation which offers evidence of debt or equity.
Sovereign Exposure	Risk of exposure to one particular country.
Supranational Bonds	These are bonds (similar to gilts) issued by multi government development organisations and are supported by all of the governments who form part of the organisation. E.g. European Investment Bank and are usually very secure.
Quantative Easing	This is where the government buy back there own gilt issuance to effectively pump money into the financial markets of the economy.

TELFORD & WREKIN COUNCIL

**CABINET – 28 FEBRUARY 2013
COUNCIL - 7 MARCH 2013**

PRUDENTIAL INDICATORS

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

1. Purpose

- 1.1 To approve the prudential indicators for 2013/14 to 2015/16 required under the Prudential Code of Capital Finance in Local Authorities.

2. Recommendations

- 2.1 Members are asked to approve the prudential indicators proposed in this report as part of setting the budget for 2013/14.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT Do these proposals contribute to specific priorities?

Yes/~~No~~ The prudential indicators form part of the Council's service and financial planning strategy and the overall budget and policy framework which is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes.

Will the proposals impact on specific groups of people?

~~Yes~~/No

**TARGET
COMPLETION /
DELIVERY DATE**

Prudential Indicators have to be set annually under the Local Government Act 2003.

**FINANCIAL/VALUE
FOR MONEY IMPACT**

Yes/~~No~~ Where appropriate these are detailed in the body of the report.

LEGAL ISSUES

Yes/~~No~~ CIPFA's Prudential Code is regarded as mandatory guidance associated with the Local Government Act 2003.

OTHER IMPACTS,

Yes/~~No~~ The opportunities and risks associated with

RISKS AND OPPORTUNITIES

the report have been identified and assessed. Arrangements will be put in place to manage the risks and maximise the opportunities that have been identified.

IMPACT ON SPECIFIC WARDS

Yes/No

PART B – ADDITIONAL INFORMATION

4. Summary

- 4.1 The Prudential System was introduced from 1 April 2004. Under the Prudential System the Council has to approve Prudential Indicators annually and these are contained in the report.

5. The CIPFA Prudential Code

- 5.1 In September 2003 CIPFA Council approved and subsequently published the final version of the code (updated in 2009), and the concluding paragraph of its executive summary records;

*“The Prudential Code supports the systems of capital investment in local authorities. It is integrated within the wider statutory and management processes of local government. Key elements of the system continue to be determined by legislation, in particular the amount required to be charged to taxation by local authorities in respect of capital investment and the amount and method of government support for capital investment. These will be significant decisions when local authorities take decisions on capital investment. **However, the level of capital investment that can be supported will be subject to affordability and sustainability and be a matter for local decision.**”*

- 5.2 The general approach of the code is to require the Council to set estimates and limits on its borrowing and features associated with borrowing. The underlying philosophy is that the Council should set limits that ensure borrowing is affordable in the medium to long term. Affordability is determined by the overall amount of borrowing and the interest rate at which it is done. Because borrowing is only permissible (and will remain so) for capital expenditure local authorities have traditionally borrowed at longer term fixed rates of interest (i.e. over 1 year, and typically over 20 years). This helps ensure stability over the medium term; for example a variable rate loan currently at 4.5% may be less attractive than a fixed rate loan at 4.8% if there is thought to be a reasonable possibility that variable rates will rise above 5.2% within a year. To help ensure financial stability the code requires authorities to consider the structure of their borrowing.
- 5.3 The code also requires authorities with significant investments to set indicators associated with lending money.
- 5.4 Practically the remaining paragraphs of this section consider the indicators and recommends what the indicators should be for 2013/14. In most cases indicators have to be set for 3 financial years ahead, so figures are also provided for 2014/15 and 2015/16. In proposing these indicators a pragmatic

approach has been taken; i.e. known Council plans (including the present treasury structure) have been considered.

- 5.5 For each indicator, ***the CIPFA requirements of the code are set out in bold italics***. The limits proposed by the Chief Finance Officer for 2013/14 are then set out. An explanation is provided, unless the indicator and limits are completely self explanatory.

5.6 **Prudential Indicators of Affordability – Ratio Affordability Measure**

- 5.6.1 ***The local authority will estimate for the forthcoming financial year and the following two financial years the ratio of financing costs to net revenue stream. This prudential indicator shall be referred to as estimates of ratio of financing costs to net revenue stream.***

- 5.6.2 In Telford & Wrekin's case this indicator makes more sense if Local Government Reorganisation (LGR) debt paid over to Shropshire Council is included.

Revenue Budget

Year 1(2013/14)	3.11%
Year 2(2014/15)	3.40%
Year 3(2015/16)	3.00%

- 5.6.3 The indicator has been calculated as debt interest costs divided by budget requirement for the general fund element. The general fund indicator above shows a slight increase in the ratio before it begins to fall. This drop continues into 2016/17 (This broadly matches the expected prudential borrowing which is noted in 5.10.2).

5.7 **Prudential Indicators of Affordability – Incremental Council Tax Affordability Measures**

The local authority will

- (i) forecast the total budgetary requirements for the authority based on no changes to the existing capital programme***
- (ii) forecast the total budgetary requirements for the authority with the changes to the capital programme included in the calculation***
- (iii) take the difference between (i) and (ii) and calculate the addition or reduction to Council tax that would result.***

This prudential indicator will be referred to as estimates of the incremental impact of new capital investment decisions on the Council Tax and shall be expressed in the following manner £ xx.xx.

- 5.7.1 The indicator is calculated by taking the estimates of capital included in the Capital Budget Report, assuming it is financed through a mixture of borrowing and use of capital receipts (with interest at 4.5% ongoing, with Minimum Revenue Provision calculated in line with the MRP policy as

detailed in the Treasury Strategy Report) and dividing them by the tax base (43,216.7). It also assumes that the only Government Approvals agreed at this stage are those for 2013/14, with those for the latter 2 years being only provisional at this stage. The indicator works on a cumulative basis (i.e. the year 2 indicator includes the full year cost of year 1 expenditure, together with the part year cost of that year's programme), but only part year interest cost in the year expenditure is incurred. The estimate has been split into 3 parts which are expenditure funded by prudential borrowing, capital receipts and government borrowing allocations. No Government Borrowing allocations have been issued for 2013/14 and 2014/15, There are no principal repayments in respect of capital receipts.

- 5.7.2 The estimate of the incremental impact on Council Tax (Band B) of capital decisions proposed over and above capital investment decisions that have already been taken by the Council are as follows;

<u>Year</u>	<u>Prudential Borrowing</u> £	<u>Government Supported Borrowing</u> £	<u>Total</u> £
2013/14	-3.71	0.00	-3.71
2014/15	10.31	0.00	10.31
2015/16	26.53	0.00	26.53

5.7.3 **Prudential Indicators of Affordability – Incremental Housing Rent Affordability Measures**

This Indicator does not apply to Telford & Wrekin Council.

5.8 **Estimates of Capital Financing Requirement**

The local authority will make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years. These prudential indicators shall be referred to as:

Estimate of capital financing requirement as at the end of years 1, 2 and 3.

- 5.8.1 The capital financing requirement is a concept in the Prudential System, but can simply be understood as the Council's underlying need to borrow money over the long term. The code requires that the figure is calculated gross, to include debt that is paid for by other authorities following LGR, so in Telford & Wrekin's case, these figures have limited meaning, and locally the indicator needs adjusting for LGR debt.
- 5.8.2 The table shows the estimated cumulative capital financing requirement at a point in time. These estimates now include the impact of the Public Finance Initiative.

	Total CFR
31/3/2013	£241.7m
31/3/2014	£237.9m
31/3/2015	£242.1m
31/3/2016	£239.3m

5.8.3 The movement in the CFR is consistent with other planning assumptions.

5.8.4 Gross Debt and Capital Finance Requirement. The purpose of this treasury indicator is to highlight a situation where the Council is planning to borrow in advance of need. If these figures exceed CFR (which they don't) they would indicate we are borrowing in advance of need.

	Outstanding Borrowing (at nominal value)	Other Long-term Liabilities (at nominal value)	Gross Debt
31/3/2013	£123.8m	£63.1m	£186.9m
31/3/2014	£110.3m	£61.7m	£172.0m
31/3/2015	£111.7m	£60.4m	£172.1m
31/3/2016	£115.6m	£58.8m	£174.4m

5.9 **Treasury Management Prudential Indicators**

5.9.1 The Council adopted the revised ***CIPFA Code of Practice for Treasury Management in the Public Services*** at its meeting in March 2010. Treasury Management Practices (TMPs) have been established by the Chief Finance Officer in line with the advice of our Treasury Advisors, and are kept up to date with support from Arling Close our current Treasury Advisors. ***The first prudential indicator in respect of treasury management is that the local authority has adopted the CIPFA Code*** is therefore met.

5.10 **Capital Expenditure and Capital Commitments Prudential Indicators**

5.10.1 ***The local authority will make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years. These prudential indicators shall be referred to as:***

Estimate of total capital expenditure to be incurred in years 1, 2 and 3

5.10.2 The budget and capital report to Council for 2013/14 identifies programmed capital schemes, and subsequent year's capital needs. The estimates of capital expenditure to be incurred are therefore;

	Supported Borrowing	Prudential Borrowing	Grant Funded	Revenue/ External	Capital Receipts	Total
	£m	£m	£m	£m	£m	£m
2013/14	0.257	3.379	64.087	0.349	39.127	107.199
2014/15	0.000	11.364	50.983	1.858	11.813	76.018
2015/16	0.000	3.970	6.198	0.000	12.350	22.518

It is only the two columns relating to borrowing that impact on prudential indicators.

5.11 **External Debt Prudential Indicators**

5.11.1 *The local authority will set for the forthcoming financial year and the following two financial years a prudential limit for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities. This prudential indicator shall be referred to as:*

Authorised limit for external debt = authorised limit for borrowing + authorised limit for other long term liabilities for years 1, 2 and 3.

5.11.2 The recommended Authorised Limit for External Debt for:

Year 1 (2013/14) is £145m for borrowing and £65m for other long term liabilities

Year 2 (2014/15) is £146m for borrowing and £64m for other long term liabilities

Year 3 (2015/16) is £150m for borrowing and £63m for other long term liabilities

5.11.3 This limit represents the maximum amount the Council may borrow at any point in time in the year. It has to be set at a level the Council considers is "prudent". (This limit is analogous to the limit on borrowing set out in section 44 of the 1989 Act). Because it is ultra vires to exceed, the authorised limit must be set so as to avoid circumstances in which the Council would need to borrow more money than this limit.

5.11.4 Other long term liabilities include items that would appear on the balance sheet of the Council that are analogous to borrowing. For example, the capital cost of leases would be included.

5.12 **Operational Boundary**

The local authority will also set for the forthcoming financial year and the following two years an operational boundary its total external debt, gross of investments, separately identifying borrowing from other long term liabilities. This prudential indicator shall be referred to as the:

Operational Boundary = operational boundary for borrowing + operational boundary for other long term liabilities for years 1, 2 and 3.

5.12.1 The operational boundary is a measure of the most money the Council would normally borrow at any time during the year. The code recognises that circumstances might arise when the boundary might be exceeded temporarily, but suggest a sustained or regular pattern of borrowing above this level ought to be investigated, as a potential symptom of a more serious financial problem.

5.12.2 The Recommended Operational boundary for External debt is

Year 1 (2013/14) is £125m for External debt for and £63m for other long term liabilities

Year 2 (2014/15) is £126m for External debt for and £62m for other long term liabilities

Year 3(2015/16) is £130m for External debt for and £61m for other long term liabilities

5.13 **Interest Rate Exposure**

5.13.1 ***The local authority will set, for the forthcoming year and the following two years, limits to its exposures to the effects of changes in interest rates. These prudential indicators will relate to both fixed interest rates and variable interest rates and will be referred to respectively as the upper limits on fixed and variable interest rate exposures.***

5.13.2 There is no requirement in the code to set lower limits; however, given the risks associated with having excessively high relatively short fixed, or variable rate borrowing, it is suggested that lower limits are set locally for longer maturing fixed rate borrowing.

5.13.3 **Variable rate exposures**

Borrowing that is at variable rates LESS Investments that are variable rate investments

We have a proportion of our investments that are at variable rates and exceed in total the level of debt we currently have at variable rates (historically a high proportion of debt has been at fixed rates). The limits proposed are as follows;

	Net Variable Limit
	%
2013/14	30
2014/15	30
2015/16	30

5.13.4 The upper limit replaces the existing (1989 Act) Section 44 limit “the maximum proportion of borrowing which is subject to variable rate interest”. Whilst 30% has been set forward as a limit, in practice it would be unusual

for the exposure to exceed 15%. Limits for years 2 & 3 assume no substantial change in market conditions.

- 5.13.5 Because of our position in having a number of investments it would be helpful to set a local indicator for setting a maximum exposure for variable rates as a percentage of total investment plus total debt. For the purposes of this local indicator supranational bonds are treated as fixed investments as they are accounted for as such. The limit proposed would be as follows;

	Upper Limit
2013/14	60%
2014/15	60%
2015/16	60%

5.13.6 Fixed Interest Rate Exposure

The local authority will set, for the forthcoming year and the following two years, both upper and lower limits for its exposure to fixed interest rate risk calculated as follows and each expressed as total borrowing less total investments:

Fixed interest rate exposures

Borrowing that is at fixed rates LESS Investments that are fixed rate investments

Expressed as a percentage or absolute of total borrowing less investments.

- 5.13.7 The limits (expressed as an absolute of total fixed borrowing less total fixed investments) proposed are as follows;

Fixed Rate Risk	Upper Limit	Lower Limit
2013/14	100%	70%
2014/15	100%	70%
2015/16	100%	70%

In principle, it may be necessary / desirable for all borrowing at a point in time to be at a fixed rate, although in practice this would be unusual. The lower limit is effectively the counterpart to the upper limit for variable rate exposure.

5.14 Prudential limits for the maturity structure of fixed rate borrowing

The local authority will set for the forthcoming year both upper and lower limits with respect to the maturity structure of its borrowing, calculated as follows

Amount of projected borrowing that is fixed rate maturing in each period

Expressed as a Percentage of

Total projected borrowing that is fixed rate at the start of the period.

where the periods in question are

- ***Under 12 months***
- ***1 year and within 2 years***
- ***2 years and within 5 years***
- ***5 years and within 10 years***
- ***10 years and within 20 years***
- ***20 years and within 30 years***
- ***30 years and within 40 years***
- ***40 years and within 50 years***
- ***50 years+***

5.14.1 The proposed prudential limits are as follows;

Period (years)	Lower Limit %	Upper Limit %
Under 12 months	0	40
1-2 years	0	25
2-5 years	0	50
5-10 years	0	75
10-20 years	0	75
20-30 years	0	75
30-40 years	0	100
40-50 years	10	100
over 50 years	15	100

5.14.2 Whilst these are the proposed limits, as a broad longer term strategy, in any financial year borrowing would normally be managed to end the year with the maturity profile broadly as follows;

Maturity	Broad Indicative Range	Actual % for 31/03/12
Under 12 months	0-30% of all borrowing	25%
1-2 years	0-15%	7%
2-5 years	5-15%	9%
5-10 years	5-20%	2%
10-20 years	5-20%	0%
20-30 years	5-20%	0%
30-40 years	5-20%	3%
40-50 years	10-40%	19%
Over 10 years	20-90%	35%

5.14.3 Under the investment guidance issued by CLG the Council needs to set indicators for **principal sums invested for periods longer than 364 days.** It is recommended that we set the following limit

Maximum principal investment that can be invested for more than 364 days

Financial Year	Upper Limit
2013/14	95%
2014/15	95%
2015/16	95%

6. Financial Implications

- 6.1 The prudential indicators provide a framework for 2013/14 in which the Council conducts its treasury activities, consistent with good treasury risk management.
- 6.2 The code indicates that “in all cases, the process of setting prudential indicators for treasury management should be accompanied by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the authority’s borrowing and investment portfolios.” The indicators proposed here take account of the existing structure of borrowing and all reasonable restructuring activity that might occur.
- 6.3 The code requires the following matters to be taken into account when setting or revising prudential indicators
 - (a) option appraisal for all projects, i.e. value for money
 - (b) asset management planning, i.e. stewardship of asset
 - (c) strategic planning for the authority, i.e. service objectives
 - (d) achievability of the forward plan, i.e. its practicality
 - (e) implications for external borrowing, i.e. prudence
 - (f) implications for Council Tax and housing rents, i.e. affordability.

Items (a)-(c) are largely considered in the current arrangements as part of the asset management planning / corporate capital strategy processes. Items (d) and (f) in financial terms have been taken account of by the Chief Finance Officer in presenting the budget and item (e) is inherent to the prudential indicator setting process.

7. Background Papers

Local Government Act 2003
 CIPFA Prudential Code for Capital Finance in Local Authorities
 Guidance on Local Authority Investments

TELFORD & WREKIN COUNCIL**COUNCIL – 7 MARCH 2013****COUNCIL TAX - FORMAL RESOLUTIONS FOR 2013/14****REPORT OF THE CHIEF FINANCIAL OFFICER (ASSISTANT DIRECTOR
OF FINANCE, AUDIT AND INFORMATION GOVERNANCE)****1. PART A – SUMMARY REPORT**

Council Tax levels must be approved by Full Council. This report sets out the formal resolutions to determine the levels of Council Tax for Telford & Wrekin Council for 2013/14. The levels of tax take account of the requirements of Telford & Wrekin Council, the West Mercia Police & Crime Commissioner, Shropshire and Wrekin Fire Authority, and the various Parish and Town Councils.

The Council's General and Special Fund budgets for 2013/14 were approved earlier at this meeting and the Council Tax Base was approved at the meeting of Full Council on 24 January 2013.

Council Tax levels are based on spending requirements and the council tax base (number of chargeable Band D equivalent dwellings). Once this report is agreed the Band D Council Tax will be:

Authority		Band D Council Tax £	Increase %
Telford & Wrekin	General Fund	1,132.96	1.9
	Special Fund	14.53	2.0
Telford & Wrekin Council	Total	1,147.49	1.9
West Mercia Police & Crime Commissioner		178.72	0.0
Shropshire and Wrekin Fire Authority		88.66	2.0
Parish & Town Councils		62.36	4.9
Total Council Tax		1,477.23	1.8

The % increase all relate to change from current year levels

The increases in overall council tax will vary dependent on parish area.

The average increase in overall bills represents a range from 0.75% to 3.84% depending on variations in parish council spending and precepts.

While the total average Band D bill will be £1,477.23, the majority of properties in the area fall in Bands A and B - an average bill for the area is thus around Band B, an overall average bill of £1,148.96.

The necessary formal resolutions are set out in section 6 of the report.

2.0 RECOMMENDATIONS

Members are asked to approve the formal resolutions to determine the levels of Council Tax for 2013/14 as detailed in the report.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	The level of Council Tax is a product of the Service & Financial Planning Strategy which is integral to ensuring that available resources are used as effectively as possible to deliver corporate priorities.
	No	
TARGET COMPLETION/DELIVERY DATE	The Council Tax must be set by 11 March each year prior to the start of the financial year to which it relates.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed in the Service & Financial Planning Report.
LEGAL ISSUES	No	There is a duty under the Local Government Finance Act 1992 for the Council, as billing authority, to set the levels of Council Tax for each financial year. Regulations are in place which need to be followed when making these calculations. Details of those Regulations and how they have been observed are set out in this report.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	These are considered as part of the Service & Financial Planning report.
IMPACT ON SPECIFIC WARDS	No	Borough Wide

4.0 PREVIOUS MINUTES

None.

PART B – ADDITIONAL INFORMATION

5.0. INFORMATION

The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the authority to set a Council Tax requirement for the year, not it's budget requirement as previously.

The introduction of the Council Tax Reduction Scheme (Local Council Tax Support Scheme) has resulted in a change to the way the Council Tax requirement and Council Tax Base are calculated. The Council Tax Requirement is the net funding requirement to be funded by the tax payer after the application of government grant funding towards the Council Tax Support Scheme. Council Tax Support is given as a council tax discount and the Council Tax Base is the band D equivalent after council tax support discounts have been taken into account. The tax base is therefore lower than in previous years.

The Council Tax Base was approved at Full Council on 24 January 2013. The Council's budget for 2013/14 was agreed earlier at this meeting.

The budget is made up of a General Fund element and a much smaller Special Fund element. The Special Fund is required to ring fence costs that apply to areas that were previously unparished and where the Council still provides some additional services normally provided by Town and Parish Councils mainly relating to footway lighting and cemeteries, whereas some parishes provide and pay for these services.

Some parishes in the special fund area have, however, assumed responsibility for footway lighting so that two special fund charges are applied in different areas dependent upon whether footway lighting is provided by this Council or the Parish Council. The charge for special fund areas has increased by 2%, but across the Borough as a whole the proposals set out in this report represent a 1.9% increase on average in the Council Tax levied by Telford & Wrekin Council.

6. **FORMAL RESOLUTIONS**

6.1. That it be noted that at its meeting on 24 January 2013 the Council calculated the following amounts for the year 2013/14 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 made under Section 33 of the Local Government Finance Act 1992 as amended (The Act):-

(a) **43,216.7** being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (The Regulations), as its Council Tax base for the year (The Council Tax Base).

(b) **Part of the Council's Area**
Tax Base

The Parish of:-

CHETWYND	228.9
CHETWYND ASTON & WOODCOTE	165.3
CHURCH ASTON	467.3
DAWLEY HAMLETS	1,953.2
EDGMOND	505.5
ERCALL MAGNA	530.5
THE GORGE	1,203.1
GREAT DAWLEY	2,210.7
HADLEY & LEEGOMERY	3,499.5
HOLLINSWOOD & RANDLAY	1,246.2
KETLEY	989.0
KYNNERSLEY	70.2
LAWLEY & OVERDALE	1,908.7
LILLESHALL & DONNINGTON	3,906.9
LITTLE WENLOCK	223.8
MADELEY	3,517.2
NEWPORT	3,295.7
OAKENGATES	2,034.3
PRESTON	96.4
RODINGTON	323.8
ST. GEORGES & PRIORSLEE	3,479.9
STIRCHLEY & BROOKSIDE	2,059.8
TIBBERTON & CHERRINGTON	261.3
WATERS UPTON	370.8
WELLINGTON	5,937.9
WROCKWARDINE	1,358.4
WROCKWARDINE WOOD & TRENCH	1,336.0
	43,180.3

being the amounts calculated by the Council in accordance with Regulation 6 of The Regulations, as the amounts of its Council Tax Base

for the year for dwellings in those parts of its area to which one or more special items relate.

6.2. That the following amounts be now calculated by the Council for the year 2013/14 in accordance with Sections 31 to 36 of The Act:-

- (a) £440,919,271 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act, taking into account all precepts issued to it by Parish Councils.
- (b) £388,633,654 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £52,285,617 being the amount by which the aggregate at 6.2(a) above exceeds the aggregate at 6.2(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.
- (d) £1,209.85 being the amount at 6.2(c) above divided by the Council Tax base, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including parish precepts and special items).
- (e) £3,322,581 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (f) £1,132.96 being the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (calculated by deducting from the amount at 6.2(d) above, the quotient of the amount at 6.2(e) above divided by the Council Tax Base). The only area that this relates to is the Parish of Eyton.

(g)	<u>Part of the Council's Area</u>	£
	The Parish of:	
	Chetwynd	1,147.42
	Chetwynd Aston & Woodcote	1,151.10
	Church Aston	1,169.84
	Dawley Hamlets (SF2*)	1,183.75
	Edgmond	1,159.28
	Ercall Magna	1,188.18
	The Gorge (SF2*)	1,213.98
	Great Dawley (SF2*)	1,271.08
	Hadley & Leegomery	1,199.05
	Hollinswood & Randlay	1,271.84
	Ketley	1,226.50
	Kynnersley	1,151.51
	Lawley & Overdale (SF1*)	1,193.90

Lilleshall, Donnington & Muxton	1,178.90
Little Wenlock	1,188.54
Madeley (SF2*)	1,231.71
Newport	1,239.23
Oakengates (SF2*)	1,241.88
Preston	1,139.18
Rodington	1,159.80
St. Georges & Priorslee (SF1*)	1,173.39
Stirchley & Brookside(SF2*)	1,263.11
Tibberton & Cherrington	1,147.54
Waters Upton	1,166.94
Wellington (SF2*)	1,208.93
Wrockwardine	1,171.92
Wrockwardine Wood & Trench (SF1*)	1,200.19

**SF1 indicates a parish in the special fund area which has taken over responsibility for footway lighting. An additional charge is made for cemeteries.*

**SF2 indicates a parish in the special fund area which has not taken over responsibility for footway lighting. An additional charge is made for both cemeteries and footway lighting.*

being the amounts given by adding to the amount at 6.2(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 6.1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (h) The amounts in Appendix 1 being the amounts given by multiplying the amounts at 6.2(f) and 6.2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

7. The West Mercia Police & Crime Commissioner precept for 2013/14 was set at its meeting on 15 February 2013. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	119.15
B	139.00
C	158.86
D	178.72
E	218.44
F	258.15
G	297.87
H	357.44

8. The Shropshire & Wrekin Fire and Rescue Authority's precept for 2013/14 was set at its meeting on 13 February 2013. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	59.11
B	68.96
C	78.81
D	88.66
E	108.36
F	128.06
G	147.77
H	177.32

9. That, having calculated the aggregate in each case of the amounts at 6.2(h) and 4 and 5 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the amounts in Appendix 2 as the amounts of council tax for the year 2013/14 for each of the categories of dwellings shown.

10. **Background Papers**
 Service & Financial Planning Report 2013/14 – 2014/15
 Parish Precept Requests
 Police & Crime Commissioner Precept Request
 Fire Authority Precept Request
 2013/14 Revenue Support Grant Settlement
 Acts, Directions and Regulations as quoted above.

UNITARY AUTHORITY AND TOWN/PARISH COUNCILS COUNCIL TAX LEVELS 2013/14

Appendix 1

Part of the Council's area The Parish of :-	A	B	C	D	E	F	G	H
CHETWYND	764.94	892.43	1,019.92	1,147.42	1,402.39	1,657.37	1,912.36	2,294.84
CHETWYND ASTON & WOODCOTE	767.39	895.29	1,023.19	1,151.10	1,406.89	1,662.69	1,918.49	2,302.20
CHURCH ASTON	779.88	909.87	1,039.85	1,169.84	1,429.79	1,689.76	1,949.72	2,339.68
DAWLEY HAMLETS	789.16	920.69	1,052.21	1,183.75	1,446.79	1,709.85	1,972.91	2,367.50
EDGMOND	772.84	901.66	1,030.46	1,159.28	1,416.88	1,674.50	1,932.12	2,318.56
ERCALL MAGNA	792.11	924.13	1,056.15	1,188.18	1,452.21	1,716.25	1,980.29	2,376.36
EYTON	755.30	881.19	1,007.07	1,132.96	1,384.72	1,636.49	1,888.26	2,265.92
THE GORGE	809.31	944.20	1,079.08	1,213.98	1,483.74	1,753.51	2,023.29	2,427.96
GREAT DAWLEY	847.38	988.61	1,129.84	1,271.08	1,553.53	1,835.99	2,118.46	2,542.16
HADLEY & LEEGOMERY	799.36	932.59	1,065.81	1,199.05	1,465.49	1,731.95	1,998.41	2,398.10
HOLLINSWOOD & RANDLAY	847.88	989.20	1,130.51	1,271.84	1,554.46	1,837.09	2,119.72	2,543.68
KETLEY	817.66	953.94	1,090.21	1,226.50	1,499.04	1,771.60	2,044.16	2,453.00
KYNNERSLEY	767.66	895.61	1,023.55	1,151.51	1,407.39	1,663.28	1,919.17	2,303.02
LAWLEY & OVERDALE	795.92	928.58	1,061.23	1,193.90	1,459.19	1,724.50	1,989.82	2,387.80
LILLESALL, DONNINGTON & MUXTON	785.92	916.92	1,047.90	1,178.90	1,440.86	1,702.84	1,964.82	2,357.80
LITTLE WENLOCK	792.35	924.41	1,056.47	1,188.54	1,452.65	1,716.77	1,980.89	2,377.08
MADELEY	821.13	957.99	1,094.84	1,231.71	1,505.41	1,779.12	2,052.84	2,463.42
NEWPORT	826.14	963.84	1,101.53	1,239.23	1,514.60	1,789.99	2,065.37	2,478.46
OAKENGATES	827.91	965.90	1,103.88	1,241.88	1,517.84	1,793.81	2,069.79	2,483.76
PRESTON	759.44	886.02	1,012.59	1,139.18	1,392.32	1,645.47	1,898.62	2,278.36
RODINGTON	773.19	902.06	1,030.92	1,159.80	1,417.52	1,675.25	1,932.99	2,319.60
ST. GEORGES & PRIORSLEE	782.25	912.63	1,043.00	1,173.39	1,434.13	1,694.88	1,955.64	2,346.78
STIRCHLEY & BROOKSIDE	842.06	982.41	1,122.75	1,263.11	1,543.79	1,824.48	2,105.17	2,526.22
TIBBERTON & CHERRINGTON	765.02	892.53	1,020.03	1,147.54	1,402.54	1,657.55	1,912.56	2,295.08
WATERS UPTON	777.95	907.61	1,037.27	1,166.94	1,426.25	1,685.57	1,944.89	2,333.88
WELLINGTON	805.94	940.27	1,074.59	1,208.93	1,477.57	1,746.22	2,014.87	2,417.86
WROCKWARDINE	781.27	911.49	1,041.70	1,171.92	1,432.33	1,692.76	1,953.19	2,343.84
WROCKW'DINE WOOD & TRENCH	800.11	933.47	1,066.82	1,200.19	1,466.88	1,733.59	2,000.30	2,400.38

NOTE : These figures exclude the Police and Fire Authority tax levels .

TOTAL COUNCIL TAX LEVELS FOR TELFORD & WREKIN COUNCIL FOR 2013/14

Appendix 2

Part of the Council's area The Parish of :-	A	B	C	D	E	F	G	H
CHETWYND	943.20	1,100.39	1,257.59	1,414.80	1,729.19	2,043.58	2,358.00	2,829.60
CHETWYND ASTON & WOODCOTE	945.65	1,103.25	1,260.86	1,418.48	1,733.69	2,048.90	2,364.13	2,836.96
CHURCH ASTON	958.14	1,117.83	1,277.52	1,437.22	1,756.59	2,075.97	2,395.36	2,874.44
DAWLEY HAMLETS	967.42	1,128.65	1,289.88	1,451.13	1,773.59	2,096.06	2,418.55	2,902.26
EDGMOND	951.10	1,109.62	1,268.13	1,426.66	1,743.68	2,060.71	2,377.76	2,853.32
ERCALL MAGNA	970.37	1,132.09	1,293.82	1,455.56	1,779.01	2,102.46	2,425.93	2,911.12
EYTON	933.56	1,089.15	1,244.74	1,400.34	1,711.52	2,022.70	2,333.90	2,800.68
THE GORGE	987.57	1,152.16	1,316.75	1,481.36	1,810.54	2,139.72	2,468.93	2,962.72
GREAT DAWLEY	1,025.64	1,196.57	1,367.51	1,538.46	1,880.33	2,222.20	2,564.10	3,076.92
HADLEY & LEEGOMERY	977.62	1,140.55	1,303.48	1,466.43	1,792.29	2,118.16	2,444.05	2,932.86
HOLLINSWOOD & RANDLAY	1,026.14	1,197.16	1,368.18	1,539.22	1,881.26	2,223.30	2,565.36	3,078.44
KETLEY	995.92	1,161.90	1,327.88	1,493.88	1,825.84	2,157.81	2,489.80	2,987.76
KYNNERSLEY	945.92	1,103.57	1,261.22	1,418.89	1,734.19	2,049.49	2,364.81	2,837.78
LAWLEY & OVERDALE	974.18	1,136.54	1,298.90	1,461.28	1,785.99	2,110.71	2,435.46	2,922.56
LILLESALL, DONNINGTON & MUXTON	964.18	1,124.88	1,285.57	1,446.28	1,767.66	2,089.05	2,410.46	2,892.56
LITTLE WENLOCK	970.61	1,132.37	1,294.14	1,455.92	1,779.45	2,102.98	2,426.53	2,911.84
MADELEY	999.39	1,165.95	1,332.51	1,499.09	1,832.21	2,165.33	2,498.48	2,998.18
NEWPORT	1,004.40	1,171.80	1,339.20	1,506.61	1,841.40	2,176.20	2,511.01	3,013.22
OAKENGATES	1,006.17	1,173.86	1,341.55	1,509.26	1,844.64	2,180.02	2,515.43	3,018.52
PRESTON	937.70	1,093.98	1,250.26	1,406.56	1,719.12	2,031.68	2,344.26	2,813.12
RODINGTON	951.45	1,110.02	1,268.59	1,427.18	1,744.32	2,061.46	2,378.63	2,854.36
ST. GEORGES & PRIORSLEE	960.51	1,120.59	1,280.67	1,440.77	1,760.93	2,081.09	2,401.28	2,881.54
STIRCHLEY & BROOKSIDE	1,020.32	1,190.37	1,360.42	1,530.49	1,870.59	2,210.69	2,550.81	3,060.98
TIBBERTON & CHERRINGTON	943.28	1,100.49	1,257.70	1,414.92	1,729.34	2,043.76	2,358.20	2,829.84
WATERS UPTON	956.21	1,115.57	1,274.94	1,434.32	1,753.05	2,071.78	2,390.53	2,868.64
WELLINGTON	984.20	1,148.23	1,312.26	1,476.31	1,804.37	2,132.43	2,460.51	2,952.62
WROCKWARDINE	959.53	1,119.45	1,279.37	1,439.30	1,759.13	2,078.97	2,398.83	2,878.60
WROCKW'DINE WOOD & TRENCH	978.37	1,141.43	1,304.49	1,467.57	1,793.68	2,119.80	2,445.94	2,935.14

NOTE : These figures include the Police and Fire Authority council tax levels.

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

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Income														
1	Family & Cohesion Services	Educational Psychology		20,000	30,000	-	-	50,000	Di Partridge	SEN Review underway. This will include reviewing different delivery models which can then trade across boundaries with schools in Telford & Wrekin and Shropshire	Minimal impact	Minimal impact - this proposal is support by majority of staff. A review of delivery options is underway including a mutual option.	Consideration needs to be given during the review to the impact this work will have on statements of education need.	Government proposals for changing SEN funding and an SEN White Paper
2	Neighbourhood & Leisure Services	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	19,000	7,000			26,000	Andrew Meredith	Increase broadly in line with inflation.	Increased costs for burials			
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.

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
15	Neighbourhood & Leisure Services	Leisure Services: Additional income from new and improved BSF sites and improved and increased community access and tourism opportunities linked to Town Park and wider leisure offer	-	-	-	10,000	20,000	30,000	Stuart Davidson		Positive	Potential additional capacity for volunteering and apprenticeships.	Positive, opportunity to broker income share arrangements with schools associated with opening up of facilities for community use at sites where no use currently takes place	Agreement from schools. Community use needs to be built into BSF provisions and any associated planning conditions in accordance with Council leisure strategies.
16	Neighbourhood & Leisure Services	Highways & Transport: Increase target for Highways Development Control services from Section 38 and Section 278 Agreements for Telford & Wrekin work		10,000	10,000	10,000		30,000	Stuart Freeman / Ian Goffe	The increase in fee income should be achievable based on fee levels achieved in last two years.	No impact on community as fees are paid by developers	Additional income is expected to be achievable with current staff resources		Part of the service is delivered by external/internal engineering consultancies, achieving additional income is dependent on continued lean delivery of services by external/internal service providers and no inflation in hourly rates.
17	Neighbourhood & Leisure Services	Highways & Transport: Develop new income stream, by providing Highway Development Control advice to other authorities. Additional income is subject to creating an invest to save post(s) to deliver additional income and income is subject to other authorities willingness to 'buy' services.		10,000	5,000			15,000	Stuart Freeman / Ian Goffe	The Council has a strong skill set in Highways Development Control compared to other authorities. Services could be marketed to other authorities to fully/partially provide Highway DC advice. Additional income is subject to creating an invest to save post(s) to deliver additional income and income is subject to other authorities willingness to 'buy' services.	No community impact	Additional staff resources would be required.	Requires commitment from other authorities to 'buy' services to achieve income target.	Requires commitment from other authorities to 'buy' services to achieve income target.
18	Neighbourhood & Leisure Services	Highways: 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		32,000				32,000	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
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						
23	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		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
24	Family & Cohesion Services	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	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	Risks and mitigation to risk will be considered during the review and included in the final report
Total Income				475,600	353,000	20,000	20,000	868,600						
Non-Staff														
25	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
26	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
27	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.
28	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
29	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.
30	Education & Skills	Rationalisation of Home to School Transport (High Ercall 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 Ercall Primary School	
31	Education & Skills	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
32	Education & Skills	Home to School Transport – further route rationalisation between Newport and Muxton and surrounding areas.		20,000				20,000	Kathy Swallow	Further route rationalisation between Newport and Muxton and surrounding areas.	Minimal	May lead to creation of post (funding from savings or school) to support extended provision in school needed to support early arrival of pupils	Would need to work in partnership with schools to secure this saving	Reliance on school being prepared to work in partnership.

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
33	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.
34	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
35	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.	
36	Education & Skills	Lifelong Learning/age careers service		100,000				100,000						
37	Education & 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	
38	Neighbourhood & Leisure Services	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.		
39	Neighbourhood & Leisure Services	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.
40	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
41	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
42	Care & Support	Various operational budgets across all service teams			2,000			2,000	Karen Kalinowski		None	None	None	None
43	Customer & People Services	People Services - review of supplies and services and car leasing budgets	14,630	13,800				13,800	John Harris					
44	Customer & People Services	Reduced maintenance & lease costs of delivery van	8,000	2,500				2,500	Sharon Smith					
45	Customer & People Services	Libraries - general reduction in overall operating costs eg stationery, marketing, promotions, postages		3,000				3,000	Sharon Smith		Limits number of reading development activities; possible delays to request service etc	Will require 20% staff saving to be delivered following formal restructure launch at the end of January 2012	na	
46	Customer & People Services	ICT: Reduced costs of Wide Area Network as a result of property rationalisation		20,000				20,000	Kirsty King	Buildings will be decommissioned as part of the property rationalisation and therefore network links can be removed. These costs are in addition to savings in property running costs	None	None	None	
47	Customer & People Services	ICT: Reduce licensing for the security encryption for mobile devices		1,250	1,250			2,500	Steve Roberts	Reduction in the need for security encryption on certain devices as with the increase of thin client the USB functionality is limited.	None	None		
48	Customer & People Services	ICT: Stop ICT benchmarking work and related subscriptions		2,500				2,500	Kirsty King	It could impact on proving value but external statistics can be provided as and when required.	None	None	None	Investigate cheaper alternatives in benchmarking providers.
49	Customer & People Services	Customer Services - reduction in various operational budgets eg training, postage, publications		5,000				5,000	Andrew Meredith	Limited immediate impact on service delivery, as the savings will be delivered through a combination of savings against the coaching and equipment budgets.		There is no immediate direct impact on staff	None	None
50	Customer & People Services	Release leakage budget from bottom line for Catering as part of the Property & ICT restructures		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	
51	Customer & People Services	Removal of a Service Manager Post through merger of libraries with customer services post creation of the Hub and migration of neighbourhood libraries to community			57,000			57,000	Angie Astley					
52	Neighbourhood & Leisure Services	Environment & Open Spaces: Further CRC budget rationalisation				55,000		55,000	Dave Hanley	In addition to the £265k CRC saving the CRC budget can be rationalised further once the lost Newport CRC investment expenditure committed by TWS has been written off	N/A	N/A	N/A	Key risk is the waste budget is being ring fenced for procurement purposed but this should be treated as leakage.
53	Neighbourhood & Leisure Services	Environment & Open Spaces: Stop maintaining private open space zone 1's e.g., Wombidge 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.
54	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduce Additional works budget in the TWS contract for small landscape improvement projects				40,000		40,000	Dave Hanley	Drop small projects linked to contract and make better use of PETs Parish 2 for 1 schemes, cooperative council initiatives etc assuming relevant progress is made	Less to spend on the environment unless other small grants are initiated. This will impact by less opportunity to 'respond to local residents and members schemes.	Up to a 2 TWS operatives	Parishes or community groups may need to engage.	N/A
55	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction of one urban refuse round as per contract variation			140,000			140,000	Dave Hanley	Interpretation of the contract variation indicates this may be possible - so will enter into dialogue with TWS	May mean some areas of the Borough has day changes but hope to keep this to a minimum	3 TWS FTE	N/A	Could have implications on other negotiations ongoing with TWS therefore proposing 2014 before implementation
56	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction in Public Realm Overtime budget		10,000				10,000	Dave Hanley	Reduced budget can be managed within existing resources.	N/A	N/A	N/A	N/A

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57	Neighbourhood & Leisure Services	Waste & Refuse: Increased recycling by encouraging 30% of Borough wide households that currently don't recycle or recycle at very low levels and also apply the Council's grey bin policy to existing as well as new customers		75,000	150,000			225,000	Dave Hanley	Survey data suggests that up to 30% of households don't use the existing kerbside service for the collection of recycling materials. A social marketing programme to encourage these households could be rolled out over the next three years. The saving will also increase with the continuing increase in landfill tax. Also properties who currently have more than one grey bin are to be reviewed ie apply the new policy of 6 or more people in the household	Non recycling households can be a cause of frustration for the majority of the community who currently recycle. We need to promote the social responsibility of recycling, reducing landfill and the ever burdening landfill tax.	Needs to draw on expertise and input from Community teams, PR and consider additional resources to stimulate roll out i.e., door to door knocking teams	Needs to draw on expertise and input from Community teams PR and consider additional resources to stimulate roll out ie door to door knocking teams to encourage households plus listen and respond to customer enquiries.	May not be popular with households who don't positively engage so need to promote that all residents have a social responsibility to recycle in order to prevent landfill and ever increasing taxation on landfill. Bin retrieval is aimed to be brought forward and be in place before Christmas.
58	Neighbourhood & Leisure Services	Support the contractual reactive maintenance budget by utilising the capital sum (maintenance related) from the new development sites.		50,000				50,000	Dave Hanley	Draw the funding off the capital lump sum associated with new development sites and to maintain current levels of expenditure on unforeseen maintenance works such as tree maintenance and fence repairs.	N/A	N/A		
59	Neighbourhood & Leisure Services	Environment & Open Spaces: Introduce highway reactive maintenance service efficiencies		50,000	50,000			100,000	Dave Hanley	Working with "Improvement and Efficiency West Midlands" a pilot programme is already in place to analyse opportunities to improve our reactive Maintenance procedures in order to find service improvements and efficiencies. The saving proposal is based on an assumption that revised practices will be identified and implemented in and savings will accrue from 2013/14. Areas of work include pot hole / reactive maintenance programming and operations - predicated on a continuing and sufficient Capital programme.		TWS/Enterprise	This saving would have to be in agreement with TWS	Additional teams are in place for the remainder of 2012/13.
60	Neighbourhood & Leisure Services	Reduction in marketing and promotions budgets for Leisure services - promoting leisure centres/golf/ice/ski/gym/swimming etc			10,000			10,000	Stuart Davidson	Prioritise marketing activity and make use of social media: facebook/twitter/email	N/A	N/A	N/A	Need to ensure value for money and monitor rate of return.
61	Family & Cohesion Services	Highways & Transport: Fuel efficiency programme in Fleet Services to reduce fuel consumption and/or limit impact of fuel inflation. Invest to save being worked on.but estimated to be 75k		15,000	35,000			50,000	Stuart Freeman / Helen Hill	To reduce fuel budget through fuel efficiency programme on Council vehicles.	No community impact	Would require training in fuel efficient driving techniques.	None	Is a risk that fuel inflation increases negating any savings, but proposal would still limit the authority's exposure to inflation/cost increases. Any cost increases above the fuel budget would have to be borne through corporate
62	Neighbourhood & Leisure Services	Highways & Transport: Further reduction in operational budgets i.e., training, mileage, printing, equipment budgets		5,000	5,000			10,000	S Freeman	Reduced expenditure on staff/team related operational budgets	No community impact	Likely to result in no replacement in equipment used by staff for performing role and reduction in staff training etc which is likely to be seen as negative by teams.	None	
63	Family & Cohesion Services	Independent Travel Training - Savings to Family & Cohesion 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	Family & Cohesion Services	Post 16 route rationalisation New College/BRJ		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 gulley emptying, planned cyclic drainage maintenance and reactive drainage requests to provide more efficient drainage function.	Outcome of Lean Review not yet known, if efficiencies cannot be identified may result in lower level of service .	Possible impact on TWS if reduced level of service is required.		Needs a change in Corporate Policy to ensure that all engineering works are directed via the internal service
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	Planning & Development management - various operational efficiencies		18,400				18,400	David Fletcher	Increased efficiencies in non front line services	None	None	None	
76	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
77	Dvpt. Business & Housing	Transfer operation of Neighbourhood Libraries to the Community.	41,000	41,000				41,000	Sharon Smith					
78	Dvpt. Business & Housing	Under achievement of saving against Stirchley Library	38,120	8,000				8,000	Sharon Smith					
79	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

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80	Dvpt. Business & Housing	Property & Design: Contingency for school schemes		10,000				10,000	Chris Goulson	Removal of budget	None	None	None	
81	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
82	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	Minimal	Minimal - reduced ability to attend external training courses/seminars and to support staff wishing to become professionally qualified.	Minimal	Minimal
83	Education & Skills	Various operational efficiencies relating to non-staffing across the service area.		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
84	Dvpt. Business & Housing	Saving in various operational budgets		17,700				17,700	Katherine Kynaston	Operational budget savings following budget and team amalgamation	None	None	None	None
85	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	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
86	Family & Cohesion Services	Workforce Development - Children & Family Locality Service	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.
87	Family & Cohesion Services	Teenage Pregnancy	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
88	Family & Cohesion Services	Children & Family Locality Service - 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	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
89	Family & Cohesion Services	Targeted Mental Health in Schools	50,000	25,000				25,000	Clive Jones	DfE pilot ended, small sum retained to commission some TAMHS support	minimal	none	minimal	none
90	Family & Cohesion Services	Children's Specialist Services - reduced requirement for supplies and services	34,995	15,000				15,000	Diane Partridge	Following a review of spend during 12/13 budget no longer required	None	None	None	None
91	Family & Cohesion Services	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	None	None
92	Family & Cohesion Services	Children & Family Locality Services - 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	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
93	Family & Cohesion Services	Community Safety	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.
94	Family & Cohesion Services	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. 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.
95	Family & Cohesion Services	Children & Family Locality Services - 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
96	Family & Cohesion Services	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
97	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
98	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
99	Customer & People Services	ICT - Management Of Dell contract - make further savings in relation to maintenance		15,000				15,000	Kirsty King					
100	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.	
101	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.
102	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					
103	Customer & People Services	People Services removal of consultancy budget		35,000				35,000	John Harris					
104	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.
105	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 who may have to go into residential provision and will not be able to continue to live in their own homes unless their relatives/carers are able and wish to provide additional funding or support.		Will lead to some reduced demand for 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.						-	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

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	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
106	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				2,658,940	2,784,810	133,000	38,000	5,614,750						
Procurement														
107	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
108	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.
109	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 provider s of building based support.
110	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.
111	Customer & People Services	Archives - renegotiate contract	57,740	5,000				5,000	Sharon Smith					
112	Customer & People Services	ICT - Thin Client - further savings from moving to a thin client solution. Savings arising from lease costs and staffing (this is dependant on the successful rollout of the ICT strategy and a reduction in the number of calls and more fixes done remotely)		123,000	133,000	206,000		462,000	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.
113	Customer & People Services	ICT - Broadband & telephony contract - tender process commences Jan 2013.		10,000	90,000	100,000		200,000	Kirsty King	The contract is due for renegotiation				
114	Customer & People Services	ICT - Printing savings relating to MFDs		33,000				33,000	Kirsty King					
115	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	
116	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.
117	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
118	Neighbourhood & Leisure Services	Procurement savings released from the re letting of a new Recycling service contract			150,000			150,000	Dave Hanley	This is a major procurement and will generate savings through market factors/testing.	Should be positive as proposal is reduce the numbers of bins, bags and boxes for residents	TWS - ultimately TUPE	TWS/new provider	Impact on TWS and the 2019 contract but will be mitigates through TUPE
119	Council Wide	West Mercia Energy dividend		200,000				200,000						
120	Finance, Audit & IG	Reduction in external audit fee following national procurement process	249,610	83,300				83,300	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.
121	Education & Skills	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.
122	Education & Skills	Other Route Rationalisation		50,000				50,000	Viv Mckay	Further savings anticipated from using route mapping software	Minimal	None	Minimal	None
123	Family & Cohesion Services	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
124	Family & Cohesion Services	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.
125	Family & Cohesion Services	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
126	Family & Cohesion Services	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
Total Procurement				1,781,800	531,930	306,000	-	2,619,730						
Property Rationalisation														
127	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

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
128	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
129	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
130	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
131	Family & Cohesion Services	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	None	Opportunity to generate income by disposing of property or finding external tenant.	Unable to relocate officers to other locations.
132	Family & Cohesion Services	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				413,520	55,110	-	-	468,630						
Strategic Review of Capacity														
133	Finance, Audit & IG	Employee savings relating to restructure, reduced hours, vacant hours following restructure and ending temporary contracts.		57,099	49,742			106,841	Ken Clarke	Work to be covered by existing staff or re-prioritised; the saving protects staff in substantive posts and therefore the core services 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.
134	Customer & People Services	Libraries phase 2		25,000				25,000						
135	Customer & People Services	HR/OI Service Review outcome (staff savings)		200,000				200,000	Angie Astley					
136	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
137	Council Wide	SMT restructure		100,000				100,000						
138	Dvpt. Business & Housing	Resulting from confirmed service restructure; Strategic review of Capacity within the service		143,000				143,000	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
139	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.
140	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
141	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.
142	Family & Cohesion Services	Children & Family Locality Service - 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
143	Family & Cohesion Services	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
144	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
145	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				
146	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
147	Education & Skills	Strategic Review of Capacity		90,000				90,000	Jim Collins	Reduction of grant funding for Children & Family Locality Services 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
Strategic Review of Capacity				967,489	349,742	50,000	-	1,367,231						
Service Review/Redesign														
148	Neighbourhood & Leisure Services	The Place		100,000	80,000			180,000	Psyche Hudson					
149	Neighbourhood & Leisure Services	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.
150	Neighbourhood & Leisure Services	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.
151	Neighbourhood & Leisure Services	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.

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
152	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.
153	Finance, Audit & IG	Review of Employment Services/Purchase Ledger Team functions		35,000	35,000			70,000	Julie Pugh					
154	Dvpt. Business & Housing	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	Chris Goulson	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	
155	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
156	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.
157	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.
158	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.
159	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			
160	Family & Cohesion 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.
161	Family & Cohesion Services	(1) Review provision model for domestic violence (women's refuge) and (2) increase in HIA and PSH fees and charges		30,000				30,000	Jas Bedesha	Saving includes 2 discrete elements: (1)Accommodation for those homeless due to domestic violence is currently provided through Willow Court. Victims of domestic violence are and will continue to be a priority group for service support. Willow Court provides an important service and includes facilities to work with children who have witnessed/been subject to violence in the home. However this type of accommodation does not suit all clients who sometimes find it hard to share accommodation with others. In order to afford suitable protection the refuge has to enforce strict policies regarding family visiting and clients can become isolated from their family. Other clients may also become overly reliant on the support and protection and a number of clients have been in residence many months causing a 'silting' up of the refuge and limiting scope to support new clients. It is also felt that the current service provided by housing for this client group is overlapping with that which other agencies are or should be providing. This is adding to the service costs. There remains a need to provide a safe environment for this client group where they can receive support from housing and other agencies.	(1) Alternative rather than reduced service model for domestic violence. (2) Impact of increases in Private Sector Housing Fees for some services.	None	(1) Housing service are providing aspects of support to victims of domestic violence that could or should be provided by other agencies/services. The impact of a change in delivery model needs to consider costs for and capacity within other agencies to ensure no impact on the very vulnerable client group (2) HIA fees dependent upon availability of DFG funding in future years. PSH fees dependant upon change of charging policy to charge for statutory functions.	(1) Dispersed model may make providing support for children within affected families less easy to provide than when all clients are on single site. Providing security at dispersed locations may be more difficult and/or incur some immediate cost. Mitigation needs to be considered via full review of options and risks. (2) Risk of pricing some clients out of receiving service which may result in their being unable to stay in their own homes and leading to costs to social services/housing to provide residential accommodation and/or care as a result of accidents in the home. May consider putting in increased fees and charges as a result of the expansion of the Handyman service as an alternative. Major current risk is the loss of DFG funding which from which fees are generated.
162	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 services	Could lead to a loss of income if schools are inclined to trade with providers other than T&W

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163	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	
164	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		
165	Family & Cohesion Services	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
166	Family & Cohesion Services	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
167	Family & Cohesion Services	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 needed	None	None	None	None
168	Family & Cohesion Services	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
169	Family & Cohesion Services	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
170	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				
171	Family & Cohesion Services	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				2,313,860	2,248,000	50,000	-	4,611,860						
Overall Total				8,611,209	6,322,592	559,000	58,000	15,550,801						

Service and Financial Planning 2013/14 to 2015/16 – Equality Impact assessment

Section 1 - Overview

The Service and Financial Planning report aims to show how we will achieve a balanced budgetary position for 2013/14 and provide a clear pathway for future financial management. This report identifies how we intend to spend our money and gather income for the whole council on an annual basis. Included in this are recommended savings and potential income generating actions.

This impact assessment is designed to draw out identified potential positive and negative impacts related to the overarching budget strategy and its implementation in relation to the protected characteristics; age, disability, gender, transgender status, race/ethnicity or nationality, religion or beliefs, sexual orientation, pregnancy or maternity, marriage or civil partnership, deprivation or any combination of characteristics.

It does this in respect to the protected characteristics and the aims of the General Equality Duty;

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

This impact assessment does not look at each saving individually but refers to the overarching budget strategy. The process for identifying the savings which require further analysis is detailed within the main report in Section 18.0 Subsequent impact analysis are attached as appendix 4.

Background

The Council is facing a challenging time;

- Grant funding and income from central government is reducing
- Many services are in greater demand than previous years due to the country's economic position

This pressure has manifested itself in many ways on our services;

- 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 and 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 have increased. 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 circumstance assessments processed by the Council in 2011/12 compared to 2010/11 mainly due to the DWP introducing a new system. This level of increased administration is more costly and is expected to continue although with no further significant increase in resources to manage this is anticipated.

The Council's Service & Financial Planning strategy for the period 2012/13-2014/15 was approved by full Council on 1 March 2012.

This strategy outlined a range of principles that had been established to provide a fair and consistent approach

- 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.

These principles have been developed from engagement conducted with approximately two thousand contacts including professionals and members of the public through a range of methods and techniques to deliver a representative sample. The consultation feedback that led to this can viewed at http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary

The saving and efficiency programme has been on-going for sometime and this report builds on the 2012/13 report found here http://www.telford.gov.uk/downloads/file/4496/overview_and_revenue_budget_report

The table below shows the summary elements of the overall financial plan;

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Updated Base Budget gap	7.106	20.959	31.015
Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
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	0.000	3.580	11.978

Table 1 – Projected budget gap 2013/14 – 2015/16 based on current proposals

The Council's budget situation is constantly changing, so in line with good financial management we monitor the situation throughout the year. We will revisit analysis of our service and financial planning regularly and as savings are proposed assess their relevance and analyse their impact on our equality duties.

There are a number of reasons for these variations including;

- Uncertainty over future years central government settlement and financial modelling.
- Known gaps in budgets which indicate further detailed proposals are required to meet the targets set; the summary table above illustrates the gaps as they are currently identified.
- The enduring nature of the General Equality Duty, we need to be sure that unintended consequences have not had an unlawful impact on one of the three aims in respect of a protected characteristic.

The table helps to illustrate that we must find additional savings as we go forward.

We have been direct in tackling the challenges we face and taken a number of steps;

Restructuring & service review

We have gone through a fundamental change in philosophy of approach and organisation, focusing our attention on co-operative preventative actions rather than costly unilateral interventions. In doing so reducing management and staffing costs whilst maintaining standards and avoiding duplication. This also affords us the opportunity to improve access to services and therefore equality of opportunity.

Single Status

Single Status is a pay equalisation exercise that the council is required to complete in order to reduce the gender pay gap and demonstrate that the principle of equal pay for equal work is being applied.

This is a difficult exercise at the best of times, illustrated by the various tribunal cases that have recently been settled. For a number of years the council has put aside provision and kept it in a reserve to cover this cost. With a firm understanding of the target completion date, April 2014, it has been decided to supplement this pot by £2,750,000 to cover additional costs. £918,000 has already been committed to removing fixed grade points which will benefit women, who are disproportionately represented in the lower pay scale of the councils pay structure.

We produce an annual report which provides a profile of our workforce – http://www.telford.gov.uk/downloads/download/1008/workforce_report_january_2012

Council Tax

The Council has the power to alter the level of Council Tax.

The government have offered a one off grant for two years which is the equivalent of a 1% increase in council tax.

Given a mandate from our previous consultation and the budgetary gap that will result at the end of this period should the grant be accepted, the report proposes that we increase council tax by 1.9%. This is below the Department for Communities and Local Government's trigger of 2% for a referendum. This would cost approximately £250,000 to run, the equivalent of a 0.5% Council Tax increase.

You can find a summary of the consultation online;
http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary

The council will also begin the operation of a council tax discount scheme, from April 2013, which will take into consideration people's ability to pay, their age and if they have a severe disability. To further mitigate the impact of these changes we have put aside £65,000 to provide discretionary support for those individuals who present significant financial hardship as a result in the change of scheme.

A separate impact analysis has been completed for the Council Tax Support Scheme and can be found online - http://www.telford.gov.uk/downloads/file/5101/council_tax_support-community_impact_assessment

Fair Deal

We believe that Telford and Wrekin is not receiving a fair deal from central government.

There are a number of factors;

- A population undercount impacting on the assessed needs of the block grant provided by central government.
- Uneven grant reductions across government and a relatively low level of council tax - services are being further devolved to local level from central government yet local authorities face a cut in grant allocation approximately three times more than central government whilst being asked to deliver more. Telford and Wrekin has the third lowest council tax in the West Midlands.
- Grant damping significantly impacts the borough because of our population growth. Grant damping is when the government tries to lessen the impact of budget reductions in one local authority by removing grant from the increased assessed need of another authority. Originally designed to smooth budgetary transition, this system has had a number of safeguards removed which now penalise growing authorities.

We will campaign for a fair deal from central government.

Engagement

Effective engagement with our communities is key to developing an efficient co-operative approach. The feedback helps to inform the direction and implementation of proposals. The methods we have used are detailed in the report and a programme of engagement carried out and feedback received can be found in appendix 5.

Timeframe

The proposals shown in the Service and Financial Planning 2013/14 to 2015/16 report will be implemented between April 2013 and March 2016. Wherever possible they will be delivered ahead of schedule to maximise savings.

This report is updated annually with monitoring reports throughout the year. As savings are proposed they are assessed for their relevance to equality and targeted engagement. Impact analysis are completed if necessary. This is to ensure equality and the duty are considered in a timely manner

Name of person completing impact assessment and their post	Richard Taylor-Murison, Equalities Officer
Telephone	01952 382104
Date started	21 January 2013
Other officers/Stakeholders involved	Ken Clarke, Assistant Director Finance, Audit & IG; Andy Challenor, Community Engagement and Equalities Manager.

Section 2 – Impact Assessment

Positive and negative impacts are assessed with regard to the aims of the General Equality Duty;

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

	Potential Impact		
	Positive	Negative	None
People of different ages	Young vulnerable people are protected.	Working age people are being asked to shoulder more of the financial burden. There are potential negative impacts for older people as they represent a large proportion of our Adult Social Care Service Users.	
People with ill health or people with a disability	The savings generally protect those individuals with the most severe disabilities.	Changes to criteria for services / support on may unintentionally have the effect of reducing opportunities for participation and access to some people with disabilities.	
People of different gender	Women will benefit from an growth strategy through improved access to employment.		
People who are transgender			X
Different racial groups			X
People with different religion or beliefs			X
People of different sexual orientation			X

Women who are pregnant or breast-feeding
 People that are married or in a civil partnership
 People affected by deprivation

		X
		X
Services are being targeted into the most deprived wards in the borough enhancing equality of opportunity		

Whilst the overall trend of service provision is realignment and streamlining, there will be some reduction of the capacity that the council can deliver. As an authority going through significant change there has been greater recognition of the needs of vulnerable individuals in the community. There has also been a recognition that some of the positive outcomes we are looking for can be best delivered in partnership or by supporting other organisations.

The renewed emphasis on growth and improvement of the local economy will have significant impact on the wider community benefiting women, young people, people with lower educational achievement, who have been disproportionately impacted in the labour market during recession and reduction in employment opportunities. Growing businesses lead to more jobs and greater prosperity within the local economy and in turn leads to more opportunities.

There are early indications that the trend is improving illustrated in the analysis produced by Telford & Wrekin Co-operative Delivery Team - http://www.telford.gov.uk/downloads/file/4110/economic_profile_update .

Potential positive impacts

- Younger people
- People with a severe disability
- Women

People who share these characteristics will benefit from more focussed services responsive to the direct individual needs.

Changes in criteria or services are not likely to have any disproportionate impact on these groups. Although there may be unintentional consequences that haven't been foreseen, ongoing service user feedback will be used to monitor this.

On-going changes in the overall emphasis of services such as Adult Social Care and Children and Family Service to have a greater role with regard to intensive reablement and early intervention, respectively, are aimed at delivering services in a more holistic way with improved outcomes as well as assisting with the Council's budgetary pressures.

Following a business growth agenda and implementing positive steps to improve employment opportunities will have a significant impact on young people and women who have been disadvantaged by a contracting labour market.

Much of our activity as a council is centred on the most vulnerable. As our services are being redesigned we are able to take a fresh look at how we take ability to pay and deprivation into consideration. Although we use this indicator we do so with caution, deprivation can often mask the impact of holding other protected characteristics.

National information, such as 'An anatomy of Economic Inequality in the UK', National Equality Panel, January 2010, and local information is available to demonstrate that people who share elements of these protected characteristics are particularly vulnerable to changes in circumstance. The overall approach will lead to more opportunities and stability for those most vulnerable in our borough.

Potential negative impacts

There is potential for negative impacts for a number of groups who share protected characteristics;

- Working age people (18-65 years)
- Older People (65+ years)
- People with ill health or people with a disability

Reductions in services for adult care are more likely to impact on older people and people with a disability. A significant proportion of the council budget is spent on caring for older people or adults with a disability. It is difficult to see how with the size of the savings that are needed could be achieved without having a significant impact on those people.

(A number of large projects in Care and Support are yet to take effect so more detailed information is not available. These are identified in the action at the end of the analysis.)

The council is limited in its ability to increase its income from service delivery, such as raising charges for leisure services, and therefore efficiencies and potential service reductions have to be sought.

One way of improving income is by increasing Council Tax. The proposed increase is below inflation but will have a significant impact on the ability of the council to deliver services, particularly when compounded over several years. Systems exist to help people who have low, or no income, to deal with council tax payment. The current national system is changing to a localised form which will impact working age (18-65 years old) people. In some circumstances the younger person in a mixed age couples where one person is 65+ years old will be protected.

When this scheme was determined there were significant restrictions which effectively focussed the changes onto people of working age and given limitations in funding will mean that they are impacted more by change in the scheme than others.

The scheme changes eligibility related to disability and will mean that certain groups of disabled individuals are no longer eligible for the discount. However, it seeks to protect the most severely disabled who have no alternative recourse. For those individuals affected they may be further disadvantaged by a transition to Personal Independence Payments (PIP) from the long standing Disability Living Allowance. Transition will take four years and it will begin in April 2013. Briefing sessions are planned in late February to update decision makers and frontline staff within the borough.

In relation to the potential negative impacts identified above further information relating to mitigating actions to reduce or eliminate the impact are included in Section 3 below.

No identified impact

There is no indication that a disproportionate positive or negative impact for these protected characteristics exists.

- People who are transgender
- Different racial groups
- People with different religion or beliefs
- People of different sexual orientation
- Women who are pregnant or breast-feeding
- People that are married or in a civil partnership

Whilst we have no indication that an impact will take place for people with these characteristics we will develop our analysis and monitoring techniques to make sure that this is the case. By further enhancing our understanding of the needs of people who have these protected characteristics we may find unidentified impacts to be acted upon.

Supporting this is Census 2011 information, which is gradually being released in more detail. It will allow us to build a more accurate picture of the residents of the borough and their needs. Combined with information developed from our services and in co-operation with our partners we are able to identify and act on impacts in a flexible way.

Engagement and consultation

A great deal of engagement and consultation has occurred over the past two years, both directly and indirectly with the public, service users and partners including other public sector organisations, businesses and the voluntary sector. This has significantly influenced our approach.

This information has helped to develop the ten Guiding principles listed in the background to this report.

Details of previous engagement and equality analysis related to savings identified to be delivered in 2012/13 have informed this year's approach. They can be found online;

http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary

Specific engagement has also taken place throughout the year related to the proposals put forward in the 2012/13 - 2014/15 report and additional savings identified within the year including the September tranche. Information relating to this engagement is contained within Appendix 5 of the report.

Broad universal consultation for 2013/14 - 2015/16 has followed a similar format for the overall budget approach;

- Paper survey
- Online survey
- Your Voice (council newspaper) feedback
- Comments, suggestions and ideas
- Public budget meeting

A final profile of consultation responses will be published alongside the full report.

The Cabinet will consider final recommendations on 28 February 2013 and Full Council will do so on 7 March 2013.

Further consultation regarding the individual proposals is planned for this year. Details of those proposals are shown at the end of this analysis.

Specific proposals will be subject to further consultation and engagement, for example the Supporting People Personalisation project. As more information is collected and analysed from services this will adapt our approach and allow for fine tuning of proposals.

The service and financial planning process is continuous and due to the scale of potential impacts we are constantly looking at the cumulative effects of these changes. Performance and impact information will be made available through the Cabinet web pages;

<http://apps.telford.gov.uk/demservice/CommitteesDetails.asp?theCommittee=cabinet>

Section 3 – Mitigating Actions

Since the Service and Financial Planning 2012/13 to 2014/15 report, the council have taken steps to mitigate the impact of some savings proposal that would have negative impact on a number of protected groups.

Young People - we continue to have an increase in numbers of Children in Care. We have approximately 317 Children in Care and are now projecting an overspend in the current year of £3.1million. A differential approach to savings targets has been taken, rather than the previous across the board 20% target reductions. This recognises 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 £0.6 million in to the budget and over and above this create a specific contingency with £1.3m additional funding set aside for safeguarding (£0.93m and Care & Support's care leavers budget of £0.37m).

Reconfiguration of Children and Families services have focused on early intervention and holistic approaches to improve outcomes and in doing so their cost

efficiency. Particular attention is to be paid to the review and monitoring of these changes to provide assurance of the positive outcomes. A corporate contingency is held for specific services such as Sensory Impairment, so that corrections can be made without putting pressure on other service budgets.

Older People and People with Disability - 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 four key actions:

- The establishment of enablement and re-ablement 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.
- Utilise assistive technology as a preventative measure and as an alternative to personal care provision.
- Develop personal budgets and self directed support by individuals as an alternative to council led service determination.
- Signpost individuals to community and voluntary sector based support as an alternative to council funded provision.

Third Sector support services

A number of voluntary sector organisations have had their core funding confirmed for the next three financial years. This gives them the confidence to sustain and improve their services to vulnerable people. For example the Citizens Advice Bureau are a key partner for advising individuals who are experiencing financial difficulties or at risk of losing their homes. Without this support pressures on some council services would increase and be more costly in the long term.

Developing and supporting business opportunities

The 'Business Supporting, Business Winning Council' priority including the proposed investment of £150,000 revenue funding into initiatives and events will promote Telford and Wrekin as a place to visit, live, work and invest in. This approach will support the growth agenda. The outcome will be improved opportunities for employment that will benefit in particular women and people with low educational achievement.

Accurate local information

As an organisation we encourage the collection of relevant information to inform evidence based decision making. Advice and information to support this is available from the Co-operative Delivery Team. This has allowed the development of a consistent approach with a clear rationale for the use of monitoring categories.

In order to make sure we are gathering appropriate and relevant information we will engage with key stakeholders around proposals. In doing so stakeholders will have an influence over the decision making process and help us to gauge the impact of our proposals.

Overall, the proposals will help us to have due regard to the General Equality Duty by driving forward equality of opportunity.

We are working in a more targeted and efficient manner for the more vulnerable members of our communities. This will be evidenced through performance information. We will expect to see reductions of inequality between groups and improvement in the overall standard of living. It may be a relatively slow process, and certainly slower than desired, because these inequalities are largely based on generational differences. However, early indicators collected across council services will demonstrate positive and sustainable trends

The level of council tax will determine what future changes will be required. There is a likelihood of additional real term reductions in service rather than further improvement in efficiency and refocusing of resources if council tax does not rise over this period. This may affect the ability of the council to further advance the aims of the General Equality Duty.

Section 4 – Review and Monitoring

It is intended that the majority of proposals will begin implementation from April 2013.

The on-going impact of the financial report will be monitored and reviewed, below is a summary of the proposed actions and key dates

- 10 February 2013 – Engagement completed.
- 28 February 2013 – Report considered by Cabinet
- 7 March 2013 – Report considered by full Council

A series of monitoring reports will run throughout the year following appropriate financial control and auditing practice.

Individual impact analysis to be conducted on all future savings proposals using the process outlined in the report, section 4.6, to occur as they are planned and developed. - **Up to March 2016**

Proposals that have already been identified for further analysis are shown below

Savings proposals impact analysis overview 2013/14 – 2015/16

The following savings proposals have been identified from savings put forward to Cabinet in January 2013 for consideration in the 2013/14 – 2015/16 budget strategy. It is proposed that each saving be explored in relation to its impact on people who share protected characteristics.

Service Area	Proposal Number	Description of saving
Family & Cohesion	87	Teenage Pregnancy – Reduce size of programme and link to transferring responsibilities for sexual health.
Family & Cohesion	93	Community Safety – Efficiencies and greater partnership working.
Family & Cohesion	94	Homelessness Project – STAY contract ended and not renewed. The Housing Task Force is looking at a different approach to dealing with homelessness.
Family & Cohesion	95	Early Years Special Educational Needs – 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.
Care & Support	105	Imposition of a care funding ceiling – 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.
		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 – 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
		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. Exploration of more cost effective service delivery.
		Panel process to review and agree all ongoing care packages – Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available including the consideration of alternative service provision such as assistive technology.
Care & Support	106	Fair Access to Care Services criteria - Dependent on delivery of existing savings consider commencing a consultation process to review of eligibility criteria to reduce statutory access to services to those with critical needs only.
Family & Cohesion	121	Home to school transport – Efficiency Savings identified during 2012/13
Family & Cohesion	171	Commissioning Review of Transport and Public Transport – Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country.

The following proposals, which were presented to cabinet in September 2012, still need exploration in relation to impact.

Service Area	Proposal Number	Description of saving
Care & Support	4	Meals on Wheels review
Environmental Services	158	Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge
Families and Communities	161	Review provision model for domestic violence (women's refuge) and increase in HIA and PSH fees and charges
Education, Culture & Skills	148	Review of The Place Theatre

Identified savings proposals relevant to equality 2013/14 – 2015/16

The following savings were identified for analysis in the Service and Financial Planning 2013/14 - 2015/16 Report. Following the summary table you will find details of the analysis that have taken place.

- Full** - a full impact analysis has taken place.
Short - a short or partial impact analysis has taken place.
TBC - proposals that require further development prior to the commencement of an impact analysis.
NR - after investigation assessment no longer required.

Service Area	Proposal Number	Description of saving	Equality Impact Analysis
Care and Support	4	Meals on Wheels review	TBC
Highways and Transport	68	Reduction in Rights of Way maintenance budget	Short
Highways and Transport	160	Subsidised bus services – consider reducing/removing the subsidy on existing subsidised routes	Short
Environmental Services	158	Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge	TBC
Families and Communities	28	Short Breaks – definition of more appropriate packages in line with criteria set out in the approved Short Breaks Statement	Short
Families and Communities	26	Commissioning of Teenage Pregnancy Services	Short
Families and Communities	35	Various youth initiatives	Short
Families and Communities	161	Review provision model for domestic violence (women's refuge) and increase in HIA and PSH fees and charges	TBC
Families and Communities	34	Housing services – storage costs/bonds etc. Various savings on Housing, Homelessness and Resettlement	Short
Education,	36	Lifelong Learning / age careers service –	NR

Culture & Skills		Development of a trading service attracting funding from a range of sources to deliver.	
Education, Culture & Skills	148	Review of The Place Theatre	TBC
Revenues & Benefits	N/A	Council Tax Support Scheme – Council Tax Benefit localisation to be introduced from April 2013.	Full

Savings Proposal 68 - Reduction in Rights of Way maintenance budget

The proposed 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 this 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.

Stuart Freeman

Savings Proposal 160 - Subsidised bus services

There are 3 subsidised routes in the borough. Proposed savings in this area will not currently be made by reducing these services.

Engagement with stakeholders and interested parties will take place with regard to adjustments of subsidised routes as and when adjustments or reviews are proposed.

Helen Hill -

Savings Proposal 28 - Short breaks

The proposals regarding short breaks are related to efficiencies developed through the application of the Short Breaks Statement,
http://www.telford.gov.uk/downloads/file/3357/short_breaks_statement

The Statement developed in conjunction with service users and providers has become a more sophisticated system. It contains appropriate analysis of the issues faced by service

users. These savings will be delivered through the cost savings of utilising the statement appropriately.

Savings Proposal 26 - Commissioning of Teenage Pregnancy Services

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. The impact on current service provision is small.

Savings Proposal 35 - Various youth initiatives

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.

Savings Proposal 36 - Housing services

Housing Services have undergone a restructure and developed a new approach to using bed and breakfast accommodation to develop savings.

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.

Impact Assessment - Local Council Tax Support

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 31 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	Jody Wilkinson – Business Improvement Specialist - Revenues & Benefits Services
Date Agreed	22 November 2012

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 (X)		
	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 group	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 claimants and tend to be in lower wage employment.	
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 proportional 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.

- 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

Savings proposals impact analysis overview 2013/14 – 2015/16

The following savings proposals have been identified from savings put forward to Cabinet in January 2013 for consideration in the 2013/14 – 2015/16 budget strategy. It is proposed that each saving be explored in relation to its impact on people who share protected characteristics.

Service Area	Proposal Number	Description of saving
Family & Cohesion	87	Teenage Pregnancy – Reduce size of programme and link to transferring responsibilities for sexual health.
Family & Cohesion	93	Community Safety – Efficiencies and greater partnership working.
Family & Cohesion	94	Homelessness Project – STAY contract ended and not renewed. The Housing Task Force is looking at a different approach to dealing with homelessness.
Family & Cohesion	95	Early Years Special Educational Needs – 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.
Care & Support	105	Imposition of a care funding ceiling – 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.
		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 – 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
		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. Exploration of more cost effective service delivery.
		Panel process to review and agree all ongoing care packages – Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available including the consideration of alternative service provision such as assistive technology.
Care & Support	106	Fair Access to Care Services criteria - Dependent on delivery of existing savings consider commencing a consultation process to review of eligibility criteria to reduce statutory access to services to those with critical needs only.
Family & Cohesion	121	Home to school transport – Efficiency Savings identified during 2012/13
Family & Cohesion	171	Commissioning Review of Transport and Public Transport – Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country.

The following proposals, which were presented to cabinet in September 2012, still need exploration in relation to impact.

Service Area	Proposal Number	Description of saving
Care & Support	4	Meals on Wheels review
Environmental Services	158	Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge
Families and Communities	161	Review provision model for domestic violence (women's refuge) and increase in HIA and PSH fees and charges
Education, Culture & Skills	148	Review of The Place Theatre

APPENDIX 4d								PROPOSALS WITH ECONOMIC AND ENVIRONMENTAL IMPACTS				
No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Environmental Impact	Economic Impact
Income												
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.	This has potential to increase fly-tipping	None
18	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		32,000				32,000	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 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.
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			None	The overall increase in income raised through this is relatively small and its impact on individual businesses paying for Council services will be minimal.
23	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.
Non-Staff												
30	Education & Skills	Rationalisation of Home to School Transport (High Ercall Bus)		16,000				16,000	Kathy Swallow	This is a discretionary service currently being subsidised by the Council.	There is potential for a small increase in vehicle journeys if parents drive children to school.	None
31	Education & Skills	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	There is potential for a small increase in vehicle journeys if parents drive children to school.	None
32	Education & Skills	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.	There is potential for a small increase in vehicle journeys if parents drive children to school.	None
33	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	None	Impact on private landlords and B&B providing current provision.
41	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.	There is potential for a small reduction in vehicle journeys if public transport is used - impacting on energy usage and congestion.	Impact on current transport providers.
53	Neighbourhood & Leisure Services	Environment & Open Spaces: Stop maintaining private open space zone 1's e.g., Wombridge Road, Fieldhouse Drive		5,000				5,000	Dave Hanley	There are a number of sites which are not in council ownership but have always been maintained. Pass responsibility on to commercial premises/shop owners.	Working with private owners to minimise any environmental or economic impact.	
55	Neighbourhood & Leisure Services	Environment & Open Spaces: Reduction of one urban refuse round as per contract variation			140,000			140,000	Dave Hanley	Interpretation of the contract variation indicates this may be possible - so will enter into dialogue with TWS	Potential impact on cleanliness of Borough	None
57	Neighbourhood & Leisure Services	Waste & Refuse: Increased recycling by encouraging 30% of Borough wide households that currently don't recycle or recycle at very low levels and also apply the Council's grey bin policy to existing as well as new customers		75,000	150,000			225,000	Dave Hanley	Survey data suggests that up to 30% of households don't use the existing kerbside service for the collection of recycling materials. A social marketing programme to encourage these households could be rolled out over the next three years. The saving will also increase with the continuing increase in landfill tax. Also properties who currently have more than one grey bin are to be reviewed ie apply the new policy of 6 or more people in the household	Potential positive impact due to reduction of landfill of household waste.	None
61	Family & Cohesion 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.	Potentially positive impact as a result of increased energy efficiency.	None

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Environmental Impact	Economic Impact
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. .	Potentially positive impact as a result of reduced energy consumption	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	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.	Positive impact as a result of increased energy efficiency and improvement to environmental quality.	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
106	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.	None	Potential impact on local providers through reduced demand for services - could lead to business closures and redundancies.
Procurement												
107	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	None	Impact on private landlords and B&B providing current provision
109	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	None	Financial impact on existing providers
110	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	None	Could result in some businesses not being considered viable by providers and closing but could encourage new entrants to market.
118	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.	Positive impact through improved ratio f recycling and reduction in landfill	Bring new investment in waste infrastructure to the Borough
122	Education & Skills	Other Route Rationalisation		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
Property Rationalisation												
129	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.	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
131	Family & Cohesion Services	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.	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
132	Family & Cohesion Services	Children & Family Centres property rationalisation	-		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
Service Review/Redesign												
152	Care & Support	Implementation of Personalised Model of Service Delivery including: - Establishment of enablement and reablement for all service users prior to assessment of ongoing service eligibility and care planning. - Utilisation of assistive technology as preventative measure and as alternative to personal care. - Development of personal budgets and self directed support as alternative to council led service determination. - Development of transition service for 16-25 year olds to reduce ongoing care costs		1,200,000	1,000,000			2,200,000	Richard Smith, Frances Carron, Chris Harrison and Claire Gay	Extended evidence from current Intermediate care service to predict potential savings in care costs if nearly all people go through a reablement service prior to being allocated a personal budget. Also on basis on national evidence base. National evidence suggests that extensive use of telcare can achieve a 20% reduction in home care costs utilising the CSED telecare evaluation tool. Likewise utilising national evidence from implementation of self directed support and personal budgets. Successful transition from childhood to adult care with focus on developing independence and reablement can significantly reduce ongoing care costs	None	Could result in instability in market provision during transition period.

No.	Service	Description of Saving	2012/13 Budget £	2013/14	2014/15	2015/16	2016/17	Total	Lead Officer	Rationale	Environmental Impact	Economic Impact
157	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 provision	Potential to impact on environmental quality	Financial impact on provider
160	Family & Cohesion 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.	Potential increase in private vehicle usage and associated congestion and energy usage	None
163	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	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

Developing the Council's 2013/14 budget: consultation findings

Budget Consultation February 2013

Document Governance

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1 Executive Summary

Following notification of the Council's 2013/14 grant from government, the Council developed a proposed 2013/14 budget building on the medium-term service and financial strategy developed in 2012. This medium-term strategy set out the following principles:

- In line with our co-operative values, work together with and involve our residents and employees in developing our strategy;
- Adopt a commercial approach and facilitate growth as a 'Business Supporting, Business Winning Council'
- Minimise the impact of savings on front-line service delivery particularly for vulnerable adults, children and neighbourhood services
- Minimise the impact of savings on our employees as far as possible
- Based on consultation, reject a one-off government grant to freeze Council Tax and increase Council Tax by 2.5% for the next two years.

The 2013/14 budget continues the organisation's focus on continuing to attract new jobs, investment and promoting growth in the borough while protecting as far as possible Council Services. In response to the financial pressures on public services in the Borough, the Council has also developed a Fair Deal Campaign to ask Government to provide a grant which better reflects the level of service demand in the Borough.

To understand the communities' views on these two themes, a programme of public consultation was undertaken from early January, closing February 10th. This included a Community Panel questionnaire, and online web survey open to the public and Council employees, a public engagement meeting and the following stakeholder meetings:

- Telford and Wrekin Parish Forum
- Senior Citizens Forum
- Telford Business Board
- Taking Part Forum
- Chief Officers Group
- Joint Information and Consultation Forum (JICF)
- Parents Opening Doors – PODS
- Young People's Forum
- Ketley Bank Residents Association
- Carers Partnership Board

In total, some 1,539 people were involved with this consultation programme, building on the 7,000 comments and ideas we received in 2012 to shape our medium term service and financial strategy.

The Council's plans to encourage jobs, growth and protection of services were broadly supported across the consultation:

- **96% of Community Panel respondents**
- **72% of public respondents to an online survey and article in 'Your Voice'**
- **70% of participants at the budget public consultation event at The Place.**

The most common stated reasons by a small number of participants for not supporting these plans was 'concern over growth plans and in particular, whether the Council should be investing

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in the scheme' (Community Panel respondents) and 'opposition to the proposed Council Tax increase (Public survey respondents).

The Council's campaign for a Fair Deal for Telford and Wrekin was broadly supported across the consultation:

- **95% of Community panel respondents**
- **82% of public respondents**
- **87% of budget consultation event respondents**

The most common reason for not supporting the campaign was concern over the current or future level of Council Tax and the government support grant should be taken.

Where we have received specific questions through the consultation process, where possible we will respond. These responses will be published on the Council's website. A progress report on this will be presented to Cabinet in May.

2 Introduction

Following notification of the Council's 2013/14 grant from government, the Council developed a proposed 2013/14 budget, building on the medium-term service and financial strategy developed in 2012.

The 2013/14 budget is primarily focused around continuing to attract new jobs, investment and promoting growth in the borough while protecting as far as possible Council Services. In response to the financial pressures on public services in the Borough, the Council has also developed a Fair Deal Campaign to ask Government to provide a grant which better reflects the level of service demand in the Borough.

To understand the communities views on these two elements, a programme of public consultation was undertaken from early January, closing February 10th including:

- A survey of the Community Panel composed of 1,252 local residents who act as a sounding board to inform the Council's policy and service development
- An online survey and a questionnaire in 'Your Voice' as a paper pullout
- A public budget consultation event at The Place, Oakengates on January 16.
- Budget presentation at a range of community groups/forums.

These explored two themes:

1. Our plans to encourage jobs, growth and protection of services, including £250m investment in the Southwater Scheme, £200m Building Schools for the Future programme and working to make it easier for businesses to come here and grow, offering support to attract new firms and help create new jobs.
2. A proposed Fair Deal Campaign for Telford and Wrekin as we estimate that in 2013/14 the Council has 'disproportionately' lost some £10m as a result of the high levels of government cuts to local authorities, undercount of our population and a 'stabilising' damping mechanism, which means the government withholds money that it calculates the Borough should receives and reallocates it to other authorities.

In total some 1,539 people were involved with this consultation programme, building on the 7,000 comments and ideas we received in 2012 to shape our medium term service and financial strategy. This report sets out the findings of the latest consultation programme.

Where available results have been broken down by demographics, with the following areas based on ward boundaries:

- Newport – Newport East, Newport North, Newport South, Newport West
- Rural – Church Aston & Lilleshall, Edgmond, Ercall Magna, Wrockwardine
- Wellington – Shawbirch, Dothill, Haygate, College, Park, Arleston, Ercall
- North Telford – Apley Castle, Hadley & Leegomery, Ketley & Oakengates, Wrockwardine Wood & trench, Donnington, St Georges, Muxton, Priorslee
- South Telford – Lawley & Overdale, Horsehay & Lightmoor, Dawley Magna, Malinslee, The Nedge, Brookside, Cuckoo Oak, Madeley, Woodside, Ironbridge. .

Where table data in this report does not sum to the total number of respondents for the various component surveys, this is either because demographic information was not available or because participants had chosen not to answer a particular question.

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A number of participants raised specific questions through the consultation process, which we will respond to where possible. These responses will be published on the Council's website in due course. A progress report on this will be brought to Cabinet in May.

3 Community Panel Budget Survey

Questions about the Council's budget were included in the January Community Panel survey sent to 1,252 members and was completed by 515 Panel members across a range of demographics.

Table 1: Demographics of Community Panel respondents

		Count	%
Age	16-44	47	11%
	45-64	191	43%
	65+	203	46%
	<i>Total</i>	<i>441</i>	<i>100%</i>
Gender	Female	233	46%
	Male	279	54%
	<i>Total</i>	<i>512</i>	<i>100%</i>
Long term limiting illness	No	353	75%
	Yes	118	25%
	<i>Total</i>	<i>471</i>	<i>100%</i>
Ethnicity	Other ethnicity	24	5%
	White British	459	95%
	<i>Total</i>	<i>483</i>	<i>100%</i>
Area	Newport	49	10%
	North Telford	152	30%
	Rural	64	12%
	South Telford	169	33%
	Wellington	79	15%
	<i>Total</i>	<i>513</i>	<i>100%</i>
Deprivation ranking	20% most deprived nationally	95	19%
	20-40% least deprived	113	22%
	40% most deprived - 40% least deprived nationally	100	20%
	20-40% most deprived nationally	110	21%
	20% least deprived	94	18%
	<i>Total</i>	<i>512</i>	<i>100%</i>

As shown in table 2, the vast majority of Panel respondents (96%) support the Council's plans.

Table 2: Do you broadly support our plans to encourage jobs, growth and protection of services?

	All responses		Gender		Age			LTLI		Ethnicity	
			Female	Male	16-44	45-64	65+	No	Yes	Other ethnicity	White British
No	21	4%	2%	7%	2%	6%	4%	4%	5%	5%	4%
Yes	456	96%	98%	93%	98%	94%	96%	96%	95%	95%	96%
<i>Total</i>	<i>477</i>	<i>100%</i>	<i>217</i>	<i>259</i>	<i>45</i>	<i>181</i>	<i>183</i>	<i>334</i>	<i>106</i>	<i>22</i>	<i>429</i>

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Table 3: Do you broadly support our plans to encourage jobs, growth and protection of services?

	All responses		Area					Deprivation				
			Newport	North Telford	Rural	South Telford	Wellington	20% most deprived	20-40% most deprived	40% most deprived to 40% least deprived	20-40% least deprived	20% least deprived
No	21	4%	4%	2%	10%	4%	5%	0%	4%	2%	10%	5%
Yes	456	96%	96%	98%	90%	96%	95%	100%	96%	98%	90%	95%
Total	477	100%	45	140	59	158	75	87	105	90	101	93

If respondents did not agree with the plans or an aspect of them, they were asked to explain why. A total of 60 respondents provided additional comments. The main concern highlighted by these respondents was about the Council's investment in Southwater.

Table 4: If you do not broadly support our plans or elements of our plans, please tell us why?

	Count
Concern over growth plans - Southwater including whether it is required and whether the Council should be investing in the scheme	16
Broadly positive comments on proposals	8
Concern over growth plans - Building Schools for the future	6
Require more detail on proposals to make an informed comment	6
Opposition to the proposed Council Tax increase	4
Non-specific comment	4
Concern over growth - impact on Borough Towns / communities e.g. Newport	4
Improve transport infrastructure - including roads	4
Ensuring that specific services are protected	3
Concern over growth plans - impact of development on the environment / sustainability	3
More support for manufacturing sector	3
Concerns with the consultation process	2
Need to do more to improve affordable housing / address homelessness	2
Council, in how it makes decisions, needs to do more to support existing businesses/growth	2
Do more to support the unemployed of all ages	1

The vast majority of Panel respondents, table 5, also supported the Council's campaign for a Fair Deal for Telford and Wrekin with 95% in support.

Table 5: Do you broadly support the Council's campaign for a Fair Deal for Telford and Wrekin?

	All responses		Gender		Age			LTLI		Ethnicity	
			Female	Male	16-44	45-64	65+	No	Yes	Other ethnicity	White British
No	22	5%	2%	6%	2%	6%	3%	3%	4%	9%	4%
Yes	454	95%	98%	94%	98%	94%	97%	97%	96%	91%	96%
Total	476	100%	213	261	42	179	184	319	114	23	424

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Table 6: Do you broadly support the Council's campaign for a Fair Deal for Telford and Wrekin?

	All responses		Area					Deprivation				
			Newport	North Telford	Rural	South Telford	Wellington	20% most deprived	20-40% most deprived	40% most deprived to 40% least deprived	20-40% least deprived	20% least deprived
No	22	5%	5%	1%	7%	6%	7%	3%	4%	2%	7%	6%
Yes	454	95%	95%	99%	93%	94%	93%	97%	96%	98%	93%	94%
Total	476	100%	43	147	56	157	72	91	106	93	97	87

If respondents did not support the campaign for a Fair Deal for Telford and Wrekin, they were asked why. For those who expressed a negative view, the key reason (10 respondents) was that Council Tax was already too high and/or that the Council should take the Government Support Grant.

Table 7: If you do not support the campaign for a Fair Deal for Telford and Wrekin, please tell us why?

	Count
Broadly support campaign	16
No to Council Tax rises / take government support grant / Council Tax too high	10
Need more detail to make a decision	9
Council wastes too much money/inefficiency/financial management	6
Sounds like whinging	4
Concern over population argument	3
Non specific comment	1
Not clear what the benefits of lobbying would be	1
It is the Council's fault for allowing the Government to get away with this historically	1
Need to support job creation in the Borough	1
Would support Fair Deal if it stopped migrants coming to the Borough and claiming benefits	1

4 Public survey

Members of the public and employees were able to respond to questions on the budget through an online survey or a tear out slip in the January Your Voice publication. Both of these opportunities focused on the two questions around the Council's proposals to drive the growth agenda and the Fair Deal Campaign.

A total of 592 responses to the public consultation were received, 22 of these through the 'Your Voice' pull out and the remaining 570 online. Responses were received from across the Borough and people from a range of demographics.

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Table 8: Demographics of respondents to the public consultation.

Gender	Female	230	43%
	Male	307	57%
	<i>Total</i>	<i>537</i>	<i>100%</i>
Age	under 40	102	19%
	40-64	345	64%
	64+	93	17%
	<i>Total</i>	<i>540</i>	<i>100%</i>
Area	Newport	25	6%
	North Telford	109	27%
	Rural	50	12%
	South Telford	155	38%
	Wellington	65	16%
	<i>Total</i>	<i>404</i>	<i>100%</i>
Council Employee	No	455	84%
	Yes	89	16%
	<i>Total</i>	<i>544</i>	<i>100%</i>

As table 9 shows, 72% of respondents supported the Council's plans to encourage growth.

Table 9: Do you broadly support our plans to encourage jobs, growth and protection of services?

	All responses		Gender		Age			Area				
			Male	Female	Under 40	40-64	65+	Newport	North Telford	Rural	South Telford	Wellington
No	149	28%	11%	29%	18%	22%	22%	26%	18%	26%	19%	21%
Yes	392	72%	89%	71%	82%	78%	78%	74%	82%	74%	81%	79%
<i>Total</i>	<i>541</i>	<i>100%</i>	<i>206</i>	<i>285</i>	<i>87</i>	<i>321</i>	<i>87</i>	<i>23</i>	<i>100</i>	<i>47</i>	<i>140</i>	<i>62</i>

Respondents who did not support the Council's plans or an element of them were asked to explain. A total of 127 respondents offered additional comments, with the most common response being an opposition to the proposed Council Tax increase.

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Table 10: If you do not broadly support our plans or elements of our plans, please tell us why?

	Count
Opposition to the proposed Council Tax increase	52
Concerns with the consultation process	16
Concerns over waste, poor allocation of funds, high levels of staff/councillors/wages, value for money	16
Non-specific comment	11
Concern over growth plans - whether Southwater is required and whether the Council should be investing in the scheme	10
How benefit changes, including Council Tax Support, are being implemented	6
Council, in how it makes decisions, needs to do more to support existing businesses/growth	6
Require more detail on proposals to make informed consent	5
Ensuring that specific services are protected	4
Concern over growth - impact on Borough Towns / communities e.g. Newport	4
Should focus on maintenance rather than regeneration	3
Need more emphasis on savings	3
Concern over growth plans - impact of development on the environment / sustainability	2
Concern over growth plans - Building Schools for the Future	2
Contract out services to other providers for savings	2
Greater financial transparency	2
More support for areas across the Borough not just towns / south estates	2
Ensure collection of debts / correct billing	2
Cut budgets to specific services	2
Broadly positive comments on proposals	1
More support for manufacturing sector	1
Improve transport infrastructure - including roads	1
Concerns about short term savings creating long term cost e.g. preventative care	1

The majority of respondents, 82%, broadly supported the Council's campaign for a Fair Deal for Telford and Wrekin (table 11).

Table 11: Do you broadly support the Council's campaign for a Fair Deal for Telford and Wrekin?

	All responses		Gender		Age			Area				
			Male	Female	Under 40	40-64	65+	Newport	North Telford	Rural	South Telford	Wellington
No	96	18%	5%	17%	12%	12%	11%	18%	8%	17%	9%	8%
Yes	433	82%	95%	83%	88%	88%	89%	82%	92%	83%	91%	92%
Total	529	100%	201	277	83	309	88	22	95	47	141	59

5 Budget consultation event

A public consultation event was held on 16 January at The Place, to allow people to hear first hand about the Council's plans for its 2013/14 budget.

A total of 66 people booked a place at the event with 38 of these turning up, as well as an additional 28 who had not booked a place, a total of 66 members of the public. In addition to the public, the event was attended by 11 Cabinet members and 21 officers.

Residents had the opportunity to discuss the proposed plans and any particular concerns and suggestions they might have with officers and members one-to-one. A full list of comments collected at the event has been included in Appendix 1.

In addition to open discussion, attendees were encouraged to respond to the two budget consultation questions.

Table 12: Do you broadly support our plans to encourage jobs, growth and protection of services?

	Count	%
No	10	30%
Yes	23	70%
<i>Total</i>	33	100%

Table 13: If you do not broadly support our plans or elements of our plans, please tell us why?

	Count
Ensuring the protection specific services: Rights of Way	5
Concern over growth plans - whether Southwater is required and whether the Council should be investing in the scheme	3
Improve transport infrastructure - including roads	3
Opposition to the proposed Council tax increase	2
Non specific comment	2
Concerns with the consultation process	1
How benefit changes, including Council Tax support, are being implemented	1
Council, in how it makes decisions, needs to do more to support existing businesses/growth	1
Do more to support recycling - wider range, more facilities	1
Commission out services to other providers for savings	1
Council should focus on maintenance rather than regeneration	1

Table 14: Do you broadly support the Council's campaign for a Fair Deal for Telford and Wrekin?

	Count	%
No	4	13%
Yes	26	87%
<i>Total</i>	30	100%

6 Community Groups and Forums

A number of community groups/forums were visited during the Budget consultation, plans were presented and group members had the opportunity to ask questions and provide feedback. More than 266 people were informed about the proposed budget plans in this way, the groups visited were:

- Telford and Wrekin Parish Forum = 30 in attendance
- Senior Citizens Forum = 120 in attendance
- Telford Business Board = 15 in attendance
- Taking Part Forum = 33 in attendance
- Chief Officers Group = 10 in attendance
- Joint Information and Consultation Forum (JICF) = 4 in attendance
- Parents Opening Doors – PODS = 18 in attendance
- Young People's Forum = 12 in attendance
- Ketley Bank Residents Association = 11 in attendance
- Carers Partnership Board = 13 in attendance

Appendix I sets out a summary of the questions, comments and discussion from each group. Many of the discussions focused on topics particular to the group e.g. discussion of availability and cost of services for children with disabilities and developing joint solutions with the voluntary community. There were some more general themes across several of the discussions:

- Concerns / need more information about 'bedroom tax' - who it applies to, how to get support, may cause additional problems i.e. homelessness
- Questions over regeneration plans for specific areas including Sutton Hill, Ketley Bank and Stirchley
- Dissatisfaction with levels of litter / lack of litter picking in the Borough
- Questions over Government funding and how this affects Telford and Wrekin / Council should be fighting decisions

7 'Additional Comments'

Members of the public were encouraged to comment on the budget proposals via a number of methods, including post, email, telephone and text. More than 100 different comments were received in this way – this includes those following the public budget consultation event which was held on 16 January. Comments we received via email or telephone have been published on the Council's website at www.telford.gov.uk/budget.

Analysis of these comments has identified a number of themes:

- Opposition to the proposed Council tax increase
- Concerns with the consultation process
- Ensuring that specific services are protected, including for example:
 - Protection of vulnerable adults and children
 - Rights of way
 - Road improvement/'potholes'
 - Sports and culture activities
- How benefit changes, including Council Tax support, are being implemented – this includes comments on both the need to use benefit changes to encourage people into work and to protect vulnerable communities.

Appendix I Community Groups and Forums

Young People's Forum

Held on 6 February 2013, 12 people in attendance

Have any young people felt any affects of the recession/Council budget cuts over the last year or so?

- Increase in bus fares (possibly less routes being subsidised by the Council)
- School writing club has stopped due to lack of money
- Less money for art in school e.g. no money for paper towels
- Hole in the roof at Sutherland School

Will young people use Southwater

- Would use it if it is nice.
- A lot of things in Telford are ok but not quite
- Want a place in Telford to be proud of
- A young person is looking at Southwater in their BTEC construction
- We want something that you member Telford by
- My French exchange student said that they thought Telford was beautiful
- Is Southwater like a method of cutting down youth employment?
- We want Telford to be better than average
- Are they getting rid of the existing cinema

Will you stay in Telford as you get older – what would make you stay?

- If we had good services and facilities i.e. Wellington leisure centre and library is good
- Some areas look a bit drab
- Would come back to visit parents
- If the right industry was here i.e. gaming - maybe would stay
- Having an art gallery
- More jobs and a university

Suggestion:

Get back to schools about the things that are coming to Telford in the future – new industry etc. We can also learn from young people about what services and business they want in Telford in the future.

Ketley Bank Residents Association

Held on 6 February 2013 - 11 people in attendance

Key questions, comments and issues raised by the Ketley Bank Residents Association:

- As housing building is on the increase in Telford, does this include 'social housing'?
- Get those on Community Service to pick up the litter
- Is there anyway that disabled people can get support on Bedroom Tax?
- If you have children abroad serving in the forces – where do they stay when they come home? – (In reference to Bedroom Tax)
- Invest in ING
- Why is nobody fighting the Government about the unfairness on grants etc.?

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- There is no transparency in Central Government.
- Points raised on the new Council Tax Support Scheme and the impact – danger there will be more people in care and homelessness
- Questions raised about older people and WHT
- Why is Ketley Bank not mentioned on the map in the recent edition of Your Voice.
- When will Ketley Bank be regenerated?
- Discussion on poor housing stock in Sutton Hill.

PODS (Parents Opening Doors)

Held on 4 February 2013 – 18 people in attendance

- More marketing and promotion is needed on the capital funding pot under short breaks
- When is the track at Oakengates getting a nearby toilet?
- Is there any form of replacement for the Polo Service?
- Can you meet with PODS?
- It is felt that leisure staff and coaches are not fully confident and skilled to work with CYP with additional needs – what can be done about this? Parents want the opportunity for their children to mix with children without disabilities
- Can free swimming be extended past 16 years for CYP with disabilities?
- How much do we pay out to residents who claim for damage to the cars e.g. pothole damage. It has been quoted in the press about 12million?
- Shropshire short breaks offer all day for £15 is that possible in TW?
- Leisure offer £1 per activity in school holidays but children with disabilities are being charged £4 under shortbreaks. It feels that CWD are penalised.
- If the Council is encouraging more jobs – what work are we doing to encourage more affordable child care opportunities – particularly for children with additional needs?
- The group would like an update on BSF and particularly be able to raise some questions around admissions and transport etc. Can you arrange to meet with the group?
- Due to the build in Stirchley the library is moving and being reduced. Importantly can you tell the group where all the very valuable literature on autism has gone? Library staff have been asked but they don't know?
- Is it possible to offer subsidies for children with disabilities for music lessons?
- The group would like an update on the Family Connect Service – can you arrange to meet with them?
- The group felt that NHS medical consultants do not signpost to support services – on diagnosis of disability. Is it possible to put information leaflets and packs into family rooms at the hospitals?
- How are carers with children with disabilities recognised in the Carer Strategy and in HWB priority for carers. How can PODS feed into the strategy?
- The group would like to meet with you to discuss post 16 education for disabled children. Can you arrange to meet with them?
- The group would like more information on changes to benefits particularly the Bedroom Tax. Can you arrange to meet with them?
- Where is the income from the sale of 24 buildings going to?
- What do you do with income from charging for short breaks?
- Where does road tax go?
- When will Stirchley be regenerated?

Carers Partnership Board

Held on 5 February 2013 – 13 people in attendance

- Awareness not to cut carer services as Carers are a key asset to maintain people at home
- Concerns raised regarding a culture change in both staff and recipient of services. Expectations versus wants and needs!
- Real concerns that the budget cuts will impact on personalisation. One Board member referred to this as counteracting forces: which will take choice away and place increased pressure on carers.
- Dilnott Enquiry was raised with regard to paying for residential/nursing care. Still waiting when this will be implemented probably not till after next general election.

Senior Citizens Forum

Held on 14 January 2013, 120 people in attendance.

Do you broadly support our plan?

Yes	No	Don't know
11	1	0

If you don't support our plans or a particular element of it, please tell us why?

- Stop wasting taxpayers money fighting plans already passed in favour of Sainsbury supermarket in Newport
- However concerned with Council rates increase. Always present % on Band B it is greater in Band D

Do you support the Council's campaign for a Fair Deal for Telford and Wrekin?

Yes	No	Don't know
11	1	0

General comments and concerns raised

- fly tipping remains an problem
- services for litter picking have been cut and we need them
- Fast food shops should be charges for the costs of picking up their litter
- should be instant fines for people who litter and patrols for outside schools
- full litter bins in Muxton need emptying more frequently
- what do people on community orders do?
- add another statistic to presentation - 850 Council jobs - what % is this of the original workforce?

Taking Part Committee

Held on 15 January 33 people in attendance.

Comments and questions raised regarding:

Care and Support Services

- Do you think cost of caring for elderly is going to go up?
- What if elderly person not able to do it (personal budgets) themselves?
- How about doing more contracting work? (for personal budgets)
- What if it doesn't work? (personal budgets)
- I think the issue of personal budgets is a key thing to take from here
- Unit 10 has been a really good service (and a cooperative service)

Employment

- Any specific plans for jobs for disabled people?
- People can't get jobs – that's the Governments fault.....Cameron. We need people to work for tax so we have more money

On Fair deal for Telford

- Do they (the government) say to you why they do that?
- Are they (the government) discriminating because T&W is a labour Council?
- If Govt keep cutting back we are going to have nothing
- Why not take grant?
- Is there a lot of pressure on you because of all the cuts?
- Are there more cuts next year?

On Safeguarding

- Definitely on that one!! (putting extra money into keeping children safe slide)
- What about keeping vulnerable adults safe? (Follow up - information relating to Adult Social Care expenditure)

On leisure Centres

- How will they be better?
- tell people how much cheaper roughly
- Who made decision to keep free swimming?

Recycling

- the sad thing is not many people put things in bins
- we should all do that (recycle)

Car Parking

- We should cut back on car parking charges in hospitals
- We should cut back all over the place
- We could do with new car park at Town Centre
- We are really struggling for disabled parking at ice rink – are there any plans for more spaces? (For following up)
- You shouldn't have to pay for Car Park

Council Plans

Budget Consultation February 2013

- Are you going to try and keep local services?
- As a cooperative Council, what are the plans for T&W to work with social enterprises? It is a buzz word but not happening (follow up required, approach Cllr Davies –group would welcome further discussions)

On Engagement

- Are you going to let us know when things do change?
- I think you should come back in 6 months (Follow up visit agreed by Bill)

Other Follow ups

- Lack of meeting space availability –TCAT
- Streetlights keep going off in Lancaster Avenue
- Why does it take so long to see a doctor (followed up in subsequent presentation by a commissioner)

Voluntary Sector Chief Officers Group

Held 24 January 10 people in attendance

Q. Do we capture the feedback that we get from radio interviews as part of the budget consultation process as residents give their feedback when Cllr McClements is interviewed in the radio? It was suggested that this should be included within the information captured via the consultation.

A. We will look into that.

Q. Shropshire Council appears to be taking a different approach to T&WC in terms of exploring different business opportunities. There was a concern that Councils could take on business opportunities just because they make a profit. What checks and balances are in place to prevent the Council from taking an aggressive approach to business

A. The aim of T&WC developing commercial projects is to provide funding to support service delivery. There is a commercial board that scrutinises any commercial developments by the Council.

Comment: Can the Council make sure that it considers the impact if it starts to introduce charges as it can have a knock on effect e.g. if we were to introduce charges for pest control it could lead to a problem with vermin in the Borough

Comment: The presentation at the Taking Part Group was appreciated. Will the Council make sure that it continues to invest in Adult Social Care particularly around services to vulnerable adults

Comment: How do we capture the value that the voluntary sector brings to the Borough and could the Council work more closely with the voluntary sector to develop joint solutions.

Discussion: The group talked about how the proposed Voluntary Sector stakeholder event could be used to have discussions around potential solutions and how the Voluntary Sector and Council work together more closely. These discussions would need to take place earlier in the year to be able to feed into the budget process.

Budget Consultation February 2013

Comment: Concern was expressed about how the Council categorises Vulnerable Adults as Welfare Reforms will impact upon many more people than the Council currently would categorise as a Vulnerable Adult

Comment: The bedroom tax will have an impact on those who are Foster Carers.

Appendix 6 - Budget & Finance Scrutiny Committee

Response to Service & Financial Planning Strategy 2013/14 – 2015/16

Introduction

The Budget & Finance Scrutiny Committee is a politically balanced Committee of eight elected members, one co-opted member of the public and one co-opted Town & Parish Councillor. The Committee has responsibility for scrutiny of the Council's budget strategy.

The Cabinet approved the Service & Financial Planning strategy 2013/14-2015/16 for consultation on 10th January 2013. Savings proposals in the previous financial strategy approved in May 2012 were updated and approved by Cabinet for early consultation on 20th September 2013 and included in the current budget strategy.

The Committee met on 16th October and 19th December 2012 to consider the savings proposals approved in September, and on 9th, 15th, 22nd January and 5th February 2013 to consider the proposed Service & Financial Planning strategy 2013/14-2015/16.

As part of its consideration of the proposals, the Committee met with:

- Cabinet Member Resources & Service Delivery
- Cabinet Member Children, Young People & Families
- Cabinet Member Adult & Social Care
- Cabinet Member Neighbourhood Services & Co-operative Council
- Cabinet Member Leisure & Wellbeing
- Cabinet Member Transport & Community Protection
- Chief Financial Officer
- Director Adult Social Care
- Assistant Director Care & Support
- Assistant Director Children's Safeguarding
- Assistant Director Family & Cohesion Services
- Assistant Director Environmental & Leisure Services
- Community Engagement & Equalities Manager
- Equalities Officer

Written answers to a range of questions on further issues were also provided. The Committee would like to extend thanks to Members and officers that assisted them during their consideration of the proposals.

As part of their work, Members considered:

- The national funding picture and key points in the Autumn Statement for local government and the changes to local government finance
- The December grant settlement and projected budget gap/required savings for the period of the strategy
- The capital programme, levels of borrowing and impact on the revenue budget
- The use of one-off resources and the level of balances and contingencies

- Savings proposals approved for consultation in September 2012 and additional proposals published in January 2013
 - The budget consultation process
 - The impact analysis overview of the overall strategy
 - The proposed Council Tax increase
 - Assumptions in the medium term financial planning strategy.
- Much of the Committee's work was focused on the higher spending services in children's safeguarding, adult social care and environmental and leisure services.

There were no alternative budget proposals put forward for scrutiny.

The Cabinet's final proposals are due to be discussed at Cabinet on 28th February with the Council Tax for 2013/14 being set at Council on 7th March.

Members acknowledged the unprecedented cuts to local government funding announced in, and after, the Comprehensive Spending Review in October 2010. The changes to local government finance, the 10% reduction of the grant paid to Councils for localised Council Tax Support Schemes, the transfer of responsibility for Public Health from PCTs to local authorities and the grant settlement announced on 19th December all impact on the amount of money the Council has available to spend on services.

Whilst the forecast for the future, as with other local authorities, looks gloomy, the Committee found much to welcome in the strategy. Members gave credit to the efforts of the Council and its staff in achieving savings equivalent to more than £600 per household and with limited impact on front-line services, although acknowledged that as the cuts deepen this may not continue to be possible. The Committee supports the commitment to prioritise continued economic and housing growth, both of which are key to the future prosperity and wellbeing of the borough and to maintaining and growing the Council's funding as part of the business rates retention and New Homes Bonus schemes. Members noted that balances are lower than ever before, but credited staff for reducing the use of contingencies in 2012/13 to enable more to be rolled over to 2013/14 for one-off contingencies or to supplement other balances. The Committee heard many excellent examples of Co-operative working, some of which are mentioned in the comments following, and support this approach to involving partners, the voluntary sector and local people in decisions about the delivery of services which may otherwise be under threat.

Below are a number of specific comments and recommendations that the Committee have made about the budget strategy. These may not affect specific savings proposals for 2013/14, but are issues that the Committee will follow up over the year to scrutinise how they are being addressed.

Comments of the Committee

1. The Committee agrees that the strategy sets a balanced budget but is concerned that there is no room for manoeuvre and a high risk of slipping into deficit early in the year because of the risk of the non-achievement of savings targets, particularly in children's safeguarding.

11th February 2013

2. The Committee notes that a “salami slice” approach has been taken to making savings to avoid cutting services completely, but feels that this is not a sustainable way of making the level of savings that will be required in future years and that the Council must now make strategic decisions about what services will be prioritised for the future, what services may be cut, and how the public’s views will be taken into account
3. The Committee feels that there are many commendable ideas in the Early Help / Safeguarding Cost Improvement Plan and recognises the good work that is going on and agrees that the safety of children is paramount. However, members have genuine concerns that delivering savings of £2.19m in 2013/14 is aspirational, and would like to make several comments about this:
 - a) The direction of travel is good but the Committee feels there is an over-emphasis on budget monitoring rather than budget management. This should not be just a reporting function: senior managers and Cabinet members should have a detailed strategy to achieve the savings which is driven by action, not events, and backed up by detailed forecasting and situational plans (for example for legislative changes). Senior managers should not lose sight of the strategy by getting involved in too much operational detail, and staff at lower levels need to be empowered to make decisions consistent with the strategy.
 - b) The budget should be managed and balanced in-year within the context of the Council’s overall budget on a risk-opportunity basis and with thresholds built into the process to trigger corrective action. A level of contingency should be built into the service budget and beyond this overspend risks should be offset against either opportunities for generating commercial income or from making additional savings in other areas and the service must not continue to rely on one-off contingencies and balances which is no longer a viable option.
 - c) Members are sceptical about being able to achieve some of the targets in the Cost Improvement Plan for example to reduce the number of children in care to 300 by April 2013 and 294 by April 2014 when the trend is upwards and likely to continue so with the economy and welfare benefit changes putting pressure on families. Members recommend that the “number of children in care” should not be used as a performance indicator because this is an uncontrolled number, although number trends should be used for forecasting and financial modelling. The “length of time spent in care” should be a key performance indicator because reducing this would have a significant impact on the budget and because there is an element of control over this. The work of the Resource Allocation Management Panel and particularly the Securing Permanency Group is critical to reducing delays in care planning and the Committee has requested the monthly reports of the SPG.
 - d) Work on reducing the unit cost of residential placements though the framework contract is laudable but the real impact will be made by reducing the number of residential placements. There is some scepticism about achieving the target to

reduce residential placements by 10 but members recognise that this would go along way to making the savings and there should be no let up in pace to achieve this.

- e) Safeguarding is a key budget dependency and the Committee will require the attendance of the Director of Children Services to attend future meetings during 2013/14 to provide a detailed update on progress against the action plan.
- 4. Linked to the comments above about taking a risk-opportunity approach to managing the budget, the Committee noted that (in line with LGA forecasts for local government finances) the proportion of net General Fund budget available for services other than adult social care, children and young people and environmental services is shrinking (currently £13m of £125m) and that the opportunities to offset over-spend in these areas by cuts to other services is increasingly less viable. The Committee recommends that the Council pursues all ideas for commercial income generation as rigorously and quickly as reasonably prudent, and the Committee may look at this as part of its work programme.
- 5. As in previous years, the Committee is concerned about achieving the projected value of Capital Receipts and that if this happens the capital programme should be cut back and gaps should not be made up by increasing borrowing or cutting other services. The cost of interest on borrowing already takes £5m from the revenue budget which accounts for a significant proportion of the £13m revenue for services other than adult social care, children and young people and environmental services.
- 6. The Committee is concerned that selling assets to support the budget is not always the right strategy. More consideration should be given to enhancing the value of assets in a way that offers a greater or longer term return to the Council, and/or as a lever for supporting economic development (for example by offering lower or peppercorn start-up rents). Using the sale of assets to bridge budget gaps is not sustainable.
- 7. The Committee looked at many examples of co-operative working such as the Street Champions, Rapid Response Teams, Environmental Teams and library services and would like to recognise the valuable contribution of Town & Parish Councils, partners and local people in helping to maintain and deliver services which may not otherwise be affordable. The Committee recommends that in all cases, Town & Parish Councils should be consulted on any services which may be withdrawn so that they have an opportunity to consider taking over delivery of those services.
- 8. Business and inward investment is highlighted as a priority in the strategy and the Committee commends the £150k investment in Destination Telford.
- 9. Members of the Committee expressed different views about Council Tax. Some members supported the rejection of the freeze grant and the decision to increase Council Tax by 1.9%, below the threshold to trigger a referendum, while other members disagreed with increasing Council Tax and felt that while 2/3 of people responding to the consultation in 2011/12 had supported an increase, only a relatively small proportion of residents had responded.

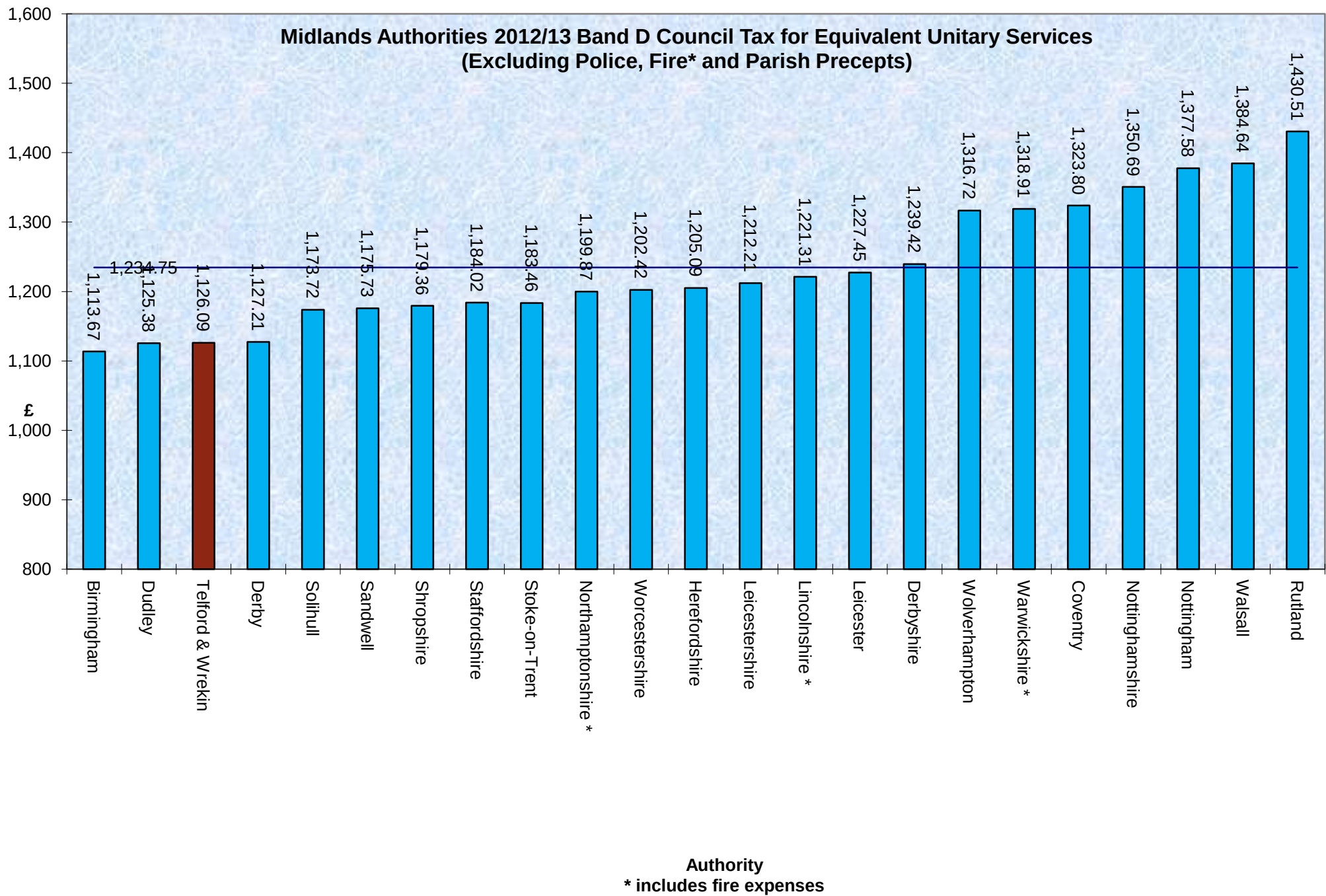
10. The Committee will require the Managing Director to attend a future meeting to discuss how the points raised in this response are being addressed and to discuss the Council's approach to the future budget strategy.
11. Members were assured that the savings targets in Adult Care & Support are achievable and realistic but noted the Cabinet Member's intention to go back to Council if additional money is needed.
12. The Council should continue to lobby government about the particular pressures for Telford & Wrekin and the under-funding from grant damping and population under-count.
13. The Committee supported the deferment of auto-enrolment of existing staff into the pension fund for three years but staff must be told of their right to join.
14. The Committee heard that the Public Health settlement was better than expected. Members recommend that the Council should take the opportunity created by the surplus (planning had been based on an assumption of a lower amount) to link the funding with other Council services which promote health and healthy activities such as leisure.
15. The Committee applauds the fact that 35% cost savings had been made on back-office functions (which is more than the 20% savings made by many other authorities from shared services) but feels that options for sharing services and outsourcing should be more fully explored and the Committee will be looking at this as part of its work programme.
16. The Committee recognise the work in lobbying for funding and grants, for example the £1.5m government investment in the new facilities in Dawley, and there should be no let up in these activities.

The Committee would also like to make a number of operational suggestions relating to specific services areas:

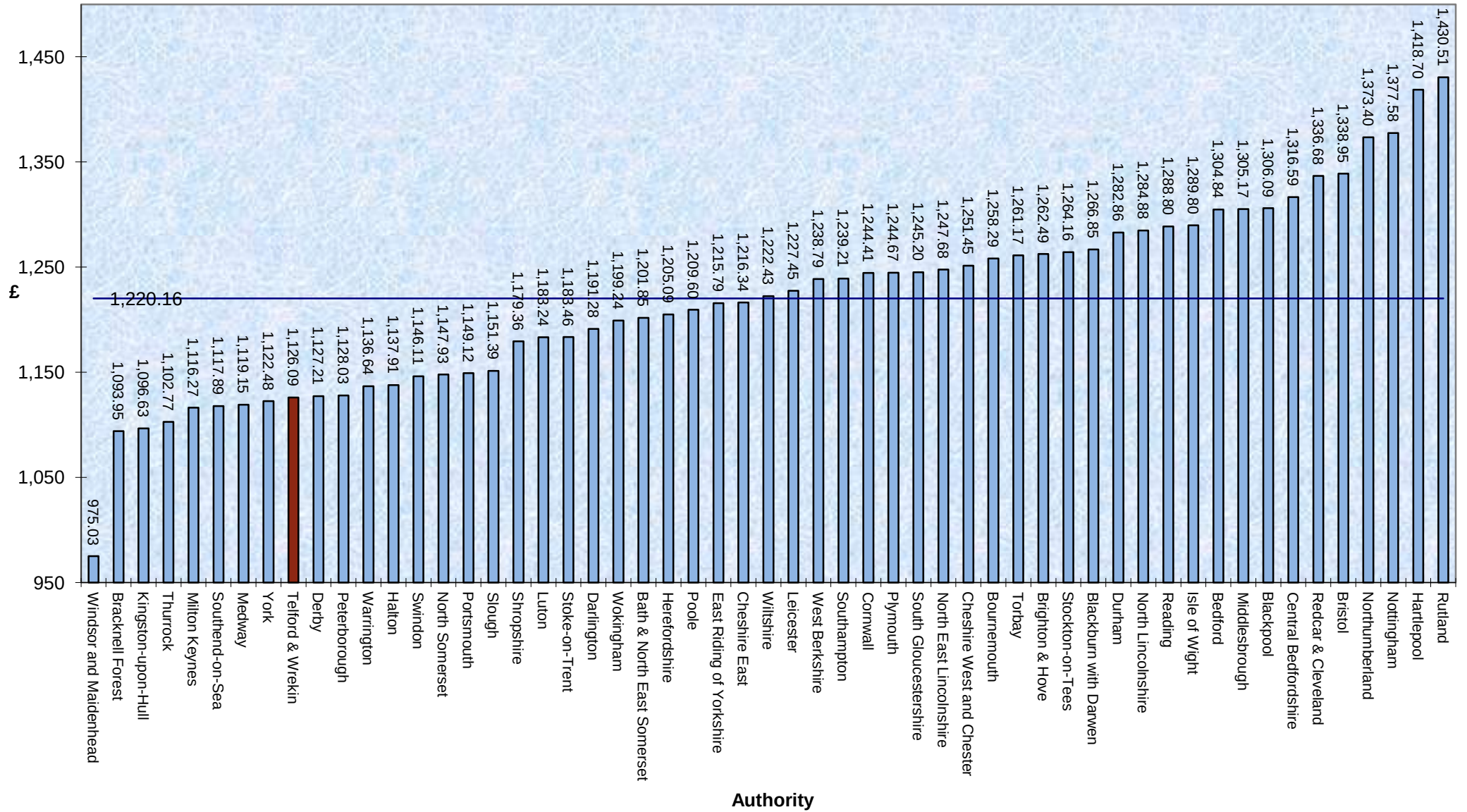
- With regard to the library service, members recommend that in all cases Town & Parish Councils should be approached about joint funding, and that the mobile library (as a second is not affordable) must be used to full potential to reach as many people with mobility problems as possible across the borough.
- Efforts should be made to ensure there is adequate provision of computers in libraries and volunteer support schemes. This is particularly important with the introduction of Universal Credit which requires on-line benefit claims.
- The Council should pursue all avenues for partner funding including the police's fund from the seizure of criminal assets which can fund projects which help reduce crime and anti-social behaviour.

- The use of Oakengates theatre as a meeting venue should be recognised as an opportunity cost for the theatre.

Report prepared by Stephanie Jones, Scrutiny Officer, telephone 01952 383114.



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



Appendix 9a

TELFORD & WREKIN COUNCIL
REVENUE BASE BUDGET

Service Delivery Unit	<u>2013/14</u> <u>GROSS</u> <u>EXPENDITURE</u> <u>£</u>	<u>2013/14</u> <u>GROSS</u> <u>INCOME</u> <u>£</u>	<u>2013/14</u> <u>NET</u> <u>EXPENDITURE</u> <u>£</u>
Public Health	10,616,000	10,616,000	0
Law, Democracy & Public Protection	6,187,680	4,153,630	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	96,485,530	91,863,160	4,622,370
Finance, Audit & Information Governance	5,785,530	5,785,530	0
Care & Support (Adults & Children)	71,364,610	20,445,030	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	4,104,800	2,634,770	1,470,030
Council Wide Items	41,798,350	35,904,170	5,894,180
Netting off of Internal Recharges included above	(32,930,430)	(32,930,430)	0
Total	446,196,450	303,818,490	142,377,960

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
Additional New Homes Bonus	-286
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
Additional NHS Contribution (Lansley Funds)	-371
Operational Properties - NNDR revaluations etc.	501
Procurement costs - recycling and waste	300
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
School Meals	300
Schools ICT	100
Other	290

Base Contingency used to fund ongoing pressures -1,596

2013/14 Base Budget **142,378**

Less Funding:

Council Tax Income (adjusted for CTS)	-48,532
Revenue Support Grant	-50,871
Top Up Payment from Central Government	-2,037
Retained Business Rates	-31,548
Parishes Council Tax Support Funding	516
Collection Fund	-300
Existing services eligible for Public Health Grant	-2,500

Base Funding Gap **7,106**

Appendix 10 - 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		General Working Balances		Balances held to mitigate Specific Risks (linked to the Strategic Risk Register)	Specific Earmarked Service Balances		
£9.9m (47%)		£3.7m (18%)		£5.7m (27%)	£1.6m (8%)		
Capital Funding for BSF	£0.2m	General / Special Fund Balances	£2.0m	Bad Debt Provision	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		
School Funds	£4.4m	Other General Balances	£1.7m	Insurance Fund		£0.7m	
PFI Sinking Fund	£1.2m			Environmental Fund		£0.1m	
Self Insurance Fund	£1.1m			Invest to Save Fund		£0.5m	
Regulatory Funds (S 38)	£0.5m			Education Risk Areas		£1.5m	
Council Tax Collection Account	£0.5m			Capacity		£0.2m	
Early Retirement Fund	£1.0m						
LPSA Reward Grant - LSP	£0.3m						
Other	£0.7m						
Total	£9.9m	Total	£3.7m	Total	£5.7m	Total	£1.6m
Estimated Usage in 2013/14		Estimated Usage in 2013/14		Estimated Usage in 2013/14		Estimated Usage in 2013/14	
£3.3m		£0.0m		£1.0m		£0.9m	
Estimated Usage in Future Years		Estimated Usage in Future Years		Estimated Usage in Future Years		Estimated Usage in Future Years	
£1.4m		£0.0m		£0.3m		£0.3m	
Estimated Balance at 1 April 2015		Estimated Balance at 1 April 2015		Estimated Balance at 1 April 2015		Estimated Balance at 1 April 2015	
£5.2m		£3.7m		£4.4m		£0.4m	
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)		(629,000.00)	Supplementary reserve		
Corporate	Special Fund Bals	Special Fund Balance	2	(360,444.61)		(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)		(1,686,917.32)	General Fund Working Balance		
Corporate	Reserves	Budget Strategy Reserve	2	(823,976.60)		(823,976.60)		(823,976.60)		(823,976.60)	Available for budget strategy		
Corporate	Reserves	General Balances	2			0.00		0.00		0.00	General Balances		
Corporate	Reserves	LABGI	2	(103,099.00)	100,000.00	(3,099.00)		(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)		(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		0.00	One Off contingency for 12/13		
Corporate	Fund Balances	Corporate	2	(122,001.66)		(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 Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	April 2013 Opening Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	April 2014 Opening Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	April 2015 Opening Estimated Closing Balance 31/3/15	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
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 Cnty 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	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	Arthogh Trading Provision	1	(196,033.75)	96,033.75	(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)	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	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	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	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 Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	April 2013 Opening Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	April 2014 Opening Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	April 2015 Opening Estimated Closing Balance 31/3/15	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
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	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	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	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		
				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	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
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	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	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	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	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	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	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	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		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	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

Bad Debts provision		1	2,742,941	H	1.00	based on formulae		2,742,941
Area of Risk	Description	Link to Key Strategic Risks	Estimated Exposure £	Risk Level - H, M, L	FACTOR	Mitigation	Financial Impact of Mitigation £	Net Exposure £
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 10 - 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%) <table><tr><td>Capital Funding for BSF</td><td>£0.2m</td></tr><tr><td>School Funds</td><td>£4.4m</td></tr><tr><td>PFI Sinking Fund</td><td>£1.2m</td></tr><tr><td>Self Insurance Fund</td><td>£1.1m</td></tr><tr><td>Regulatory Funds (S 38)</td><td>£0.5m</td></tr><tr><td>Council Tax Collection Account</td><td>£0.5m</td></tr><tr><td>Early Retirement Fund</td><td>£1.0m</td></tr><tr><td>LPSA Reward Grant - LSP</td><td>£0.3m</td></tr><tr><td>Other</td><td>£0.7m</td></tr><tr><td>Total</td><td>£9.9m</td></tr></table>		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	General Working Balances £3.7m (18%) <table><tr><td>General / Special Fund Balances</td><td>£2.0m</td></tr><tr><td>Other General Balances</td><td>£1.7m</td></tr><tr><td colspan="2"> </td></tr><tr><td>Total</td><td>£3.7m</td></tr></table>		General / Special Fund Balances	£2.0m	Other General Balances	£1.7m			Total	£3.7m	Balances held to mitigate Specific Risks (linked to the Strategic Risk Register) £5.7m (27%) <table><tr><td>Bad Debt Provision</td><td>£2.7m</td></tr><tr><td>Insurance Fund</td><td>£0.7m</td></tr><tr><td>Environmental Fund</td><td>£0.1m</td></tr><tr><td>Invest to Save Fund</td><td>£0.5m</td></tr><tr><td>Education Risk Areas</td><td>£1.5m</td></tr><tr><td>Capacity</td><td>£0.2m</td></tr><tr><td colspan="2"> </td></tr><tr><td>Total</td><td>£5.7m</td></tr></table>	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	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
Capital Funding for BSF	£0.2m																																																
School Funds	£4.4m																																																
PFI Sinking Fund	£1.2m																																																
Self Insurance Fund	£1.1m																																																
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Education Risk Areas	£1.5m																																																
Capacity	£0.2m																																																
Total	£5.7m																																																
Estimated Usage in 2013/14 £3.3m		Estimated Usage in 2013/14 £0.0m		Estimated Usage in 2013/14 £1.0m																																													
Estimated Usage in Future Years £1.4m		Estimated Usage in Future Years £0.0m		Estimated Usage in Future Years £0.3m																																													
Estimated Balance at 1 April 2015 £5.2m		Estimated Balance at 1 April 2015 £3.7m		Estimated Balance at 1 April 2015 £4.4m																																													
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 Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	April 2013 Opening Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	April 2014 Opening Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	April 2015 Opening Estimated Closing Balance 31/3/15	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
	General / Special Fund Balances											
Corporate	Reserves	General Reserve	2	(629,000.00)		(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)		(360,444.61)	Working balance	
Corporate	General Fund Bals	General Fund Balance	2	(3,326,917.32)	1,640,000.00	(1,686,917.32)		(1,686,917.32)		(1,686,917.32)	General Fund Working Balance	Sufficient Forms part of minimum level of balances required; budgeted use in the Medium Term Financial Strategy
Corporate	Reserves	Budget Strategy Reserve	2	(823,976.60)		(823,976.60)		(823,976.60)		(823,976.60)	Available for budget strategy	
Corporate	Reserves	General Balances	2			0.00		0.00		0.00	General Balances	
Corporate	Reserves	LABGI	2	(103,099.00)	100,000.00	(3,099.00)		(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)		(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		0.00	One Off contingency for 12/13	
Corporate	Fund Balances	Corporate	2	(122,001.66)		(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 Actual Closing Balance 31/3/12	Estimated Change during 20012/13 (additions/withdrawals)	April 2013 Opening Estimated Closing Balance 31/3/13	Estimated Change during 20013/14 (additions/withdrawals)	April 2014 Opening Estimated Closing Balance 31/3/14	Estimated Change during 20014/15 (additions/withdrawals)	April 2015 Opening Estimated Closing Balance 31/3/15	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
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 Cnty 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	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	Arthogh Trading Provision	1	(196,033.75)	96,033.75	(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)	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	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	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	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		To cover possible deficits of schools which close in the future.
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	
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.	Funds committed to specific posts - reflects 4 for 3 years
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		
				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	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
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	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	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	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	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	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	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	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		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	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

Bad Debts provision		1	2,742,941	H	1.00	based on formulae		2,742,941
Area of Risk	Description	Link to Key Strategic Risks	Estimated Exposure £	Risk Level - H, M, L	FACTOR	Mitigation	Financial Impact of Mitigation £	Net Exposure £
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

TELFORD & WREKIN COUNCIL

Pay Policy Statement – 2013/14

1. Introduction and Purpose

- 1.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘Statement’) sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.
- 1.2 The purpose of this Statement is to provide transparency about the Council’s approach to setting the pay of its employees (excluding those working in local authority schools and/or employed under the School Teachers’ Pay and Conditions Document) by identifying:
 - the methods by which salaries of all employees are determined;
 - the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation
 - the Board responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.
- 1.3 Once approved by the Council, this policy statement will come into immediate effect and will be subject to review.

2. Legislative Framework

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the equal pay requirements contained within the Equality Act, the Council is taking steps to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality-proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3. Pay Structure

- 3.1 Based on the application of the job evaluation process, the Council uses the nationally negotiated pay spine (further details can be found at www.lge.gov.uk - [Local government pay and conditions](#)) as the basis for its local grading structure. This determines the salaries of the large majority of the non school-based workforce, together with the use of other nationally-defined rates where relevant. There have been no increases in the national pay spine since April 2009.

- 3.2 The Council adheres to national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine.
- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
- 3.4 New appointments will normally be made at the minimum of the relevant grade, although this can be varied in exceptional circumstances, but having regard to the need for equal pay. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4. Senior Management Remuneration

- 4.1** For the purposes of this statement, senior management means 'chief officers' as defined within S.43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1st April 2013:
- a) Managing Director
The salary of the post is £137,000 per annum. The salary is a single 'spot' salary. There is no incremental range.
 - b) Directors
The salaries of the posts designated as Directors are £109,600 per annum. The salaries are single 'spot' salaries and have no incremental range.
 - c) Assistant Directors
The salaries of the posts designated as Assistant Directors have six incremental points ranging from £74,220 to £82,304 per annum. Incremental progression will take place on 1st April each year

5. Recruitment of Chief Officers

- 5.1 The Council's policy and procedures with regard to recruitment of chief officers is set out within the Officer Employment Procedure Rules as set out in Part 4, Section 8 of the Constitution. When recruiting to all posts the Council will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies. At this time there are no market forces supplements paid to any Chief Officers.
- 5.2 Where the Council remains unable to recruit chief officers under a contract of employment, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any chief officers engaged under such arrangements.

6. Additions to Salary of Chief Officers

- 6.1 The Council does not apply any bonuses or performance-related pay to its chief officers.
- 6.2 In addition to the basic salary set out above, details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of duties are as follows:

Post / Tier of Post	Payment Details:
Managing Director	Details of Returning Officer Fees are attached at Appendix A
Managing Director, Directors and Assistant Directors	Casual Car User Mileage Rates are attached at Appendix B
Managing Director, Directors and Assistant Directors	Personal protection of pay within defined parameters will apply where an individual is downgraded as a result of a re-structuring process for a period of up to 5 years.

7. Payments on Termination

- 7.1 The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- 7.2 Any other payments falling outside the provisions or the relevant periods of contractual notice shall, in respect of the Managing Director, Directors and Statutory Officers, be subject to a decision made by the Personnel Board which has otherwise delegated authority to approve such payments to other Chief Officers to the Managing Director.
- 7.3 The Council's policy is not to re-employ, for a period of at least 12 months after their employment with Telford & Wrekin Council ends, anyone who has been made redundant or who has left the Council in the interest of the efficiency of service where a severance payment has been made in accordance with the Council's policy under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 or under Regulation 30 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, as amended. The re-engagement of an individual on a consultancy, agency or private service provider basis is also prohibited in circumstances where this arrangement could have reasonably been foreseen at the time the individual left.
- 7.4 Flexible retirement under Regulation 18 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, as amended, will be permitted only where savings to fund the cost of such release are achieved.

8. Publication

- 8.1 Upon approval by the full Council, this statement will be published on the Council's Website. In addition, for members of the Council's Senior Management Team where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of:
- salary, fees or allowances paid to or receivable in the current and previous year;
 - any bonuses so paid or receivable in the current and previous year (nb the Council does not operate a bonus system);
 - any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - any compensation for loss of employment and any other payments connected with termination;

- any benefits received that do not fall within the above
- 8.2 This information will be listed individually by job title where the salary is £50,000 or more. Persons whose salary is £150,000 or more will be identified by name.

9. Lowest Paid Employees

- 9.1 The lowest paid persons employed under a contract of employment with the Council are employed on full-time (37 hour per week) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1st April 2013, this is £12,312 per annum. The Council employs Apprentices who are not included within the definition of 'lowest paid employees' as they are employed under a Training Contract
- 9.2 The statutory guidance under the Localism Act 2011 recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation.
- 9.3 The pay levels within the Council as at 1st April 2013 define the multiple between the lowest paid (full time equivalent) employee and the Managing Director as 1:11 and; between the lowest paid employee and average Chief Officer as 1:7. The Council's pay multiples therefore fall well below Lord Hutton's public sector threshold set out in 9.2.
- 9.4 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

10. Accountability and Decision Making

- 10.1 In accordance with the Constitution of the Council, the Personnel Board is responsible for decision-making in relation to the recruitment, pay, terms and conditions and severance arrangements for employees of the Council.

Statement to be agreed by full Council Meeting held on 7th March 2013

APPENDIX A**LOCAL GOVERNMENT ACT 1972****Unitary Council – Electoral Fees**

Scale of Fees and Disbursements for Elections with effect from 1st April 2009.

PART A – RETURNING OFFICER’S FEES

Fee for conducting the election and generally performing the duties required by an enactment relating to the election or poll and including all expenses other than those specifically mentioned in Part ‘C’ below.

		£
1.	<u>Uncontested Elections</u> For each ward	134.00
2.	<u>Contested Elections</u> For each ward	234.00
3.	<u>Declaration of Results</u> To the Deputy Returning Officer in charge of counting the votes and declaring the result (or where this function is performed by the Returning Officer personally, to the Returning Officer) For each ward	99.00

Parish Councils – Electoral Fees

Scale of Fees and Disbursements for Parish Council Elections and Polls with effect from 1 April 2009. Fees for Parish Elections are paid by Parish Councils.

PART A – RETURNING OFFICER’S FEES

		£
1.	<u>Uncontested Parish Elections</u> (i) For each parish or where the parish is divided into wards, for each ward	50.00
2.	<u>Contested Parish Elections</u> (i) For each parish or where the parish is divided into wards, for each ward	100.00
3.	<u>Polls Consequent on a Parish Meeting</u> (i) Where official notice of a poll has been received but no poll is taken in consequence of the withdrawal of a	23.00

	candidate or otherwise	
	(ii) For every poll taken for the election of the chairman of a parish meeting or for an appointment to any other office	54.00
	(iii) For every poll taken consequent on a parish meeting on any question other than as mentioned in paragraph 3(ii)	54.00
	(iv) In the case of a poll to which either paragraph 3(ii) or (iii) applies, for each additional polling station after the first	11.00
	Notes: 1. If a poll is taken on the same date in any parish on more than one question then only one fee shall be charged under paragraph 3(iii) 2. If polls are taken on the same day in any parish for the election or appointment of persons to more than one office, then separate fees shall be payable under paragraph 3(ii) for each poll 3. Where polls are taken in any parish on the same day for the election or appointment of persons to any office <u>and</u> on any other questions consequent on a parish meeting, separate fees shall be payable under paragraphs 3(ii) and (iii) but only one fee shall be payable under paragraph 3(iv) in respect of each additional polling station	

APPENDIX B

Car user Allowances

Nationally there are three bands of allowance paid to employees required to use their private vehicle for Council business. Telford & Wrekin Council only applies the highest band to the few remaining employees on Wrekin conditions if they drive vehicles above 1200cc. The allowances paid are the same for all employees whatever their level in the organisation.

	<u>451 - 999cc</u>	<u><1199cc</u>	<u>1200cc +</u>
<u>Essential Users</u>			
Lump sum per annum	£846	£963	£1239
per mile first 8,500	36.9p	40.9p	50.5p
per mile after 8,500	13.7p	14.4p	16.4p
<u>Casual Users</u>			
per mile first 8,500	46.9p	52.2p	65p
per mile after 8,500	13.7p	14.4p	16.4p

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 reduce the choice for some individuals who may have to go into residential provision and not be able to continue to live in their own homes unless their relatives/carers are able and wish to provide additional funding or support.
- 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 12b Care & Support Policy & Procedure Document

Policy & Procedure Title	:	Adult Care & Support Community Care Policy & Procedure
Policy & Procedure Ref:	:	30: Community Care
Date IIA Approved by Line Manager:	:	
Date CIA Approved by HoS	:	
Intranet Location:	:	Adult Care and Support pages (pending new Community Care Process page) and CC Handbook
Internet Location:	:	TBC
Associated Public Info Ref N^o	:	TBC
Date Established:	:	August 2004
Date Last Amended:	:	July 2012
Date of Next Review:	:	September 2014
Safeguarding & Quality Assurance Validation:	:	
Legal Sign off by	:	
Finance Sign off by	:	N/A
Owner:	:	Assistant Director: Social Care Specialist
Approver:	:	Assistant Director: Care and Support

1. POLICY STATEMENT

- This policy explains the Council's approach to the delivery of Community Care services as laid down by the NHS & Community Care Act 1990 and other relevant legislation. It also sets out our approach to meeting the recommendations and principles set out in the Think Local, Act Personal guidance for Transforming Adult Social Care and the recently published Government White Paper.
- This Policy is an overarching statement relevant to all of Adult Social Services. It explains in general terms the approach taken by the Council to meet the objectives laid down for Social Services by the Department of Health (DoH) in respect of services for adults within Caring for Our Future, Think Local, Act Personal and the wider Personalisation agenda.
- The Council has other social services responsibilities to adults that can run separately or in parallel to its community care responsibilities, including the protection of vulnerable adults (see Adult Protection, Mental Capacity and Deprivation of Liberty Safeguards policies), services for carers (see Carers policy), the delivery of mental health services (see Joint Policies produced by the Partnership Policy Committee), delivery of Drug and Alcohol Recovery Services (DARS), Continuing Health Care (CHC) arrangements, financial assessment & charging, the delivery of Supporting People Services and delivery of transition services for young people from the age of 14 prior to moving into adult services at the age of 18.
- A range of other policies & procedures flow out of this policy and are either part of the Community Care process or are stand alone policies and procedures. Although these

sit outside of the community care process, they do, and will continue to contribute to the community care process where an individual's needs are assessed as requiring input from these services e.g. Drug & Alcohol Recovery Services (see **Appendix 3: Adult Care & Support Process**).

- The Government White paper 'Caring For Our Future: Reforming Care and Support' published in July 2012 supports the approach set out within this policy with the key principles of :-
 - **Health, wellbeing, independence and rights** so that individuals are at the heart of care and support including timely and effective interventions
 - People are treated with **dignity and respect** and are safe from abuse and neglect
 - **Personalisation** is achieved where individuals have real choice and control over the care and support they need to achieve their goals
 - **Skills, resources and networks** in every community are harnessed and strengthened to support people to live well and contribute to their communities where they can
 - **Carers** are recognised for their contribution to society and are supported to reach their full potential
 - A **caring, skilled and valued workforce** delivering high quality care and support in partnership with individuals, families and communities
- It should be noted that the approach set out within the Government White Paper is a long term vision with some initiatives not due until 2015 or beyond. It is recognised that the detail of some of these initiatives e.g. introduction of a national minimum eligibility threshold, Government start up funding for online care and support information, Social Impact Bonds, Care & Support Housing Fund, legislation giving entitlement to a personal budget are not yet known, but will have a potential significant impact on this and other operational policies. Similarly, a comprehensive modernisation of care and support law is proposed by the draft Care & Support Bill. Therefore, an unscheduled review of this policy will be undertaken to take account of any significant changes emerging from these developments over the coming months/years.

2. PURPOSE OF THE POLICY

2.1 This policy sets out a high level overview of the community care process which has recently been significantly reviewed and updated to reflect key changes in legislation and best practice issued by the Department of Health with a focus on delivering preventative services to ensure individual's needs do not escalate unnecessarily to on-going, high level support needs. This demonstrates the Councils shift in focus to enabling as many people as possible to live independently, stay active and healthy with an active involvement in their communities for longer, and delaying or avoiding the need for targeted services whilst ensuring that those individuals who do need targeted support are given the appropriate information, means and confidence to direct their own support. For most people, enablement will be a key process to determine what on going support needs are required. **Where people choose not to engage with the enablement process, on going services will not normally be provided by the council.**

2.2 Telford and Wrekin endorse the 7 key principles set out in the Government Vision For Social Care document required for a modern social care system (see section 7.1) and the following key themes highlighted in the 'Making It Real' and the Government White Paper 'Caring for Our Future' - it is these principles which underpin our overall approach:-

1. **Information & Advice** – access to easy to understand, consistent, accurate and up to date information in order that individuals feel able to make well informed decisions and enabling individuals to help themselves
2. **Active and Supportive Communities** – access to a range of support networks including carers, family, friends and the wider community to help them live the life they want and continue to be a contributing member of society (this is covered in more detail within our My Community Policy & Procedure (ref 31))
3. **Flexible and Integrated Care & Support** – ability to exercise maximum choice over how they are supported
4. **Workforce** – support is delivered by a competent workforce
5. **Risk Enablement** – supported to manage risks and plan for crisis before it occurs whilst maintaining choice and independence
6. **Personal Budgets and Self Funding** – Individuals know the amount of money available to them and can determine how this is used, with support where necessary, regardless of the source of funding or whether the individual pays for their own services in full.

2.3 The procedure set out below is based on the above principles which are endorsed by Telford & Wrekin Council. In following these principles, the Council aims to:-

- Secure greater co-operation and better use of **resources** across public services to improve individuals and their families' experiences. This includes housing, leisure, culture, transport, health, welfare benefits, employment support, social care and community safety throughout the community care process and in particular as part of the 'My Community' aspect of the community care process (see process map at **Appendix 2**) and the 'My Community' Policy & Procedure (ref 31).
- As a Co-operative Council, we will encourage and help local communities, groups and external providers to work in **partnership** with us to provide networks of support, to help people improve their health and well-being, and to reduce their need for more acute care and health services
- Actively **involve** people, carers, families and communities in the design, development, delivery and review of innovative care and support arrangements to maximise choice and independence and utilise the widest range of resources
- Ensure that the general public, service users, carers and their families have the **information and advice** they need to make informed care and support decisions which work for them, regardless of who is paying for the care. This includes helping them to make the best use of their own resources to support their independence and reduce their need for long-term care
- Provide everyone who may need to access social services the opportunity to receive **Reablement & Prevention services** according to their need. This may be from a few days up to a maximum of 28 days free of charge, in order that they can receive short term support with the aim of maintaining their own independence in the long term and preventing their needs escalating to the point of requiring acute or on-going services
- Ensure that access to **low level and preventative services** is easily accessible without the need for assessment wherever possible
- Facilitate a broad range of **choice** in the local care and support market, including housing options, and personalise the way in which care and support services are delivered wherever people live

- Wherever possible, individuals are given **choice and control** on how their finances are managed as well as receiving transparent information in relation to their financial contributions and the cost of services, allowing real choice and control over their services and finances.
- Ensure those people eligible for ongoing council social care funding receive this via a **personal budget** (either as a direct payment or a managed account or a mixture of both) allowing them to exercise the same amount of choice and control as those who pay for their own care.
- It should however be noted that the Council aims to secure the most cost effective package of services that meets the users needs whilst taking account of service user preferences wherever possible. This must be within available resources which may sometimes involve difficult decisions where a balance has to be struck between meeting identified needs within available resources and meeting the care preferences of the individual service user. Although each individual's circumstances will be considered on a case by case basis, the following principle will be applied:-
 - The maximum cost to Telford & Wrekin Council for community based care packages should in all but exceptional cases, be no more than the cost of a care home placement per week to Telford & Wrekin Council (excluding Funded Nursing Care or other NHS contribution)

Where an individual who is subject to the above principle wishes to remain in the community but they or their family does not want to top up the care package to the level of that recommended as result of the assessment, a risk assessment must be carried out to ensure we do not fund or part fund a care package that puts the service user or care staff an unacceptable risk (please refer to our risk assessment policy and procedure).

It is recognised that there may be exceptional circumstances where alternatives will be considered but this must be agreed by the budget holder. Social Services reserve the right to review all care packages and provide a cheaper alternative so long as this will continue to meet the needs of the service user.

- Enable individuals who pay for their own care to have access to the services described in this policy though there may be a charge made for these services depending on individual circumstances (see guiding principles above).

These key principles underpin our Personalisation model (see **Appendix 1**) which was developed in conjunction with service users as part of our Putting People First (PPF) Project and forms the basis of this policy and associated procedure.

2.4 How will we meet these objectives?

Our approach has an emphasis on effective prevention and intervention with a greater focus on enabling self-help and self service for those individuals who are able to do so. Where long-term support is required, the Council will aim to deliver it in a way that is cost effective and will enable the people who use services to remain in their home, wherever possible.

In order to meet the principles set out above, a significant restructure has been undertaken following extensive consultation to ensure that resources are appropriately organised to enable a focus on Reablement & Prevention rather than resources being organised by

client group. This allows more flexibility and cross working in order to deliver a personalised service. The process that community care services will be delivered through is known as, the “Community Care Process”. There are a number of stages in this process that are illustrated in the high level process map (**Appendix 2**) and medium level process maps (**Appendix 4**) and described in more detail at section 5 of this policy. Operational policies and procedures apply to each of these stages (see section 7.1).

The list below highlights the key stages of the community care process as well as which team/s are responsible for each stage. However, it should be noted that not everyone will pass through every stage and neither will the stages necessarily occur in this order as this will very much depend on the individual’s needs and circumstances:-

- 1) Information and advice** (delivered by the wider community, Access Team and wider Council Services e.g. Contact Point, Customer Services etc)
- 2) Referral and access** (delivered by the Access Team and the Home From Hospital Team)
- 3) Reablement and prevention** (delivered by the Reablement & Prevention Teams)
- 4) Personal Budget support** (delivered by the Personal Budget Support Team (PBS) (and Assessment & Case Management Teams)
- 5) Assessment and eligibility** (undertaken by the Assessment & Case Management and Financial Case Management Teams)
- 6) On-going care and review** (undertaken by the Assessment & Case Management teams)

Ultimately, our ambition is that everyone is able to:-

- ❖ Live independently
- ❖ Stay healthy and recover quickly from illness
- ❖ Exercise maximum control over their own life and where appropriate the lives of their family members
- ❖ Participate as active and equal citizens both economically and socially
- ❖ Have the best possible quality of life irrespective of illness or disability and;
- ❖ Retain maximum dignity and respect

3. POLICY INFORMATION

3.1 Who does the policy apply to?

- Telford and Wrekin Council is the Authority responsible for the delivery of community care services for adults (people aged 18 years and over) normally resident in the Borough.
- The following people may require community care support as a result of illness, frailty or substantial disability:
 - Older People (65 years +)
 - People with a Physical Disability
 - People with a Sensory Disability
 - People with a Learning Disability
 - People who have mental health problems
 - People who have problems resulting from excessive misuse of drugs and/or alcohol
 - Young people in transition who will bring community care needs into adulthood
 - Carers
 - Children who are carers of adults

This policy applies to all adult care and support service delivery units as follows:

- Access & Enablement
- Assessment & Case Management
- Personalisation Support & Service Provision
- Adult Safeguarding
- Commissioning Services

3.1 Service-Specific Information

This policy applies to all Care and Support Services.

4. PROCEDURE STATEMENT

This procedure provides a consistent, transparent and equitable approach to the delivery of social services as part of the community care process and is supported by operational policies and procedures in relation to each aspect of the overarching process e.g. information and advice, referral and access, reablement & prevention, personal budget support, assessment and eligibility & on-going care and review.

It should be noted that where an individual has primarily health care needs, these will be assessed by the local health services and not via the Council's Community Care Process. These health care needs may be eligible for full Continuing Health Care (CHC) funding by the NHS or where the individual is placed in nursing home care, Free Nursing Care (FNC) funding from the NHS can pay a proportion of the cost. Some health related needs should also be met by the NHS as part of a joint package of care – further details of the CHC & FNC process are available within the CHC & FNC Process Guides.

5. PROCEDURE DETAILS

5.1 The overarching Community Care process consists of five key stages through which most individuals will pass (see **Appendix 2**). It is recognised that not every individual who contacts our services will pass through every stage – the advice, information and support provided will be tailored to individuals' needs dependent upon the nature and level of need. It is the Council's aspiration to ensure that wherever possible, individuals' needs are addressed at first point of contact with recognition that where this is not appropriate, referral to the Rehabilitation and Prevention Team will prevent the individuals' needs from escalating and encourage independent living wherever possible.

Despite not all stages of the process being appropriate for every individual, each stage is delivered in such a way as to ensure that every individual is dealt with in a transparent, efficient way. Every individual receives a personalised service which meets their own needs whilst aiming to give every individual as much choice and control over their own care and support as possible throughout the process. It is the Council's aspiration that individuals will maintain real choice and control over their own lives and decisions around their care and support throughout the Community Care process.

5.2 The key stages below will be delivered by corresponding teams with timely intervention and support from the Financial Case Management and Personal Budget Support teams. It is recognised that any team playing a part in the community care process may contribute to an individual's care and support particularly those teams who do not directly form part of the community care process but whose services are inextricably linked e.g. Drug and Alcohol Rehabilitation Services (DARS) (See diagram at **Appendix 3**).

The following sections give a brief breakdown of the services provided at each stage of the community care process by team. However, it should be noted that for each stage of this process, there is a more detailed operational policy and procedure (see section 7.1). In addition, for each stage, there is a medium level process map at **Appendix 4:-**

5.3 Referral and Access

5.3.1 **Information and Advice** – ensure that accurate, easy to understand information about community resources and social services care & support is easily available to citizens to give them real autonomy and choice whilst enabling them to make informed choices about their care and support. This information will be made available on the Council's website through the My Life portal which will be accessible by members of the public and professionals alike. This will enable individuals to decide whether or not they need to contact Social Services for further help, advice and guidance. This links closely to the Council's Co-operative Council approach, encouraging local communities to play a significant role in contributing to and planning services for the Borough (this aspect of the process is referred to as 'My Community' on the process map at **Appendix 2** and is covered by an operational 'My Community' Policy & Procedure).

5.3.2 **Access** -Where information is not available or further support is required, contact can be made with our Access team which provides a single point of contact for all adult care and support services – this provides the public with a single point of contact for all queries. The Access team aims to resolve as many enquiries as possible at the first point of contact by providing high quality information and advice and signposting citizens to sources of community support such as community/ voluntary organisations and community groups. The role of the access team is to:-

- Receive all initial enquiries made to social services whether from carers, service users or members of the public
- Receive vulnerable adult referrals
- Screen information and establish if a referral is appropriate
- Where appropriate, offer information and advice, signpost queries to other agencies, community resources
- Ensure that individuals are signposted to appropriate services when discharged from hospital (this is undertaken by the Home from Hospital Team)
- Where queries cannot be resolved at first point of contact, undertake a contact assessment to determine whether the query can be resolved through appropriate advice & information and/or signposting to a low level service
- Where appropriate, make a referral to the Reablement & Prevention Service (See para 5.4.1 below) and the Financial Case Management Team for further intervention/assessment
- In emergency situations or where the individual clearly has high level needs, also make a referral into the Assessment & Case Management service (see 5.5.1 below)

For more detailed information on the Referral and Access process, please refer to the 'Referral and Access' Policy & Procedure (see Section 7.1) and the process map shown at **Appendix 4**.

5.4 Reablement & Prevention

5.4.1 Referral to the Reablement and Prevention Team will be made by Access or Assessment & Case Management in order to maximise and increase the individual's independence before identifying and putting in place arrangements to maintain independent living. Reablement covers a range of short-term interventions which help people recover their skills and confidence after an episode of poor health, admission to hospital, or bereavement. Reablement can help people to continue to live independently in their own homes without the need for an ongoing social care support package. During this time, the Financial Case Management Team will also help to maximise income and establish an individual's assessed contribution to the cost of any on going care required. Where an individual (following reablement) still requires longer-term care, the individual will be referred into the Assessment & Case Management Team (See 5.5 below). The role of the enablement team is to:-

- Receive referrals from the Access Team where basic low level services will not meet their needs
- Receive referrals from the Assessment & Case Management team where an individual is assessed as requiring reablement or prevention services
- Undertake and co-ordinate full assessment of the individual which could include Occupational Therapy assessment, Nursing Assessment, Social Work Assessment and/or Physiotherapy assessment to inform the individuals reablement plan
- Identification of carers and offer carers assessments
- Deliver free short term (up to 28 days) reablement, rehabilitation and preventative services in order to help individuals return to live independently in their own home
- Where on-going need is identified and longer term services are required undertake a Fair Access to Care Services (FACS) assessment to determine eligibility
- Co-ordinate and produce a support plan with the individual taking account of provisional funding arrangements
- With the assistance of the Personal Budget Support Team identify, agree and arrange services with the individual to meet their individual support plan requirements
- Once a support plan is in place and services arranged, handover case to Assessment & Case Management for on-going monitoring/assessment (see Section 5.5 below).

For more detailed information on the Reablement and Prevention process, please refer to the 'Reablement and Prevention' Operational Policy & Procedure (see Section 7.1) and process map shown at **Appendix 4**.

5.5 Assessment & Case Management

5.5.1 Assessment and Case Management will deal with those individuals whose needs cannot be met through Reablement, Rehabilitation or Prevention services and who require longer term care. This team consists of social workers and other professional staff who will focus on assessment of need, determination of eligibility, case management and review of services. The role of Assessment and Case Management includes:-

- Receiving referrals where individuals require on-going services past the initial reablement service provision

- Arranging specialist assessments when required e.g. Mental Health Act assessments, capacity assessments, best interest assessments and DoLS assessments
- Where individuals have primarily Health needs, refer them to health for an assessment in accordance with the Continuing Health Care process
- Case management role, providing support and advice to individuals based on their individual needs (which may change over a period of time)
- Working with individuals to understand and manage any known risks
- Acting as Investigating Worker in cases referred into the adult protection process
- Identification of carers and offer carers assessments
- Evaluate assessment information to determine eligibility against FACS (See Assessment & Eligibility Operational Policy & Procedure at section 7.1)
- Work closely with the Personal Budget Support (PBS) Team to ensure the individual continues to manage their own budgets effectively and that when their needs change, options are explored with the individual in terms of services available to them and the cost of those services.
- Consider the need for further assessment by the Reablement and Prevention team to maximise independence
- Support planning by working with the individual, their carers and other relevant professionals to discuss and arrange an appropriate support plan that the individual feels will best meet their needs
- Working with the PBS team to arrange services where required to meet agreed needs set out in the support plan
- Identify changes in needs and any resulting change in services (with referral to the Personal Budget Support Team where service changes are required - see 'Personal Budget Support' Policy at section 5.7 below).
- Undertake the first initial review following the set up of care arrangements in line with the On-going Care & Review Policy as well as undertaking regular (at least annual) reviews of individuals care and support in liaison with other relevant professionals, the individual, carers and family members to re-assess on-going care needs and eligibility for services and ensure that services remain essential and appropriate.

5.6 Personal Budget Support Team and Financial Case Management

5.6.1 An individual will require involvement from the Financial Case Management Team as soon as it seems likely they will need on going services to establish how much they will need to contribute to their personal budget to pay towards on-going services to meet FACS eligible needs. The Personal Budget Support Team will use the support plan developed between the individual and the enablement / assessment teams to help them set up these services. The Personal Budget Support Team will also provide the same support for individuals who fund their own care services using a personal budget, however, there may be a charge for this service depending on the individual's circumstances and nature of the support required (see para 2.3 above).

5.6.2 The Financial Case Management Team

A referral will be made to the Financial Case Management Team by Access Services at the same time that the individual is referred to Reablement & Prevention Services. The Financial Case Management Team will then continue to work with the individual past their reablement phase if they have on-going support needs.

The Financial Case Management team will undertake:-

- Financial assessments
- Highlight any opportunities for individuals to follow up to maximise their income
- Determine the individual's personal financial contribution to the cost of services (this is undertaken during the reablement phase as a provisional contribution and re-assessed/confirmed during assessment and case management phase if the individual does require on-going care and support see Charging policy and procedure at section 7.1)
- Arranging income collection from service users
- Where there is no one else able or appropriate to take on the role, to take on appointeeship or Court of Protection roles
- Undertake annual reviews of the individual's financial assessment to ensure it remains accurate
- Share information with the Personal Budget Support Team to support the setting up of services

5.6.3 The Personal Budget Support Team

Referral to this service may be made by Reablement & Prevention Services or the Assessment & Case Management Team.

The Personal Budget Support Team will assist service users to find the personalised services they need to meet their assessed needs and make sure they are delivered effectively and efficiently. They will:-

- Provide a Direct Payment service to include assisting people to set up care arrangements, payroll support, audit of use of budget
- Provide a brokerage service and help service users to set up services (service agreements) following the establishment of a personal budget to meet detailed support plans produced by Reablement or Assessment teams and brokerage support to the Enablement Team in setting up interim services
- Where the outcome of the support plan is nursing home care, ensure that a referral has been made to the NHS for an assessment for eligibility for Free Nursing Care in line with the FNC process Guide
- Where appropriate/possible, work with Commissioning and Contracts Services to negotiate contract costs, contracts with service providers and set up contracts with the chosen provider on behalf of the Council whilst seeking the best possible rates for the service user
- Monitor service delivery against individual care contracts and payment of bills from service providers
- Support the service user to make changes to their care arrangements within the agreed support plans and budget commitment (this will include reduction of care costs but not increases)
- Refer individuals back to the Assessment and Case Management Team for unscheduled review where changes require reassessment or increased budget commitment
- Arranging timely payment to providers for services provided to meet contract obligations
- Monitor service provision and trends in order to assist Commissioning Services in planning for future demand

For further information and detail in relation to each of the areas outlined above, please refer to the Financial Case Management and Personal Budget Support Team Policies and Procedures as listed at section 7.1 of this policy and reflected within the process maps at **Appendix 4**.

5.7 Commissioning Services

It is also recognised that although not part of the Community Care Process, Commissioning Services have a significant role to play in developing and encouraging services which are flexible, responsive and person centred in order to meet the needs of individuals as part of our new ways of working. It is crucial that there are services available within the community which can be tailored to meet the needs of individual service users to meet the expectations of our new approach. In order to achieve this, Commissioning will link particularly closely with the Personal Budget Support Team who will act as brokers for individuals and will therefore be aware of services required by service users, gaps in the current provider market and preferences expressed by service users. This information will be used by commissioners in order to develop, shape and encourage service provision to meet any gaps in the market as well as developing micro markets of smaller providers who may be able to provide more specialist services not currently available. Commissioning Services are described in more detail within the Commissioning and Contracting Policy & Procedure.

6 POLICY IMPLICATIONS

6.1 Legal Implications

This policy outlines the Authorities obligations for provision of social services in line with the NHS & Community Care Act 1990 and other relevant legislation. It is recognised that the Government's draft Care & Support Bill may place further/amended obligations on Local Authorities in due course. Once this is finalised, this policy will be amended accordingly.

6.2 Finance and Value for Money Implications

The aim of this procedure is to reduce individuals' need for high level intensive care and support (which can be high in cost) by providing preventative services which aim to rehabilitate and reable the individual to live independently wherever possible and avoid their care needs escalating to high dependency care. Although this may result in a reduction in the use of high intensity, expensive care packages, the anticipated savings are being re-diverted into investing in the Authority's Reablement and Preventative services as well as into community developments and encouraging/enabling development of support mechanisms within the community.

6.3 Economic Impact

It is anticipated that the personalised approach being implemented via the Community Care process will ensure that each individual is able to continue to play an active part in their own community as well as achieving their own personal goals and outcomes which for those of working age, may include gaining employment or training which in turn will support and develop their own local community and economy.

In order to provide a wide range of services which allow a flexible approach to meeting individuals' needs, the Council is committed as part of its Co-operative Council approach to investing in, encouraging and shaping a varied market of providers including smaller social enterprises in order to meet the needs of the community as a whole.

6.4 Environmental Impact

There are no environmental impacts associated with this policy.

6.5 Other Impacts

There are no other impacts associated with this policy.

7. CROSS REFERENCE INFORMATION

7.1 Standards

- General Social Care Council (GSCC) Codes of Practice see the following link:
<http://www.gsccl.org.uk/codes/Get+copies+of+our+codes>

7.2 Legislation

Assessment

- National Health Service & Community Care Act 1990
<http://www.legislation.gov.uk/ukpga/1990/19/contents>
- Disabled Persons (Services Consultation and Representation) Act 1986
<http://www.legislation.gov.uk/ukpga/1986/33>
- Mental Health Act 1983
http://www.dh.gov.uk/en/Publicationsandstatistics/Legislation/Actsandbills/DH_4002034
- Mental Capacity Act 2005 <http://www.legislation.gov.uk/ukpga/2005/9/contents>

Carers

- Carers (Recognition and Services) Act 1995
<http://www.legislation.gov.uk/ukpga/1995/12/contents>
- Carers (Equal Opportunities) Act 2004
<http://www.legislation.gov.uk/ukpga/2004/15/contents>

Service provision

- Disabled persons (Employment) Act 1944 <http://www.legislation.gov.uk/ukpga/Geo6/7-8/10>
- National Assistance Act 1948 <http://www.legislation.gov.uk/ukpga/Geo6/11-12/29>
- Health Service and Public Health Act 1968
<http://www.legislation.gov.uk/ukpga/1968/46>
- Chronically Sick and Disabled Persons Act 1970
<http://www.legislation.gov.uk/ukpga/1970/44>
- National Health Service Act 2006 <http://www.legislation.gov.uk/ukpga/1977/49> -
- Health and Social Services and Social Security Adjudications Act 1983
<http://www.legislation.gov.uk/ukpga/1983/41>
- Community Care (Direct Payments) Act 1996
<http://www.legislation.gov.uk/ukpga/1996/30/contents>
- Health and Social Care Act 2012
<http://www.legislation.gov.uk/ukpga/2012/7/contents/enacted>
- LAC (2002) 13 - Fair Access to Care Services – guidance on eligibility criteria for adult social care
http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/Localauthoritysocialservicesletters/DH_4004734

7.3 Systems Implications

Please refer to the CareFirst user guide for guidance on recording the Community Care process onto the CareFirst system. Also refer to the CareAssess guidance when recording on CareAssess. All information and guidance relating to Adult Social Services Systems can be found on the following intranet page:-

<http://ecouncil/AdultSocialCareDelivery/AdultSocialCareSystems/Pages/default.aspx>

7.4 Other Relevant Documents

- Adult Care & Support Directory
http://www.telford.gov.uk/info/100010/health_and_social_care/1160/adult_care_and_support_directory
- Making It real
<http://www.thinklocalactpersonal.org.uk/library/Resources/Personalisation/TLAP/MakingItReal.pdf>
- Think Local Act Personal
http://www.thinklocalactpersonal.org.uk/library/PPF/NCAS/Partnership_agreement_easy_read_1_November_2010.pdf
- Caring for our Future White Paper
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@pg/documents/digitalasset/dh_130455.pdf
- The Commission on Funding of Care and Support
<http://www.dilnotcommission.dh.gov.uk/our-report/>
- A Vision for Adult Social Care: Capable Communities and Active Citizens
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_121971.pdf

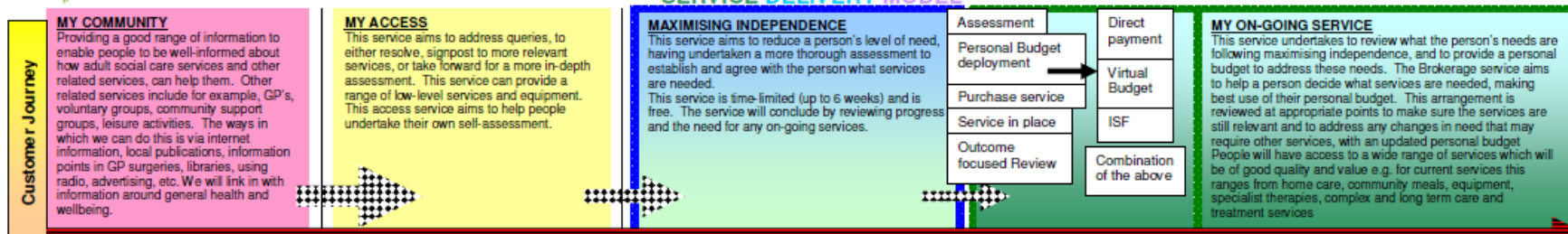
7.5 Linked Policies

- Adult Protection Policy & Procedure
<http://ecouncil/SafeguardingAndCorporateParenting/SafeguardingAdvisory/Pages/SafeguardingandAdultProtection.aspx>
- Joint Mental Health Policies & Procedures
<http://ecouncil/AdultSocialCareDelivery/Pages/default.aspx>
- In-house Provider Policies & Procedures (TBC)
- Supporting People Policies & Procedures
- Fairer Charging Policy
<http://extranet/CommunityCareHandbook/CommunityCareHandbook/Chapter%207%20Charging.doc>
- My Community Policy & Procedure (TBC)
- Referral and Access Operational Policy & Procedure (TBC)
- Reablement & Prevention Operational Policy & Procedure (TBC)
- Assessment & Eligibility Operational Policy & Procedure (TBC)
- Personal Budget Support Team Operational Policy & Procedure (TBC)
- Financial Case Management Operational Policy & Procedure (TBC)
- On-going Care and Review Operational Policy & Procedure (TBC)
- Risk Assessment & Management Policy & Procedure (TBC)
- Commissioning & Contracting Policy & Procedure (TBC)

APPENDIX 1: PUTTING PEOPLE FIRST SERVICE DELIVERY MODEL

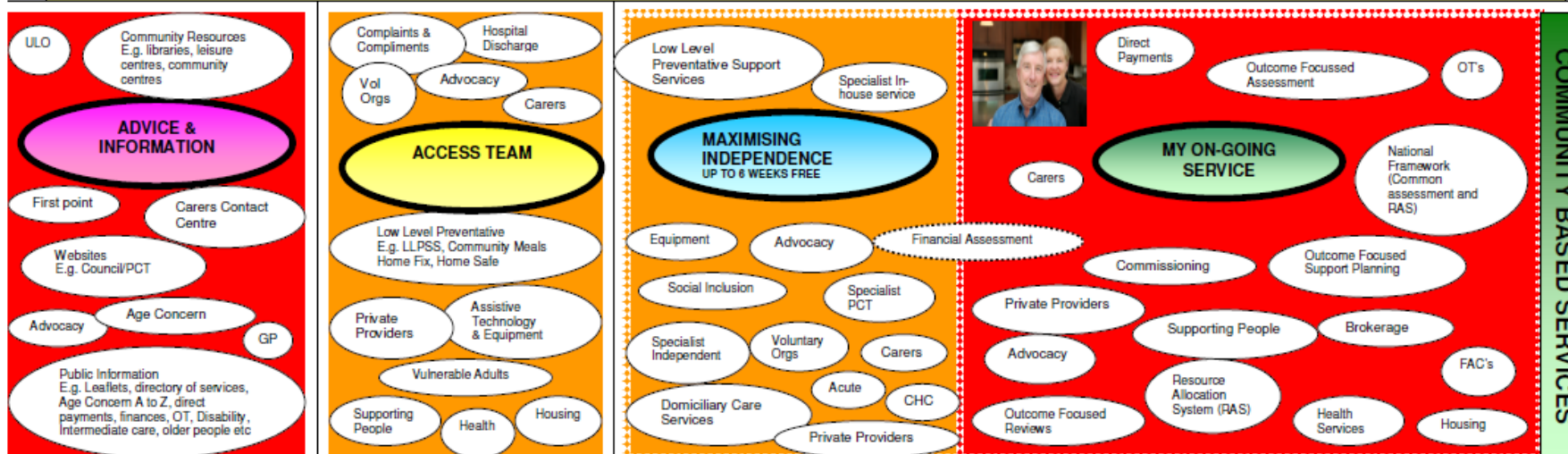


PRINCIPLES OF THE MODEL



Service Delivery Model – A person's journey may take their pathway straight into care management, i.e. complex needs, emergency intervention, crisis situation

THIS MODEL IS ILLUSTRATIVE OF SOME OF THE CONNECTIONS.....



SYSTEMS (Critical factor)

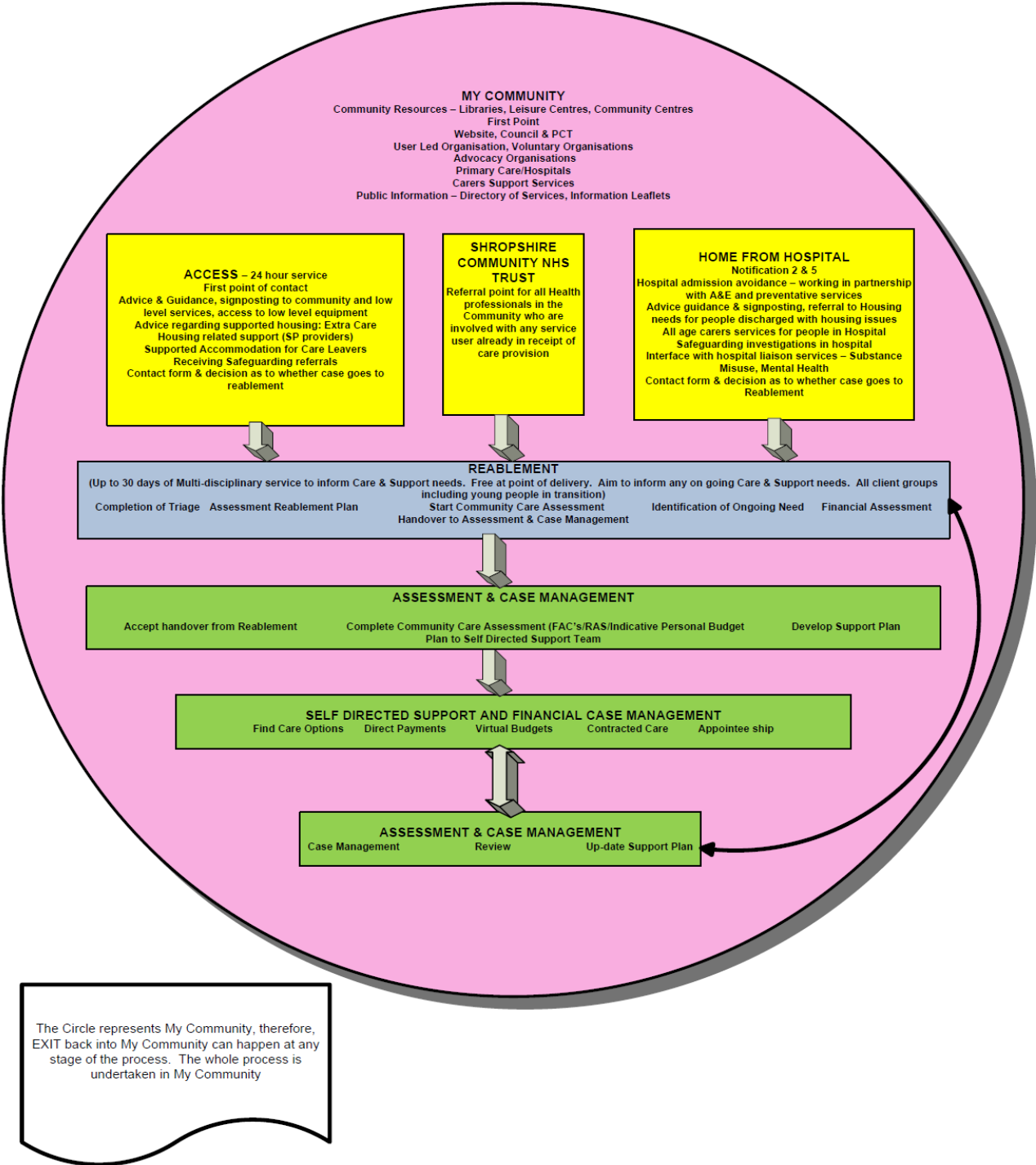
WORKFORCE (Critical factor)

ACTIONS

- Use the PPF framework document to progress the information and advice strategy (task and finish group)
- Further development of public information especially web-based
- Implement ULO (this is already launched)
- Links to the Corporate Centre
- Develop links to PCT, i.e. single referral points
- Extend to other adult client groups
- IT systems development (e.g. electronic directory of services)
- Development of retail model of equipment including assistive technology – small task and finish group already establish to take this forward.
- Need to develop IT reporting system
- Need to consider future investment to meet additional capacity
- Need to secure health funding
- Workshop programme to consider operational model
- Service review and findings
- Detailed project plan
- Consider FACE and OLM systems to decide which RAS options preferred
- Progress business process mapping
- Review of finance system to reflect personal budgets
- ICT transformation workshop to be progressed
- Recruitment to ESCR post

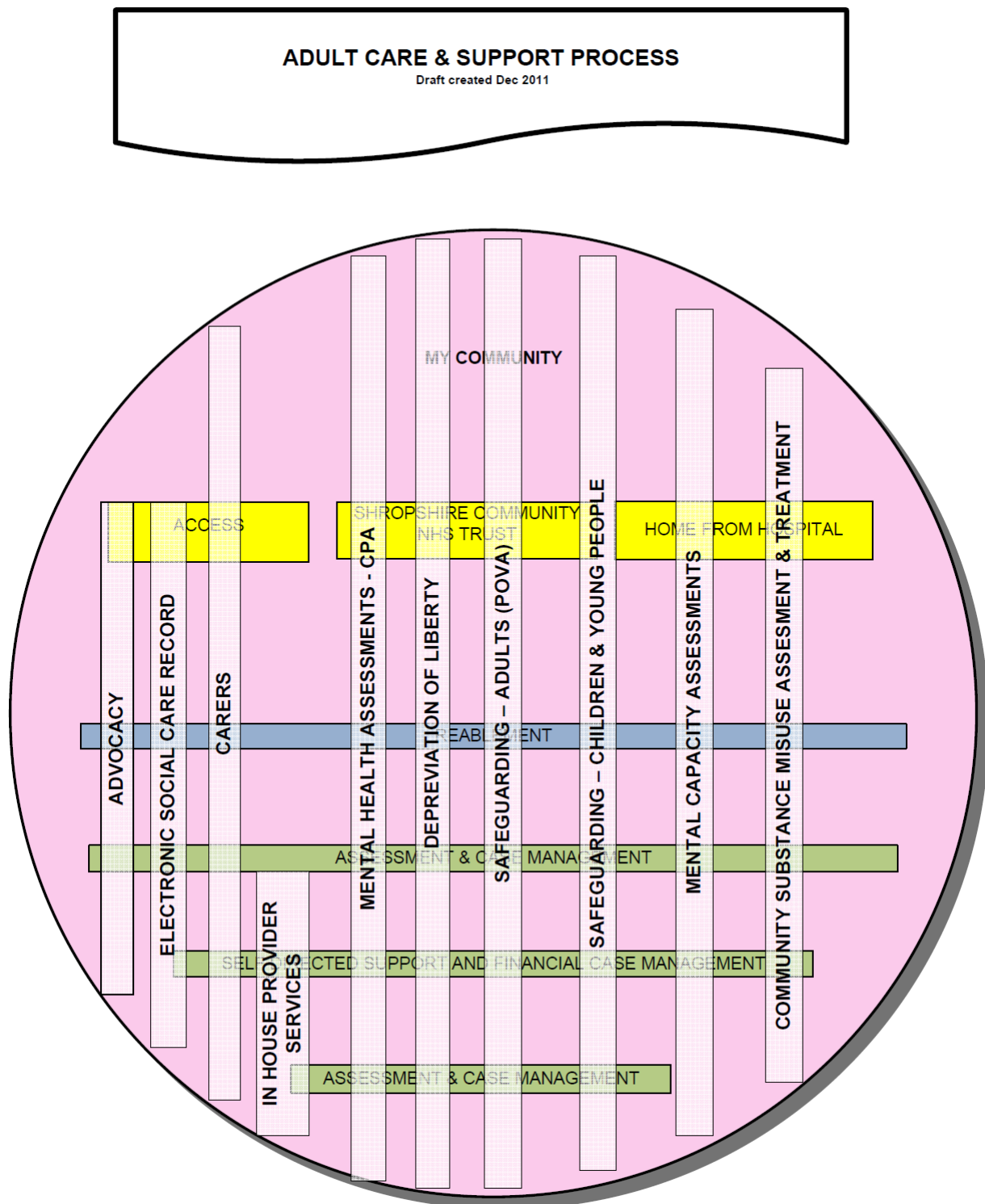
Appendix 2: Adult Care & Support High Level Flow Chart Business Process

1

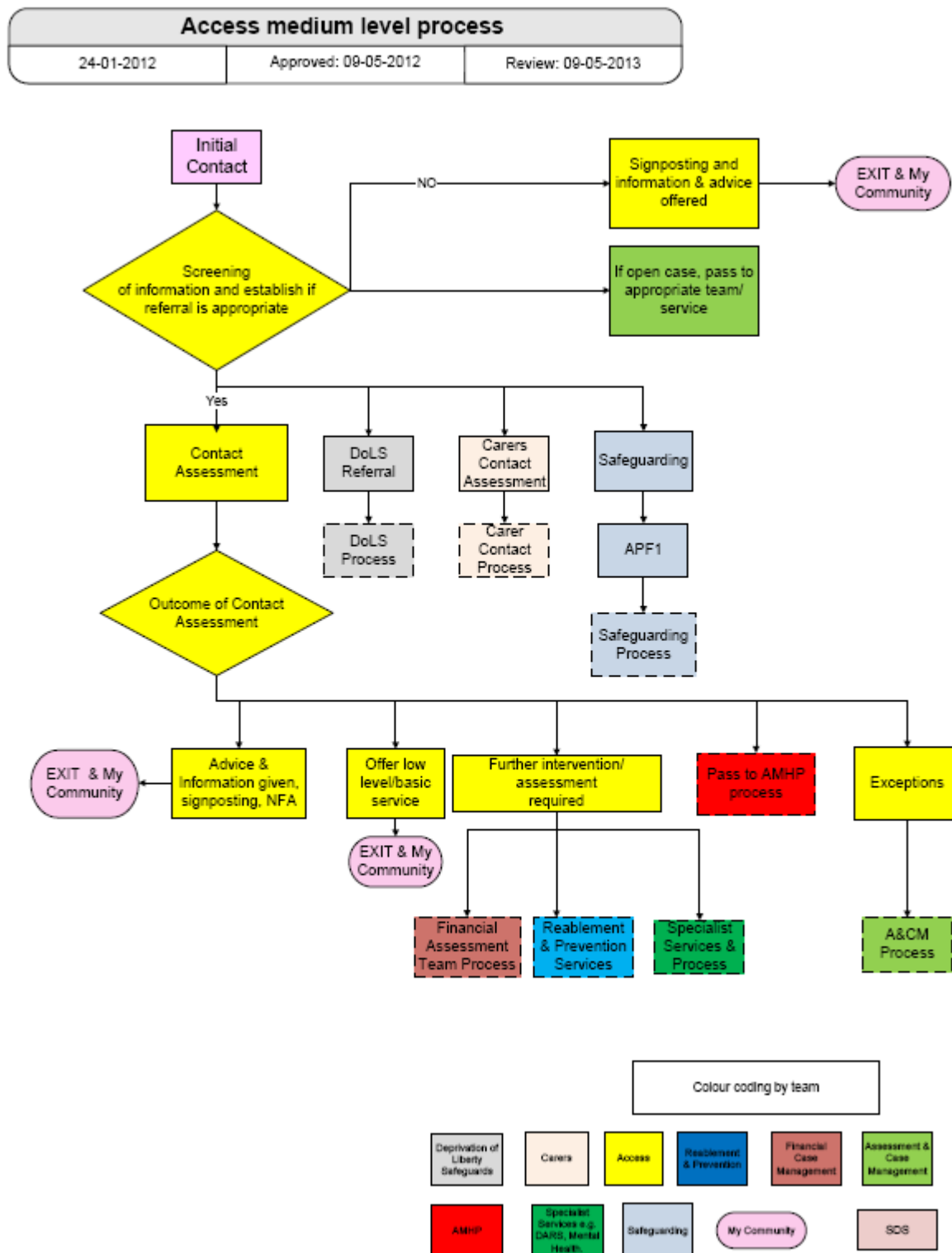


Appendix 3: Adult Care & Support Processes: Linkages

The diagram below illustrates the core processes associated with the Community Care process as well as those processes which sit outside of the community care process but will contribute to an individuals journey through the community care process:-



Appendix 4: COMMUNITY CARE MEDIUM LEVEL PROCESS MAPS

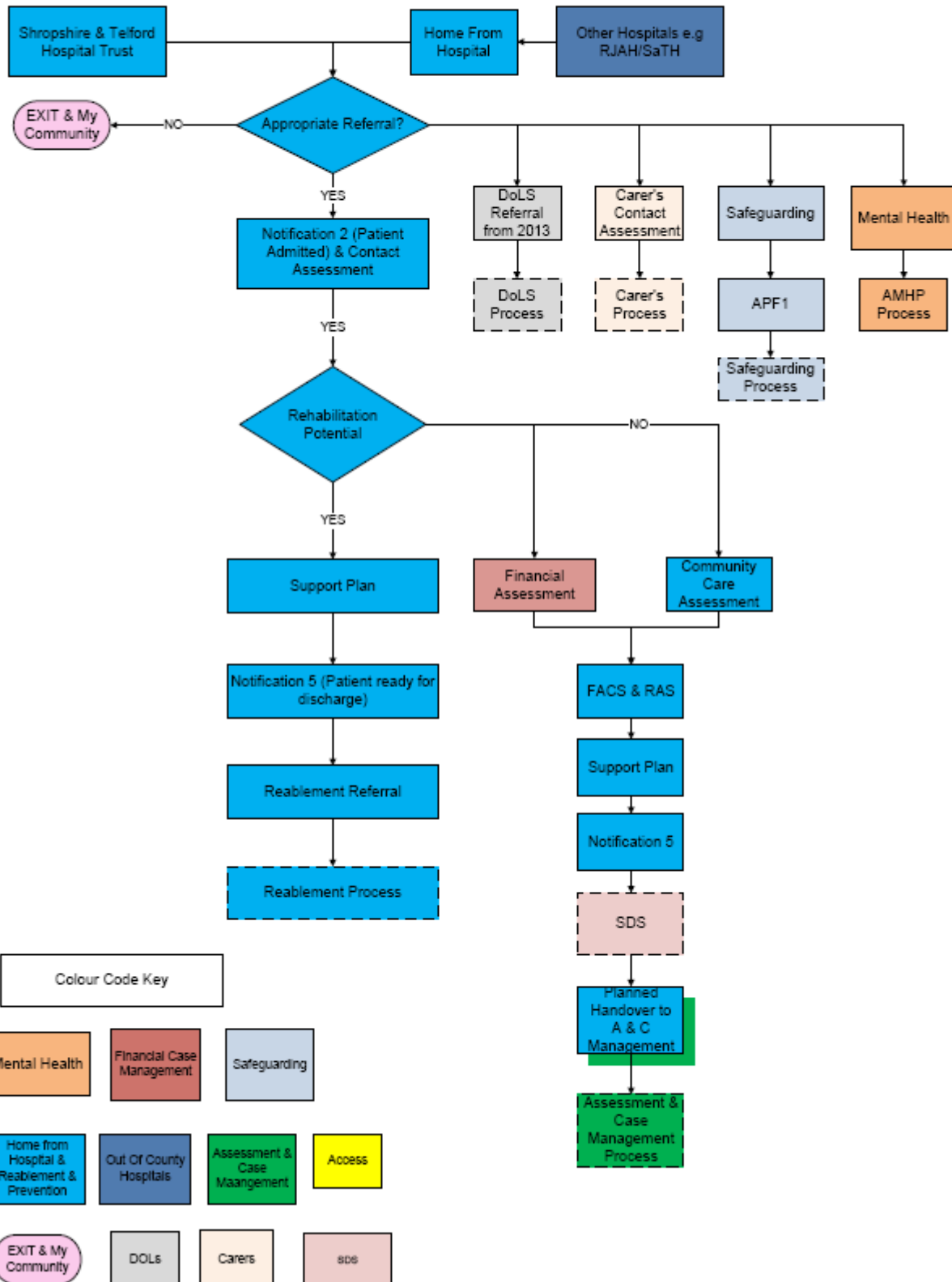


Home from Hospital medium level process

06/03/2012

Approved: 09-05-2012

Review: 09-05-2013

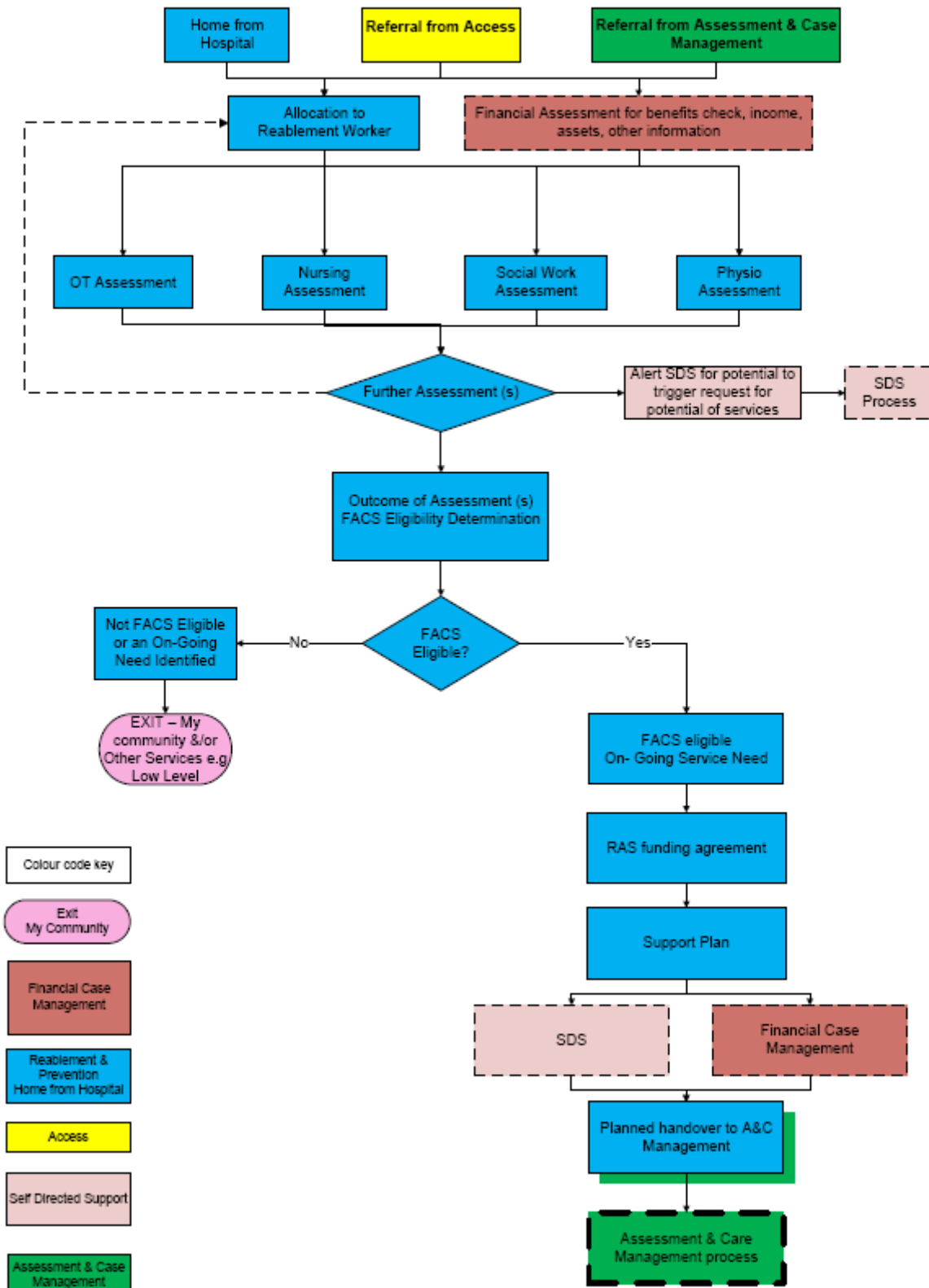


Reablement Rehabilitation & Prevention medium level process

24-01-2012

Approved: 09-05-2012

Review: 09-05-2013

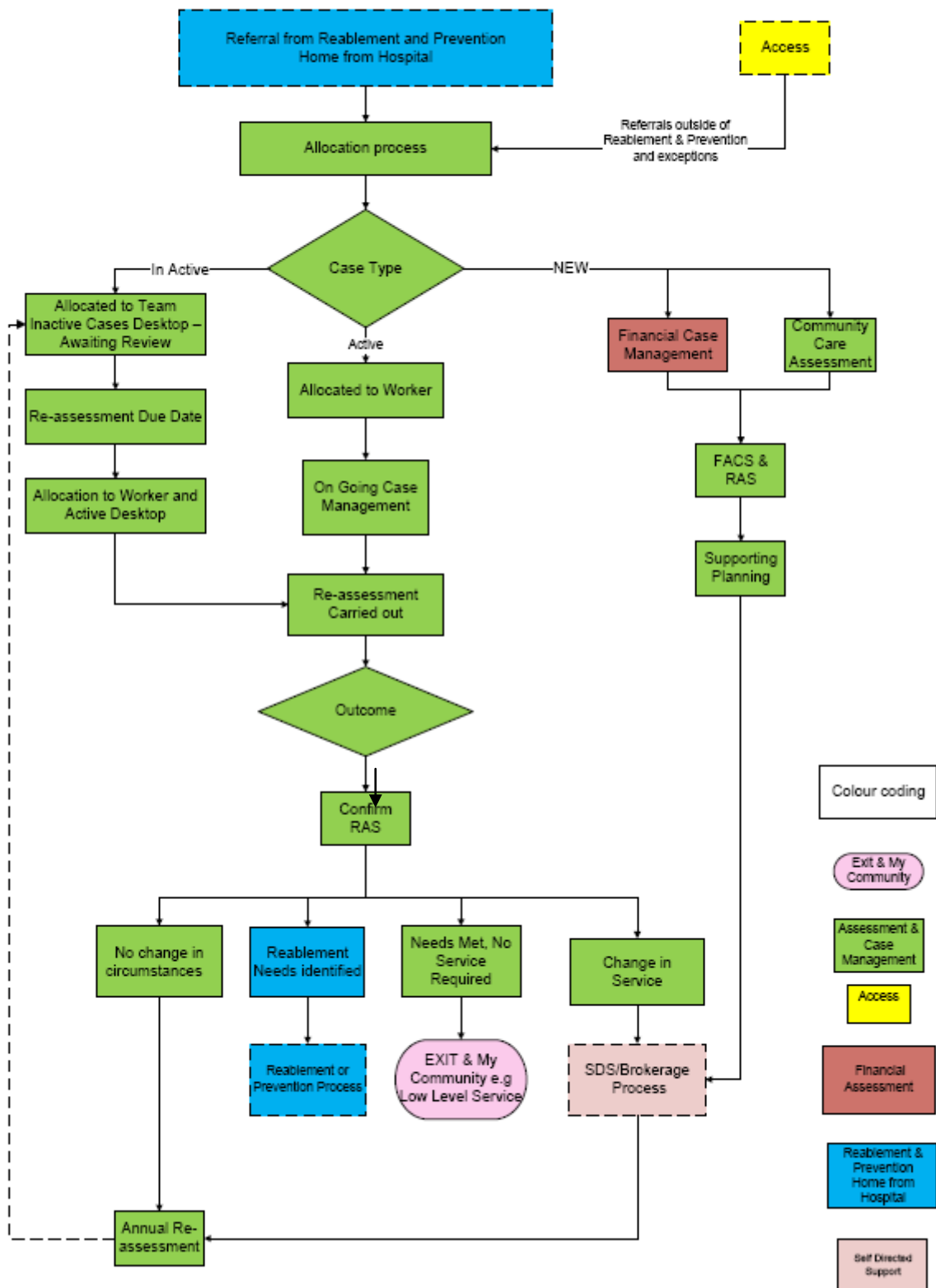


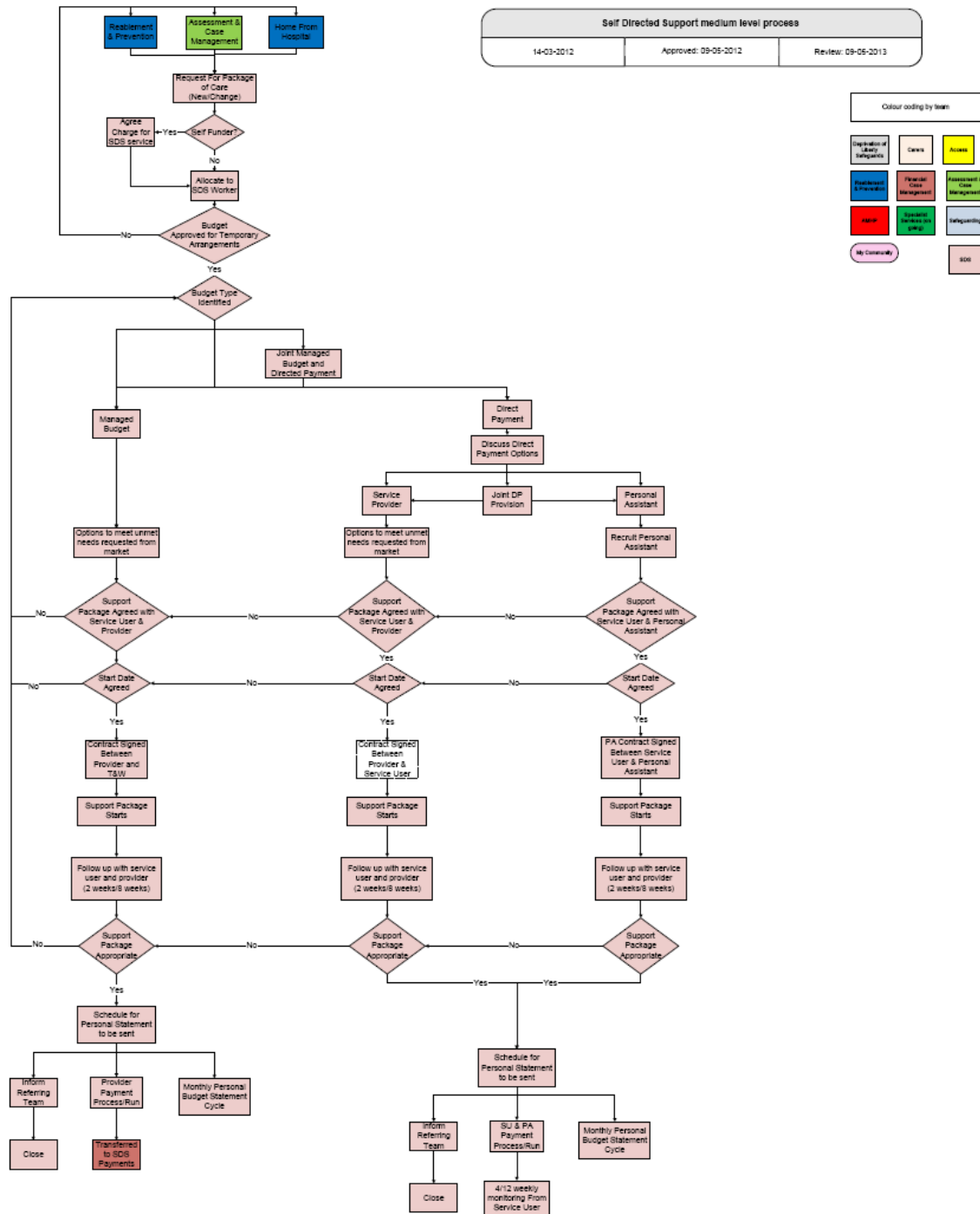
Assessment & Case Management medium level process

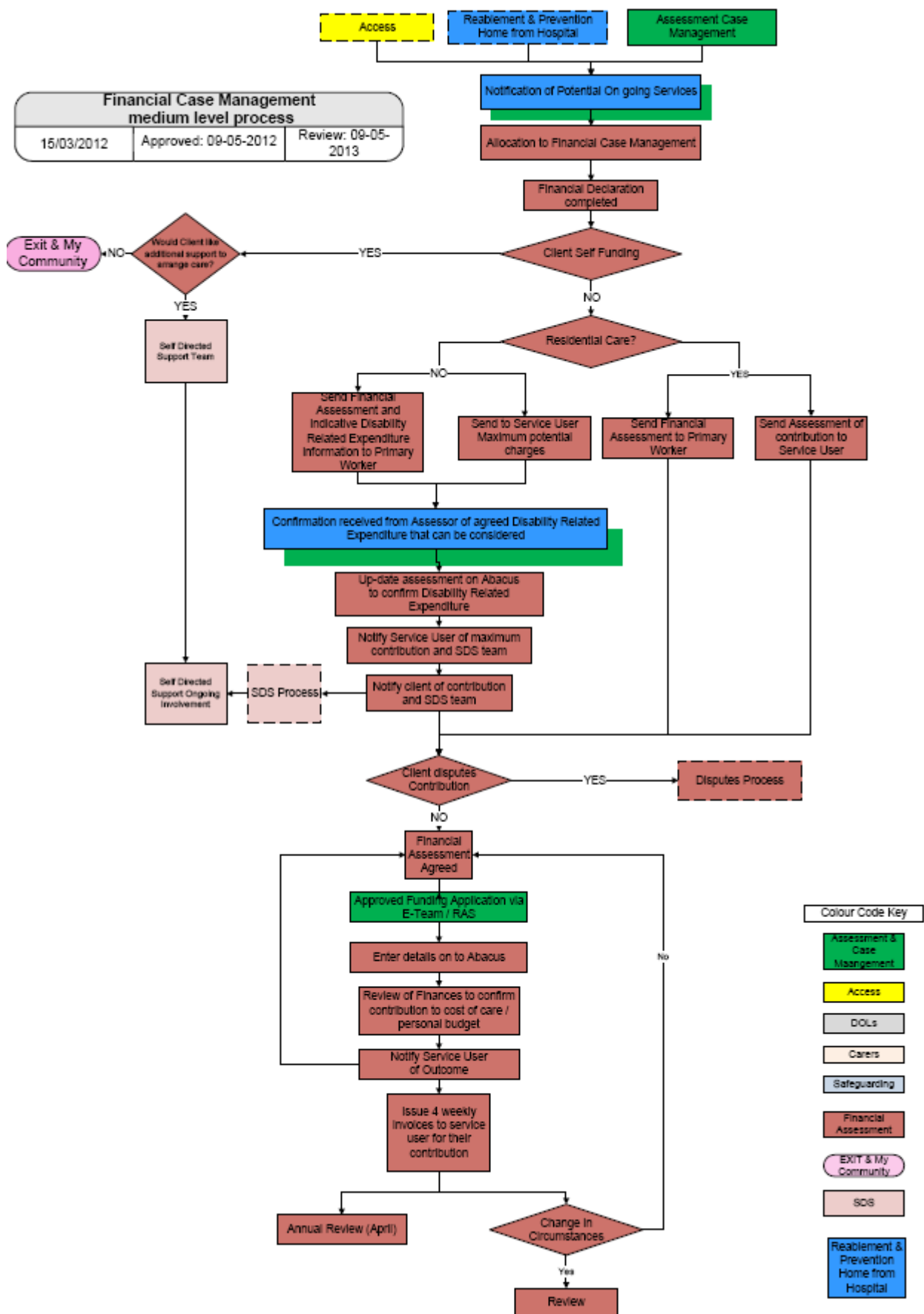
24-01-2012

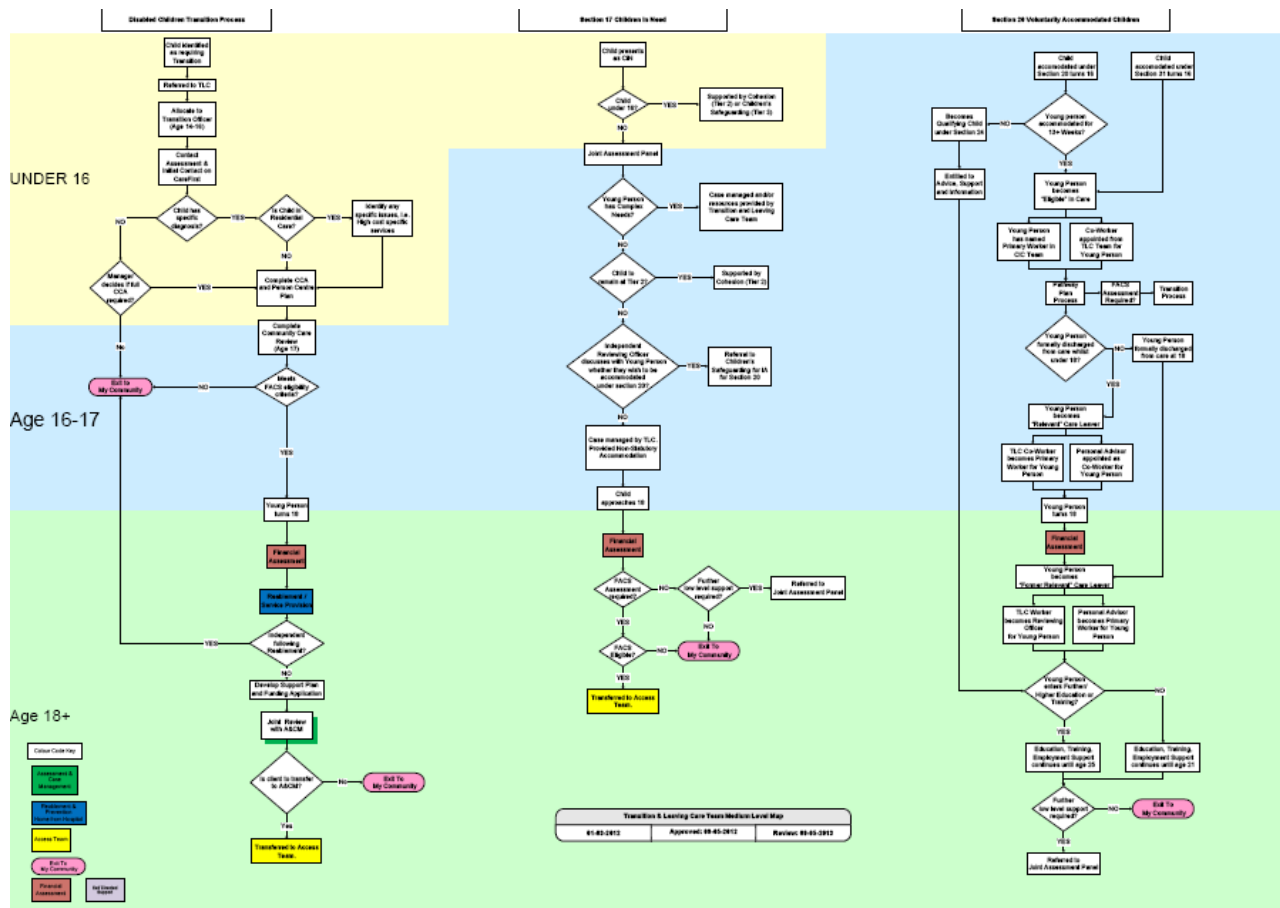
Approved: 09-05-2013

Review: 09-05-2013









TELFORD & WREKIN HEALTH AND WELLBEING BOARD 23RD JANUARY 2013**PUBLIC HEATH TRANSITION:UPDATE REPORT****REPORT OF THE DIRECTOR OF ADULT & COMMUNITY SERVICES AND THE DIRECTOR OF PUBLIC HEALTH****1.Summary**

As part of the NHS reforms, responsibility for key elements of the PCT's Public Health function transfer to Councils from 1st April, though they will receive less than half the funding available for Public Health spending nationally. Other elements will transfer to Public Health England (PHE) and the National Commissioning Board and once we move into running the new arrangements post 1st April, how the relationships and responsibilities between the 3 elements will actually work at an operational level should hopefully become clearer. Maximising the benefits of this change are intrinsic to the delivery of another new responsibility for the Council-taking leadership on Health & Wellbeing through the Health & Wellbeing Board. The Council and PCT Public Health staff have been working on the transfer arrangements for some months now though late delivery of key pieces of financial information –particularly the grant allocation-have hampered progress. There is still much to do but a successful transition should be achieved by April. Work stream updates are as follows:

2. Finance & Resources

2.1 A clearer view of the PCT's spend on the range of Public Health responsibilities coming to the Council was achieved in December and the delayed grant allocations were finally released on 10th January. At £10.6m for 2013/14 and £10.9m for 2014/15 the announced grant levels were above the projections used in formulating the overall budget strategy. While this area's allocations are still well above PHE target levels and will be brought closer to target every year, this has still generated a minimum increase from current budget levels rather than the reduction anticipated.

Following that late announcement of Public Health grants for the next 2 years, the savings proposals for Public Health have thus been revisited. Discussions with the Director of Public Health on the original proposals highlighted areas of concern underpinned by the evidence of local need and inequalities from the JSNA, relevance to the agreed Health and Wellbeing priorities and some local poor performance indicators in the recently published Public Health Outcomes Framework (PHOF) which the Council will be monitored against from April 2013. In summary this review resulted in a reduction in the proposed savings to protect investment in the following areas:

- Smoking cessation services, given high smoking-related mortality rates and early death rates from cardiovascular disease and cancer, which are key local

causes of reduced life expectancy and related inequalities (relevant to numerous national Public Health indicators PHOF)

- Adult weight management programmes given the scale of the obesity challenge and impact on chronic disease (obesity prevalence will be tracked through the national Public Health indicators PHOF)
- Breastfeeding programme in light of marked inequalities and significantly poor breastfeeding rates (breastfeeding will also be monitored through the PHOF)
- Alcohol misuse services, specifically prevention programmes given the high mortality rates from preventable liver disease (a new liver disease indicator has been included in the PHOF)

2.2 Budget Summary

The overall proposals are outlined below :

	2013/14 (£000)	2014/15 (£000)
Current Spending commitments	9.0	9.0
Additional responsibilities not in current spend including Infection Control and PH Emergency Planning	0.2	0.2
Support services- PR/Engagement/legal/finance/CSU for Public Health and Health & Wellbeing(no ongoing capacity yet created to support new H&W role/Board)	0.2	0.2
Contingency	0.1	0.2
Investment Priorities to be developed (year1 Flex card)	0.1	0.8
Funding allocated to protect existing Council services delivering the wider determinants of Public Health	2.5	2.5
Savings (see below)	(1.5)	(2.0)
Grant allocation	10.6	10.9

2.3 Savings

The reduced savings proposals now put forward can be summarised as follows:

Area of Activity	2013/14 Savings (£000)	2014/15 Saving (full year effect) (£000)
Public Health staff (mandated)	0	0
Nutrition, Obesity & Physical Activity	186	239
Smoking cessation	113	113
Children 5-19	111	188
NHS Health Check Programme (mandated)	49	49
Misc Health Improvement & Wellbeing	354	471
Drugs & Alcohol Support (treatment)	347	547
Sexual Health (mandated/treatment)	323	373
TOTAL	1,483	1,980

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

Service Area	Savings Proposals	Risks	Saving £000
Nutrition, Obesity & Physical Activity:	1. Specialist weight management activities– (SCT £30k +yr2 £10k) 2. Physical activity brief interventions – (SCT £76k+yr2 £25k) 4. Walking & Cycling – (SCT £20k+yr2 £7k) 5. Community Food – (SCT	Will be a reduction in general health promotion initiatives but we will look to mitigate through directing current Council services and capacity	

	£34k + yr2 £11k) 6. Breastfeeding – (SCT £26k)		£186k – 13/14 £239k – 14/15
Smoking Cessation:	1. Promotion work (£8k) 2. Saving built into Integrated Service tender (£105k)	1. Can be provided through Council's own specialist resources. 2. Reliant on procurement process but is achievable with little risk .	£113k – 13/14 £113k – 14/15
Children 5-19:	1. Health Promotion & Prevention for young people – (SCT £111k+yr2 £37k) 2. School Nursing Service – 10% reduction in overall cost by 2014/15 through contract re-negotiation/workforce review (SCT yr2 £40k)	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:	1. Pharmacy Project with Lloyds (£48k) 2. Telehealth – cardiopod (<£1k)	No significant impact.	£49k
Misc Health Improvement & Wellbeing:	1.Mental Wellbeing – (SCT £46k+yr2 £15k) 2. General Health Promotion – (SCT £259k+yr2 £86k) 3 Workplace & men's' health – (SCT £49k+yr2 £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	1. Various lower level activities/initiatives (£147k-day visit rehab services) 2. DARS Treatment Service- efficiencies available to deliver current level of service with deletion of unfilled posts (£200k in 2013/14, Further £200k in 2014/15 following full service review)	No significant Treatment risks. All service users will continue to have a service. Small risk of not meeting recovery KPI Risks will require closer monitoring in 14/15	£347k – 13/14 £547k – 14/15
Sexual Health Commissioned Services	1. GP Lead for Sexual Health (- £23k) 2. Sexual Health Tender – Contract savings and improved services (£215k + additional savings to be discussed with new contractor £50k) 3.Review of LES arrangements for 14/15 (£50k) 3. GUM out of area (35k)	No significant risks.	£323k – 13/14 £373k – 14/15
TOTAL Saving			£1.483m 13/14 £1.980m 14/15

3.Contracts

Given uncertainties around the financial position and level of services commissioned this has been the most complex area to deal with. As previously reported there is currently (before savings) around £7.9m spent on contracted services broken down as follows by area of activity:

Area of Activity	Estimated 2012/13 Spend (£000)
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	7.9m

Activity by Provider:

Provider	Estimated Spend £000
Shropshire Community NHS Trust	4,100
SATH NHS Trust	460
SSS NHS Foundation Trust	40
GP Practices	610
Pharmacies	370
T&W Council	1,260
Voluntary Organisations – Social Enterprises	700
Other	360
TOTAL	7.9m

As all contracts (other than Sexual Health and Smoking Cessation which have been retendered) come to an end on 31 March 2013, then as part of the national wind up process for PCTs we need to put forward onto the PCT transfer schedules which contracts we want extending, for what value and length of time. This will allow them to be transferred to the Council. It is intended to ask for extensions of no longer than 12 months on the basis that we will want to review every contract within this first year, consider synergies with existing Council services and where appropriate enter a new procurement process

Providers have already received a general letter jointly signed on behalf of the Council and PCT by the Director of Adult & Community Services and Director of Public Health. However more specific letters need to be sent as soon as possible and meetings arranged by provider to confirm our intentions, start the decommissioning process where necessary and the phased review of all transferring contracts.

4 Workforce, HR & Accommodation

Our respective HR officers have worked together to ensure that all information about transferring staff is up to date and available to the Council. Andy Griffiths (Council's HR) has had regular meetings with staff in the Public Health unit to keep them up to date and answer any questions

Within the unit there are a number of vacant posts, but on transfer the staff will initially stay together as a PH unit based at Halesfield (existing base) or in Joint Commissioning as now, with facilities to hot desk with other social care commissioners at Darby House. The structure and location of the PH team will be reviewed subsequently once senior management arrangements are in place, working arrangements settle down and accommodation management and charging arrangements for Halesfield are clarified. Senior Managers responsible for the Public Health unit will be based at Addenbrooke House alongside the rest of the senior management team. The proposed senior management structure will be announced shortly.

ICT requirements have been established and work is under way to ensure access as required to both Council and NHS systems.

5. Governance, Information Systems & Assurance:

There is still work to clarify the arrangements for information access ,particularly how this fits with the role of the new Commissioning Support Unit, with which there has been no contact so far...a similar concern exists around social care joint commissioning. Similarly there are areas of Council responsibility not undertaken by the current PCT Public Health team such as emergency planning and late changes such as responsibilities around infection control where we still need to clarify the exact Council role and resource requirements-hence the need for some resource contingency in the budget. There will also be a need to review PH support requirements within the Council and capacity given staff cuts over the last 2 years and the assimilation of Health & Wellbeing responsibilities with no additional capacity so far-not a sustainable position.

There is also work to do in finalising a Memorandum of Understanding with the Clinical Commissioning Group for mandatory provision of a service from the Council's PH unit and a reciprocal support on clinical governance expertise.

6. Communication and Engagement:

The Council's PR and Engagement units are now involved but as in other areas capacity is currently an issue. Attached is a statement to outline our approach to our new Public Health responsibilities which we will use as part of our communications.

7 Formal Transfer

A Paper will be prepared for 28th March Cabinet to approve the transfer of staff, contracts etc. by acknowledging the sign off of the formal Transfer Scheme by "appropriate officers" –Managing Director, Chief Finance Officer, Monitoring Officer

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Our Approach to Public Health in Telford and Wrekin

Our Ambition

Telford and Wrekin Council is committed to improving the health and wellbeing of our communities and addressing health inequalities by creating the conditions for residents to take greater control over improving their own lives.

Our Approach

Public Health services are an integral part of delivering our health & wellbeing ambitions and health and wellbeing strategy. To help make these ambitions a reality, we will develop an 'Assets Based Approach' to Health and Wellbeing priorities –this being one which focuses on the people and skills already in our community and what they can offer rather than seeing our local community just in terms of needs. We will work co-operatively and collaboratively with residents, communities and partners to address the wide range of factors which impact on health and wellbeing in Telford and Wrekin. This focuses on building on the significant improvements we have already made to health and wellbeing to develop innovative and new ways of delivery.

Equity and Fairness

People in different social circumstances experience different levels of health. In Telford and Wrekin we will focus on reducing these differences as a matter of fairness. To tackle inequalities the provision, uptake and outcomes of services will be equitable i.e. proportional to need, and proactively targeted towards the areas and groups within the community where they are most needed.

Integration: Health in All Policies

A broad range of issues have a significant impact on health. This means that building a healthier Telford and Wrekin will hinge on what is done to change policies that influence wider factors, such as economic opportunity, early childhood development, schools, housing, workplaces and the living environment. The current economic challenge to Telford and Wrekin means that social value must be created from investments to have a positive impact on health and wellbeing. Everyone has a role to play in promoting health and we expect everyone to play their part, including individuals and communities as well as the public, private and voluntary sectors. Services should be joined up, with all relevant partners working together to ensure patients, clients, service users and carers experience seamless journeys of support, care and treatment.

Public Health Functions

Health Improvement – such as nutrition, obesity and 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. In addition two largely treatment related functions – sexual health and drug and alcohol treatment.

Mandated Services

Some of the above functions are mandatory. These include sexual health services, over 45's health check, weighing and measuring children; ensuring plans are in place to protect the health of our communities and provision of Public Health advice to the Clinical Commissioning Group.

Early Intervention and Prevention

There will be a strong focus on prevention, rather than treatment, to deliver greater overall increases in both life expectancy and quality of life, including an early intervention approach to supporting families, sustained lifestyle behaviour change, awareness raising of symptoms and early detection and treatment of risk factors which cause ill-health. We will extensively promote increasing social and physical participation and healthy, active lifestyles.

Empower Individuals and Communities: Engagement

We will put the public at the heart of service design. We will work in co-operation with residents to empower individuals and communities to be active in improving the health of people in our borough. This means that we will work with people to co-produce priorities and build on community assets to improve health. Information about the state of health and wellbeing in Telford and Wrekin and the ways that health can be improved will be made available to the public.

Quality and Financial Sustainability

Services will be safe and evidence based, providing value for money. We will focus on action which is supported by strong evidence as delivering real improvements to the health of people in Telford and Wrekin. This will help us to ensure that public money is spent on actions which will achieve good quality health and social care, empowered individuals and communities, and a reduction in health inequalities. Public resources will be used responsibly to deliver and develop services which demonstrate financial sustainability and value for money when we look at health impact outcomes.

Working Together

We will work together with the healthcare, voluntary and community sectors to support each other in achieving our health and wellbeing priorities, focusing on the potential of primary care services to support community wellbeing and work with partners to deliver services. We will work co-operatively to support the commissioning and delivery of effective and efficient health and social care services.

Protection

We will protect the Telford and Wrekin population from threats to health by ensuring that preparedness for emergencies, immunisation, screening and early detection and infection control programmes are in place.

Safeguarding

At the core of our approach to service design and delivery is the protection of vulnerable adults and children. This challenge will be overseen by our Adult and Children's Safeguarding Boards.

Our Resources

We will maximise the value that we can achieve with our resources, shaping and directing existing Council services to deliver improving public health outcomes-this includes our investments in driving local economic growth, sport, leisure, culture, regeneration, education, training and skills, public protection, social care and a host of other services. We will make effective use of the Public Health budget itself, and we will look at how our services can best work together with those of our partners to achieve better health and wellbeing in Telford and Wrekin.

We will work co-operatively and collaboratively with councils and partners across the West Midlands to share Public Health capacity to greater effect, achieve greater impact in public health actions, and advocate changes to national policies in order to achieve local improvements in health and wellbeing.

DRAFT

ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES: STATEMENT OF THE CHIEF FINANCIAL OFFICER

BACKGROUND

A key responsibility of the Council's Chief Financial Officer is to give assurance on the robustness of the budget strategy which includes highlighting the risks associated with its deliverability and sustainability and the adequacy of reserves.

The framework within which the Council's budget setting process operates and the final budget strategy was developed is governed by legislation which provides regulatory safeguards for the Council:

Section 25 of the Local Government Act 2003 requires the authority's Chief Financial Officer to report on the **robustness of the estimates and the adequacy of reserves** allowed for in the budget proposals in the budget report, so Members are informed and can consider this when they make their budget decisions.

Section 114 of the Local Government Act 1988 highlights the Chief Financial Officer's responsibility to report to members if it appears to him that an unbalanced budget is likely to be set for the year.

Local Government Finance Act 1992 identifies the requirement to set a balanced budget.

Section 151 of the Local Government Act 1972 - Financial Administration requires that authorities should appoint a Section 151 Officer to have responsibility for the proper administration of its financial affairs.

The Accounts and Audit Regulations 2003 – Regulation 5 requires that the accounting records and control systems include measures to ensure that risk is appropriately managed.

The requirements of the prudential Code must also be complied with (a separate report on prudential Indicators is included elsewhere in this suite of service and financial planning reports).

In addition the CIPFA guidance on Local Authority Reserves and Balances requires that a statement reporting on the annual review of earmarked reserves should be made to Council, at the same time as the budget. The statement should list the various earmarked reserves, the purpose for which they are held and provide advice on the appropriate levels. It should also show the estimated opening balances for the year, planned

additions/withdrawals and the estimated closing balance. This is included as appendix 10 of this report.

ROBUSTNESS OF ESTIMATES

Overview

The Comprehensive Spending Review announcements in October 2010 covered the period 2011/12 to 2014/15 and announced significant cuts to local authority funding – after allowing for inflation, the cuts amount to around £40m for Telford & Wrekin Council over this period. The Autumn Statement on 5 December 2012 highlighted that the UK's national deficit isn't reducing as the Government had anticipated and public services (other than those protected i.e. health, education and overseas aid) could expect further reductions on a similar trend line over the period through to 2017/18. There will be a spending round in the first 6 months of 2013 to update spending allocations through to 2015/16 which will be critical in determining what services the council will be able to deliver in the medium term.

It is also important to note there is an increase in demand for Council services, such as homelessness, benefit applications and care for those, both young and elderly, who are vulnerable members of our community.

Given the level of cuts to Government Grant funding, it is important that the Council reduces its dependency on government grant and develops other sources of income. This Service & Financial Planning Strategy therefore has a focus on adopting a more commercial, entrepreneurial approach to income generating opportunities which includes promoting business/economic growth and assessing the viability and risks and potential rewards of new commercial ventures.

The funding mechanism for local government is also changing in April 2013 with the Business Rates Retention Scheme replacing the current Formula Grant System. Under the new system, authorities will retain 50% (49% for Telford & Wrekin Council and 1% for the Combined Fire Authority) of locally collected business rates, and 50% of any growth in business rates up to a threshold where growth is deemed to be disproportionate by the Government and until the system is "reset" in 2019/10. This is a marked change which brings opportunities, in terms of the council directly benefiting from business rate growth, but also increased risk, in terms of lost income if businesses close or move out of the area or claim significant empty property reliefs. Significant changes to Welfare Benefits, with local Council Tax Support schemes replacing the national Council Tax Benefits system and Housing Benefit being incorporated into the new national Universal Credit are also being implemented in 2013/14. Close monitoring will need to be undertaken in 2013/14 to assess the impact of these changes on the Council's overall financial position.

The financial outlook is clearly challenging and the Council continues with its structured programme of delivering savings. Over the past 4 years £42m of ongoing savings have been delivered through: service restructures, improved

procurement, reductions to the number of council buildings and back-office efficiencies. Work will continue to develop additional proposals to deliver the savings targets set out in the Service & Financial Planning strategy for future years.

Overall therefore, given the continued delivery of savings, the long-term service redesign, particularly in relation to Adults and Children's services, and the commercial approach being adopted, it is considered that the Council is pursuing a sound financial strategy in the context of the most difficult financial position it has ever faced due to the combined effect of Government grant cuts and increased service pressures and the transfer of costs relating to Continuing Healthcare cases from the PCT.

The 2013/14 Service & Financial Planning Strategy has been informed by:

1. Council Wide Risk Management

We are continuing to develop and deliver savings; with the high level of grant cuts some impact on service delivery is inevitable. Where implications have been identified a proportionate equality impact analysis has been carried out. Targeted engagement with service users and stakeholders will also be undertaken where required. The environmental impacts of budget proposals have also been considered, and overall, on balance, the environmental assessment of the proposals is positive. Some proposals are likely to have an economic impact as spending by the council is reduced. Final decisions are informed by extensive consultation with the community in general but also where appropriate with specific groups of service users. It therefore seems inevitable that the level of financial risk will increase both to individual services and the operation of the council as a whole and this will be common to local authorities across the country. The review of key risks by relevant Members of the Cabinet and of the senior management Team is thus important to ensure we put in place a level of mitigation wherever possible.

A differential approach to savings targets has been taken, rather than an across the board percentage reduction, to recognise the high risk area of Children's Social Care, where numbers of Children in Care and costs are increasing.

We have set aside a one-off general contingency of £2.5m next year; in addition a further £1.3m one off contingency has also been set aside specifically for Safeguarding (including £0.37m earmarked for Care & Support in respect of care leavers). A risk based review has also been carried out of all reserves and balances to inform the budget strategy. There has also been an assessment of key service risk exposure resulting in deletion of £0.3m assumed reduction in adult social care services.

Individual service areas have continually managed and monitored key risks relating to their service areas to ensure they are providing the best service they can when faced with reduced resources and ongoing reviews. The senior management team monitors service delivery unit performance and seeks to mitigate significant potential exposures to risks.

2. The Monitoring Process

Monitoring provides a regular financial health-check throughout the year and also provides information which feeds into the budget strategy. Financial monitoring follows a risk-based approach with high-value, volatile areas being monitored more closely than low-value, less volatile areas. Regular reports are presented to Senior Management Team and Cabinet during the year which highlight any significant variances and therefore areas of risk. Progress on the delivery of savings will be monitored through this route flagging both 'in year' and future year financial strategy impacts. The reports also monitor the budget contingency and performance against council tax, business rates and sales ledger income collection targets.

3. The Budget Setting Process

The overall medium term financial planning position of the Council is controlled through a model which is updated during the year as new information becomes available - including current year trends identified through monitoring. At a more detailed level finance officers meet with budget holders and review all budgets on an annual basis on top of the usual monitoring work. Budgets are cash limited. Areas of unavoidable growth and pressures have been identified and scrutinised as part of the budget process along with the deliverability of the savings package which forms an integral part of the overall strategy.

A strategic review of budgets was undertaken as part of this budget process to ensure budgets are realistic and achievable in the medium term. As a result of this review a number of budgets were adjusted to reflect ongoing pressures which has resulted in more sustainable budgets going forward. This exercise increased the base budget gap but results in a more robust budget. The budget setting process links to both the budget monitoring process, performance monitoring and risk management, discussed above, together with other issues such as meeting new legislative requirements and statutory obligations.

2013/14 Budget Assumptions and Considerations:

Given the difficult financial position the Council faces, a tight line has been taken on planning assumptions for next year but this is mitigated by the inclusion of the additional one-off general contingency of £2.5m, a risk assessed review of reserves and balances which identifies uncommitted balances of £3.67m.

<u>Inflation</u>	
Pay Award	There is no allowance included for pay awards. The planning assumption is that service areas would meet this cost within cash limited budgets if this was the case through making further cuts or vacancy management. No increases are planned for teachers pay.
Employer's Pension Contribution	The Council agreed with pension fund officers and the fund's actuaries the maintenance of its contribution rate of 16.3% for the 3 years 2011/12 to 2013/14. Recommended changes from the triennial valuation of the fund will impact in April 2014 and following early discussions with the fund actuaries an estimate of 1.5% p.a. increase in the contribution rate has been included for this. Further, £0.1m has been included in 13/14, rising to £0.3m in 15/16 as an initial estimate of the impact of changes to the pensions regulations regarding auto enrolment for new starters. However, the council is recommended to take advantage of the option to defer auto enrolment for existing staff until 30th September 2016. Nil increase
Employer's National Insurance Contribution	A provision for known contractually committed inflation has been included. No other allowance for non-pay inflation has been made as budgets are cash limited. With the prevailing relatively low rate of inflation this is a more sustainable strategy than if inflation were to rise significantly but the position and pressures that this policy places on service budgets will be kept under review through regular financial monitoring.
Non-Pay budgets	There is one-off general contingency of £2.5m plus a further £1.3m contingency specifically for Safeguarding (with £0.37m of this earmarked for care leavers who become the responsibility of Care & Support).

Contingencies	
Service Pressures	The difficult economic situation has an impact on the community and results in an increase in demand for council services. The key service pressures identified for the medium term relate to Care & Support and Children's Safeguarding. Children's Safeguarding– there are currently 317 Children in Care and financial monitoring shows a projected overspend of £3.1m in the current year. To recognise the considerable pressure this area is facing, no additional savings have been taken from Childrens Safeguarding in 2013/14 and an investment of £0.6m is being made into the budget. This still leaves a considerable financial challenge to bring spend back in line with the available funding and an action plan is included at Appendix 2 to do this. The action plan will be rigorously monitored. The 13/14 strategy includes a £1.3m specific one-off contingency for Safeguarding (with £0.37m of this earmarked for care leavers who become the responsibility of Care & Support). Care & Support – budget pressures arising from the reduction in PCT Continuing Health Care funding and an increased rate of hospital discharges are evident. In the current year one off resources have been used to meet the costs. Savings are anticipated through a complete remodelling of service delivery and procurement. An action plan is included at Appendix 12a and progress against this will be monitored very closely.
Central Government Funding / Local Government Resources Review	The Business Rates Retention Scheme replaces the current system for funding Local Government from April 2013. This allows local authorities to retain 50% of locally collected business rates and going forward 50% of any growth in business rates (49% for Telford & Wrekin Council and 1% for the Combined Fire Authority). There are opportunities in relation to business rates growth but also risks in terms of reduction in business rate income. The amount included for business rates in 13/14 has been prudently based on local information, rather than the national estimate used by the Government in their settlement figures but will need to be closely monitored throughout the year.
Council Tax	Telford & Wrekin's Local Council Tax Support Scheme was

Support	approved by Council on 22 November 2012. The shortfall due to the Government's reduction in funding has been 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. A one-off £0.065m has been earmarked to award discretionary discounts in cases of extreme financial hardship. Council tax support is paid as a council tax discount and there is a greater financial risk than under the Council Tax Benefit System as claimants classed as "non-vulnerable" who previously received 100% benefit will now have some council tax to pay. Collection levels will be closely monitored throughout 2013/14 to assess whether the assumptions on losses on collection and growth in the tax base were appropriate.
Interest Rates	Base rates have remained at 0.5% all year; the next rise is expected to be upwards but not until there are signs that the economy is recovering – perhaps 2015/16. The Bank of England has extended its Quantitative Easing programme to £375bn. Our investment and borrowing strategies for 2013/14 are set within this context. The assumptions for new borrowing are 1.75%, 3% and 4.5% in 13/14, 14/15 and 15/16 respectively. The current strategy is to use maturing investments to reduce the need to borrow and therefore interest rate/counter-party exposure. The average return on investments is 5.54% in 13/14 (due to long-term fixed rate investments placed when market rates were much higher), 3.94% in 14/15 and 4.5% in 15/16. One of the primary objectives is to reduce the Council's exposure to risk while at the same time maximising returns. The Treasury Management Strategy for 2013/14 is presented to Council alongside the budget reports. The investment portfolio is monitored on a regular basis and advice is received from independent professional treasury advisors.
Treasury Management	The Treasury Strategy for 2013/14 follows the requirements of the Revised CIPFA Treasury Management Code of Practice and clearly identifies the various exposures to risk and strategies in place to minimise this. The Audit Committee has a role to review and monitor the Council's treasury management arrangements which includes policies, procedures and the management of risk. The 2013/14 Treasury Strategy was presented to Audit Committee on the 29 January for their consideration and comments and was supported by them. The Committee will monitor progress during the year.
Dedicated	The figure estimated for Dedicated Schools Grant was

Schools Grant (DSG)	£120.350m (including academies) at the time of writing this report. The final DSG allocation to the Council will not be known until June 2013 when all adjustments for academies and pupil numbers are finalised. Compared to Local Authority funding, school funding has been comparatively protected. From April 2013 a new school funding regime is being implemented and Telford & Wrekin has developed a local formula to comply with the changes which was agreed by Cabinet in November 2012. Pupil numbers are a key factor in this formula and while in the medium term it is anticipated that pupil numbers will increase, there will be an interim period where funding may be an issue for some secondary schools where numbers on roll fall, which will have to be managed by them. Going forward, any transfers to academy status are likely to have an adverse impact on Council funding.
Estimates on the level and timing of capital receipts	The revenue budget and capital programme assume around £112.8m anticipated future capital receipts over the medium term planning period. The sale of Civic Offices represents a large receipt and at the time of drafting this comment the proceeds from this sale are expected imminently. Also at the time of preparing this report the inquiry in to the possible sale of land at Station Road in Newport is in progress. The receipt from this sale is included in the capital receipts target and if nothing is received from the sale of this site there would be a revenue impact of £0.184m in 2013/14 rising to £1.575m in a full year. Any such shortfall or delays in generating expected receipts or in the amounts generated will need to be taken into account in future service and financial strategies. This could require scaling the capital programme back, re-phasing schemes or entering in to additional prudential borrowing which would necessitate further cuts to services. Delivery of projected receipts is monitored on a monthly basis as part of overall financial monitoring and reported to Cabinet quarterly. There should be no further decisions taken which significantly increase this medium to long term exposure until there is a clear pattern of receipts being delivered as planned.
Prudential Borrowing / Prudential Indicators	The use of prudential borrowing is in line with the capital programmes approved by full Council. The 100 day review of the 2011/12 budget reduced outstanding debt significantly and generated ongoing savings of £2.9m. Given the overall financial position faced by the Council it is important that any further significant prudential borrowing commitments are not entered into unless matched by additional savings/income

	flows or clear plans for the funding of the debt repayments have been identified. Prudential Indicators are approved as part of the budget strategy (see separate report on this agenda) and are monitored and reviewed on a regular basis. The rules around the calculation of the cost of borrowing that must be charged to the revenue account – the minimum revenue provision (MRP) - have been prudently applied in setting the 2013/14 budget strategy. The policy in relation to MRP is set out in the Treasury Management Strategy Report.
Single Status	The Single Status process is underway with a planned implementation date of April 2014. An annual provision equal to 4% of the relevant pay bill has been set aside in the accounts for the 4 years 2007/08 to 2010/11. It is now considered that there is adequate funding in the provision and no further contribution will be made. The additional ongoing budget is included in the budget strategy from 2014/15 in line with the implementation date although has been reduced to reflect the reduced risk by the movement of employees on fixed points to salary grades and the reduction in the workforce of around 20%. There is possible exposure to liabilities from back pay and equal pay claims and the authority will seek to identify the possible range of liability at similarly structured authorities though this is limited especially at present. Possible application for a capitalisation direction can be made for meeting backdated one off costs when there is any information available to support a claim, but the success of this is likely to be limited by strict controls on the total available nationally and under the regulations.
Savings	Over the past 4 years savings totalling £41.7m have been delivered. There is a schedule of savings proposals included in the strategy at Appendix 3 which will deliver savings over the medium term planning period. Savings of £8.6m are planned for 2013/14, rising to £15.6m by 2015/16. There is a reserve set aside to meet redundancy costs with a recommendation that this is increased by £1.219m and commitments against this are being monitored as restructures progress; the position will be reviewed at year end to assess whether further transfers in are required from any further underspend against the 2012/13 budget.
Financial Risks inherent in any new	There are a number of major capital projects that have been identified which require careful project management and monitoring during 2013/14 and beyond to ensure

funding partnerships, major outsourcing deals or major capital developments	commitments are matched by funding actually achieved, particularly the reliance on capital receipts and future government funding levels for the council and its public sector partners. These include the Town Centre Redevelopment, accommodation project, Gorge instability project and Building Schools for the Future.								
The availability of other funds to deal with major calls on contingencies	General reserves or other funds may have to be used temporarily and restored if revenue contingencies, management and policy action is insufficient to deal with a major issue. The Council has evaluated the risks it faces against available balances as outlined earlier in this appendix and concluded that around £3.67m is available to use in the overall budget strategy at the start of 2013/14; there is no proposed use of general balances in the strategy for 2013/14.								
The overall financial standing of the authority (level of borrowing, debt outstanding, collection of council tax etc.	The Council's approach to sustaining its overall sound financial position is covered in a number of sections of this Appendix. The overall projected net indebtedness position at 1 April 2013 is £96.7m; net additional prudential borrowing anticipated in 13/14 is £3.4m. The total reliance on capital receipts in the medium term strategy is £112.8m in line with profiled disposals (additional information is provided in both the Capital Programme and Treasury Management Strategy Reports). The Council budgets prudently for its level of borrowing, avoiding external borrowing where cash flow permits and running down investment exposure while new placement rates are low. The assumed council tax collection rate for 2013/14 onwards is 98%. This has been reduced from 99% to take into account the potential impact of the Council Tax Support (CTS) Scheme which replaces council tax benefits. For each 1% not collected the cost is approximately £0.495m in lost income to the Council. Legislation requires that any collection fund deficit is corrected through Council Tax in the next year. In recent years collection has outperformed projections allowing use of a council tax surplus as part of next year's strategy. Cumulative collection rates to date for recent years are <table> <tr> <td>2008/09</td><td>99.39%</td></tr> <tr> <td>2009/10</td><td>99.36%</td></tr> <tr> <td>2010/11</td><td>99.26%</td></tr> <tr> <td>2011/12*</td><td>98.32%</td></tr> </table> Recovery for all years is projected to be well over 99% finally. *to-date	2008/09	99.39%	2009/10	99.36%	2010/11	99.26%	2011/12*	98.32%
2008/09	99.39%								
2009/10	99.36%								
2010/11	99.26%								
2011/12*	98.32%								

	Close monitoring of the impact of CTS on collection rates will be undertaken during 2013/14.
The authority's track record in budget and financial management	The Council continues to demonstrate strong financial management with outturn being very close to the net budget set: • 2007/08 – underspent by £0.300m (0.27% of budget) • 2008/09 - underspent by £0.366m (0.31% of budget) • 2009/10 – underspent by £0.332m (0.27% of budget) • 2010/11 – underspent by £0.083m (0.07% of budget) • 2011/12 – underspent by £1.843m (1.42% of budget) This demonstrates continued strong financial management, despite considerable pressure on service budgets, notably children's social services.
Virement and Contingencies	Virement is an important feature of budgetary control. It provides flexibility to adapt expenditure patterns to meet changing needs and objectives, consistent with Council policy. No Assistant Director or Service Delivery Manager should plan to overspend. All expenditure should be consistent with approved service priorities and the overall approved budget.
The adequacy of the authority's insurance arrangements to cover major unforeseen risks	The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self insure". The Council use the services of an external insurance advisor to provide additional expertise in managing insurance arrangements. The insurance section work closely with the Council's Risk Officer to identify insurance related risk areas and recommend ways of mitigating future risk.

These assumptions are reviewed on an annual basis.

Reserves & Balances Policy

Introduction

Guidance on local authority reserves and balances is available from the Chartered Institute of Public Finance & Accountancy (CIPFA). This represents good financial management and underpins the framework followed by Telford and Wrekin Council in this policy.

Types of Reserves and Balances

As part of the Service & Financial Planning process, the Council will consider the establishment and maintenance of reserves and balances.

Reserves and balances can be held for a number of purposes. Some reserves and balances are essential for the prudent management of the Council's financial affairs. These will provide a working balance to cushion the impact of uneven cash flows; a contingency for the impact of unexpected events or emergencies and allow the creation of earmarked reserves to meet known liabilities. The consequences of not keeping a minimum level of reserves can be serious and is therefore one of the considerations taken into account when setting the medium term financial plan.

When establishing reserves, the Council will ensure compliance with the Code of Practice on Local Authority Accounting in the United Kingdom.

Some of the most commonly established earmarked reserves are:

- Sums set aside for major schemes, such as capital developments
- Insurance reserves – to provide for an element of self-insurance
- Service Balances – to permit year end under spends to be carried forward for future commitments
- School Balances – unspent balances of budgets delegated to individual schools

Level of Reserves and Balances

The minimum prudent level of reserves that the Council should maintain is a matter of judgement. It is the Council's safety net for unforeseen circumstances and must last the lifetime of the Council unless contributions are made from future year's revenue budgets. CIPFA guidance does not set a statutory minimum level so it is up to the Council itself, taking into account all the relevant local circumstances, to make a professional judgement on what the appropriate level of reserves and balances should be. Telford & Wrekin Council adopts a risk based approach to determine the appropriate level of reserves and balances to sustain and that which can be released to support the medium term financial plans.

Reserves and balances are only maintained in accordance with the risk assessment undertaken and are used in a planned way. Therefore the

opportunity cost of maintaining the determined levels is kept to a minimum while interest is earned on the retained amount.

Process

Each reserve and balance will have a clear purpose showing how and when it can be used together with a process for review to ensure continuing relevance and adequacy.

An annual review of reserves and balances will be undertaken as part of the budget process each year and a schedule presenting the estimated opening balances for the forthcoming year, planned additions to/withdrawals from and the estimated closing balances will be presented in the budget report. The schedule will also show the purpose of each reserve and a comment on the appropriateness of the value held.

The key financial risks will also be identified and an assessment of estimated exposure and possible mitigation will be made. This will link to the Council's key strategic risk register. The conclusion of this risk evaluation process will determine the resources available over the medium term to support the Council's budget.

This process will be repeated each year to ensure the ongoing adequacy of the Council's reserves and balances.

Responsibilities and Reporting Mechanism

The Chief Financial Officer has a duty to local tax payers, and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.

The level and usage of reserves will be formally approved by Council, as part of the budget strategy, informed by the Chief Financial Officer's judgement and expertise.

The budget report to Council will include a statement showing the estimated opening balances for the year ahead (including general fund and earmarked funds), any projected additions to/withdrawals and an estimated end of year balance. This will be accompanied by a statement from the Chief Financial Officer on the adequacy of the general reserves and provisions for the forthcoming year and the authority's medium term financial strategy. A report on the annual review of reserves and balances will also be made to Council at the same time.

TELFORD & WREKIN COUNCIL

COUNCIL – 7 MARCH 2013

SERVICE AND FINANCIAL PLANNING 2013/14 TO 2015/16 OVERVIEW AND REVENUE BUDGET REPORT

REPORT OF THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER

PART A) – OVERVIEW REPORT

1. Introduction

This report seeks approval of the Service & Financial Planning strategy for the three year period 2013/14 to 2015/16 with specific budget proposals for 2013/14. This overview report, along with other reports on the agenda covering:-

- The Capital Programme
- The Treasury Management Strategy and
- Prudential Indicators

form the Council's overall Medium Term Service & Financial Planning framework and proposes the service priorities and budget for 2013/14 as well as savings proposals that will be delivered over the next three years and a medium term capital programme.

The Council published its draft budget proposals for 2013/14 on 5th January and they were approved at Cabinet on 10th January when a one month consultation period commenced. The results of the consultation exercise are included in this report.

2. Summary of the main proposals in the Draft Budget report issued for Consultation.

Despite the considerable financial challenges faced by the Council arising from cuts to the funding we receive from Government, estimated at £40m in real terms over the life of this Parliament, inflation and increased demands for many services, the report set out a clear mission to attract new jobs and investment and promote 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 clearly 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 and our most vulnerable adults, particularly in the current climate where economic pressures on many families are growing,
- 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.

The draft budget proposals included:-

- A capital programme totalling £287.3m over the medium term with a projected programme of £79.67m next year. This included £1m for a

new Commercial and Business Fund to invest in new commercial initiatives with the intention of generating profits to support the provision of existing services in the face of a pro-longed and very significant withdrawal of Government funding for the Council.

- £0.15m for “Destination Telford” initiatives to promote Telford as a place to visit, live, work and invest in. Under the new localisation of business rates proposals, the Council will receive 49% of any increased business rates generated within the area as well as receiving council tax and New Homes Bonus from new housing developments.
- Investment of £0.6m in to the childrens’ safeguarding budget for 2013/14 to help protect children at risk of harm and neglect.
- Investment of £0.15m in to the winter maintenance budget.

The report also contained savings proposals totalling £8.611m in 2013/14 rising to £15.643m by 2015/16 and a proposal to increase council tax by 1.9% in 2013/14 and the following two years.

3. Changes since Draft Budget proposals were approved for Consultation.

The Government was exceptionally late in issuing the provisional local government finance settlement which was made available between 19th December 2012 and early January 2013 with the Public Health grant allocations not being received until 10th January 2013. The Public Health grant allocation of £10.6m exceeded the projected range of between £8.2m and £10.4m. The council has also updated its projections of business rates income for 2013/14 with an increased projection of £0.34m) and been notified that the funding transfer from the NHS to social care for 2013/14 will be increased compared to the 2012/13 figure by £0.74m.

On 4th February the Government issued the final local government finance settlement for 2013/14 and whilst there was only a very minor change (£0.001m) in the revenue support grant allocation, an additional one-off allocation of £0.286m New Homes Bonus has been announced for 2013/14. These changes have therefore resulted in some restatement of the forecast budget gap for 2013/14.

The financial monitoring report also on this agenda establishes a £2.5m revenue contingency for 2013/14 from projected underspends in the 2012/13 budget. However, this report also identifies that the safeguarding overspend has increased to £3.1m from £2.8m previously reported. The Council must set a robust balanced budget and safeguarding is a volatile demand led budget which can be significantly affected by changes in the overall numbers of children in care or increases in the number of sometimes very expensive residential placements. Even before this latest increase in the level of the projected overspend on the safeguarding budget, the Budget and Finance Scrutiny Committee had expressed doubts over whether the Safeguarding and Early Help Cost Improvement action plan would be fully delivered. It is therefore considered prudent to create a one off additional budget contingency for 2013/14 of £1.3m following robust modelling of the projected

cost of safeguarding children in 2013/14 based on the latest available placement information and discussions with the Assistant Director of Safeguarding. The impact of identified savings resulting from actions within the Safeguarding and Early Help Cost Improvement Plan has been reflected in this model and will continue to be closely monitored. The contingency is required to fund the impact of the normal level of anticipated admissions throughout the year, additional pressures from the benefit changes and an allowance for the transfer of costs to Adult services of those young people moving into semi independent living. The funding from this one off contingency which will be held centrally will only be released following a review and approval process by the Cabinet.

The Council will clearly need further ongoing savings and given the high proportion of the budget spent on employees further redundancies are inevitable. The Council will do all that it can to minimise the need for redundancies through active vacancy management and redeployment, minimising the use of agency workers and consultants and will continue to seek voluntary redundancies where-ever possible. However further redundancy costs will be incurred and therefore this report also recommends that a sum of £1.219m is transferred in to the severance fund to facilitate further ongoing savings from reducing employee numbers.

4. Consultation Activity and Feedback:-

As in previous years, communicating and engaging with the community on our future plans was a key part of the budget process. 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. This year we asked for people's 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.

We began to communicate and engage with local people immediately after the publication of the draft budget strategy on 4 January 2013 and formal consultation began after the Cabinet meeting on 10 January 2013. Our communication and engagement plan included:

- 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;
- Opportunities to use Facebook, Twitter, and invitations to write in, ring in or text in views and comments;
- A postal survey of the Community Panel (comprised of 1,252 local residents who act as a sounding board to inform the Council's policy and service development);
- Meetings with a range of groups and organisations;

- An open public budget consultation event at The Place, Oakengates on January 16;
- Ongoing press releases;
- A meeting with the Employee Joint Information and Consultation Forum (JICF)
- Formal consultation with the Council's Budget & Finance Scrutiny Committee which includes an independent co-opted member of the public and councillors from both the controlling and main opposition groups.

An open public meeting was held on 16 January at The Place @ Oakengates Theatre at 6pm. The event was promoted in the press and Your Voice and a number of posters and flyers were distributed across the Borough. The open public meeting was a mix of a presentation outlining the budget plans and an opportunity for those in attendance to visit a number of information stands and speak with the Leader of the Council, Cabinet Members, the Managing Director, Assistant Directors and Senior Officers. Total number of members of the public in attendance = 66 local people.

The Cabinet Member for Resources and Service Delivery, the Chief Finance Officer and relevant Assistant Directors attended a number of local groups and forums including:

- Telford and Wrekin Parish Forum = 30 in attendance
- Senior Citizens Forum = 120 in attendance
- Telford Business Board = 15 in attendance
- Taking Part Forum = 33 in attendance
- Chief Officers Group = 10 in attendance
- Joint Information and Consultation Forum (JICF) = 4 in attendance
- Parents Opening Doors – PODS = 18 in attendance
- Young People's Forum = 12 in attendance
- Ketley Bank Residents Association = 11 in attendance
- Carers Partnership Board = 13 in attendance

Total number in attendance = 266

A number of other forums and groups were approached to receive a budget presentation. Where they were unable to host the Council they distributed the information to their members.

The consultation period ran through to 10 February 2013 in order that careful consideration could be given to the views expressed by the Council's Cabinet when preparing their final report and recommendations to full Council.

4.1 Summary of the consultation findings

Following notification of the Council's 2013/14 financial settlement from government, the Council developed a proposed 2013/14 budget building on the medium-term service and financial strategy developed for 2012/13.

The 2013/14 budget continues the organisation's focus on continuing to attract new jobs, investment and promoting growth in the borough while

protecting as far as possible Council Services. In response to the financial pressures on public services in the Borough, the Council has also developed a Fair Deal Campaign to ask Government to provide funding which better reflects the level of service demand and growth potential in the Borough.

To understand the community's views on these two elements, a programme of public consultation was undertaken from early January, closing February 10th as outlined above:

Our consultation activities explored two key themes:

1. Our plans to encourage jobs, growth and protection of front-line services, including £250m investment in the Southwater Scheme, £200m Building Schools for the Future programme and working to make it easier for businesses to come here and grow, offering support to attract new firms and help create new jobs.
2. A proposed Fair Deal Campaign for Telford and Wrekin as we consider that the Council has 'disproportionately' lost out in the Government's funding cuts to local authorities, loses as a result of an undercount of our population and through the grant damping mechanism, which means the government withholds money that it calculates the Borough should receive and reallocates it to other authorities.

In total some 1,539 people were involved with this consultation programme, building on the 7,000 comments and ideas we received in 2011/12 to shape our medium term service and financial strategy. A full consultation findings report can be found at Appendix 5.

The Council's plans to encourage jobs, growth and protection of services were broadly supported across the consultation:

- **96% of Community Panel respondents**
- **72% of public respondents to an online survey and article in 'Your Voice'**
- **70% of participants at the budget public consultation event at The Place.**

The most common stated reasons by a small number of participants for not supporting these plans were 'concern over growth plans and in particular, whether the Council should be investing in the Southwater scheme' (Community Panel respondents) and opposition to the proposed Council Tax increase (Public survey respondents).

The Council's campaign for a Fair Deal for Telford and Wrekin was also broadly supported across the consultation:

- **95% of Community panel respondents**
- **82% of public respondents**
- **87% of budget consultation event respondents**

The most common reason for not supporting the campaign was concern over the current or future level of Council Tax and that the short-term council tax freeze grant should be taken from the government.

Throughout the consultation period we responded directly or in writing to questions, concerns and issues raised by local people. A range of responses will be published on the Council's website at www.telford.gov.uk/budget. A progress report on this will be presented to Cabinet in May.

5. Role and Contribution of the Voluntary and Community Sector

The Voluntary and Community Sector (VCS) makes a significant contribution to the delivery of services to residents of Telford and Wrekin particularly in relation to prevention and low level intervention. VCS organisations deliver a wide range of services and vary from small local organisations that target a specific area or client group to large nationally recognised organisations, the annual income of these organisations varies between around £10,000 to over £1 million per year.

Although the Telford and Wrekin Voluntary and Community Sector Chief Officers Group (COG) have tried to capture the value of the sector within the Borough it has been difficult to do this. This is partly due to the number of organisations who work across the whole of Shropshire, and also because it is notoriously difficult to capture the total value that the VCS brings to an area. Further information on the role of the COG and a range of the VCS organisations within the Borough can be found at www.cog.tandwcvcs.org.uk/index.html

Telford & Wrekin Council values the contribution that is made by these organisations in the Borough through the services that they deliver and the role they play in helping to identify and address the needs of the community within Telford and Wrekin. These organisations are supported by a large group of volunteers who bring both their own experiences and extensive knowledge of local community issues to the services they support. The Council is committed to working with the VCS in the Borough and has taken a number of steps over the past twelve months to strengthen this relationship including;

- Working with the VCS to develop a 'Voluntary Sector Commissioning Framework' which will be implemented from April 2013.
- Attending the COG to discuss the Council's budget strategy, this identified the need for an ongoing strategic dialogue with the VCS about the Council's budget strategy. The appropriate mechanism for this dialogue will be agreed with the COG.
- Reminding Council services of the need to meet Best Value Guidance in relation to funding the VCS

6. Pressures Facing the Council:-

The current financial position facing the Council is the most challenging ever. Challenges we face include:-

- Projected grant cuts of at least £27m (or over £40m in real terms) over the period of the current Parliament with indications that cuts will continue at this rate until 2018/19.
- The geographical distribution of these cuts has not been even. Appendix 1 demonstrates this graphically. 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.
- The transfer of significant levels of financial risk to the council from the Government through the localisation of council tax support and localisation of business rates. The financial health of the council will therefore be closely correlated with the health of the local economy in future.
- The transfer of £8.5m pa costs relating to Continuing Healthcare cases from the Primary Care Trust.
- Growing numbers of older people needing care and support.
- The withholding of grant that the Government calculate should come to this area but which is paid to other parts of the country through the grant “damping” mechanism.
- A shortfall in grant of up to £1.6m due to the methodology used by ONS to estimate population between annual censuses.
- Pressures caused by the recession which increases demand for some services e.g. homelessness and the payment of housing and council tax benefits but also reduces the Council’s income e.g. income from planning applications and rents from the Council’s property investment portfolio are affected by the economic downturn.
- Limited available reserves. The Council is projected to have just £3.67m of usable balances remaining at the start of 2013/14.

An additional pressure in the budget is the considerable part of the net general fund budget committed to the repayment of debt incurred in respect of past capital investment decisions. Repayment of debt for past spending decisions is a commitment that cannot be avoided and as grant cuts and other pressures reduce the resources available to the Council interest and principal repayments take up an increasing proportion of the resources available that could otherwise be used to deliver front line services.

Projected Annual Cost of Borrowing	2013/14 £m	2014/15 £m	2015/16 £m
• Interest repayments	4.330	3.610	3.200
• MRP (Principal) repayments	5.293	4.831	4.631
• Debt held by Shropshire Council on behalf of Telford & Wrekin	1.955	1.847	1.763
Total	11.578	10.288	9.594

Despite the pressures faced by the Council, we remain committed to the provision of free car parking. The Council provides 2,000 free car parking spaces across the Borough. The only car parks that the council charge for are one small (56 spaces) car park in the Town Centre and the public car parks in Ironbridge. Charges for these car parks remain lower than those in the large privately owned Town Centre car parks, lower than those in Shrewsbury town centre and lower than those in other world heritage site locations. Many councils are increasing car parking charges by significant amounts in order to generate additional income but we recognise that the introduction of parking charges in our free to use car parks would have a detrimental impact on residents and the local economy.

7. Action already taken:-

The Council has clearly been preparing for the financial challenges we face for some time. Action already taken to reduce costs includes:-

7.1 Staff

- Since 2009 the Council has 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

7.2 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

7.3 “Back office” costs

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

7.4 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.

7.5 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.

7.6 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.
- 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

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.

Clearly it is becoming increasingly difficult to make savings which will not have direct service impacts. It has to be noted that over 85% of the Council's net revenue budget is spent on Adult Social Care, Children's Services and Neighbourhood & Leisure 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.

8. Savings, Severance Fund and Contingency for Safeguarding.

Despite the action already taken there is much more that needs to be done. After restating the budget gap to reflect updated information and specifically the impact of the changes referred to in section 3 above, the Council faces a budget gap of £7.106m in 2013/14 rising to an estimated £31.015m in 2015/16, although figures for this year are subject to a high degree of uncertainty as they fall outside the current Comprehensive Spending Review period.

Savings proposals are set out in Appendix 3 but will require some upfront investment. It is considered prudent to supplement the severance fund to help fund redundancy payments expected to be incurred during the coming year. As explained in section 3 above it is also considered prudent to establish a contingency for potential additional costs in the safeguarding budget to cover potential additional pressures arising from the April benefit changes and a potential allowance for the transfer of costs to Adult Services of those young people moving into semi independent living. This one off contingency will be held centrally and will only be released following a review and approval process by the Cabinet.

9. Council Tax.

The results of the consultation exercise reported above show strong support for the proposed budget strategy launched for consultation in January which included a proposal to increase council tax by 1.9% in each of the next 3 years. These results, offering broad support for a strategy that includes a moderate, below inflation, council tax increase in order to reduce the level of cuts to services that would otherwise be required, are not out of line with the results from the detailed consultation undertaken last year when 2,287 people responded to a specific question on whether the Council should accept a short term grant from the Government equal to a 2.5% council tax increase (£1.4m) or whether the Council should increase council tax. 63% (1,439

people) voted for either a 2.5% or a 3.5% council tax increase. As a result, for 2012/13 the Council increased council tax by 2.5%.

Despite the increase in 2012/13, council tax in this area is still the third lowest in the Midlands region being only 1% more than in Birmingham which has the lowest council tax in the Midlands. Our council tax at Band D level is £108 lower than the regional average and more than £300 less than in the Rutland Council area. If the council levied a council tax at the regional average £5.6m more would be generated to help deliver essential services. This low level of Council Tax means that the Council has a higher dependency on Government grants and cuts to these grants have a proportionally greater impact on Telford & Wrekin compared to many other councils. A heat map comparing the disproportionate impact of the Government's grant cuts across the country is included as Appendix 1.

This area also suffers from a relatively weak tax base as the average property in the Borough is in Band B compared which is much lower than wealthier parts of the country where property values are much higher and where the ability to generate income from a much stronger council tax base is considerably greater.

The Government has again offered a short-term grant if council tax is frozen but this time this grant is worth the equivalent of only a 1% council tax increase (£0.58m or around 40% of the grant offered for 2012/13) and only a third the rate of inflation. (The January 2013 increase in the Retail Prices index is 3.3%). An increase of 1.9% equates to around 32 pence per week for the average home in the borough and represents a real terms cut in the level of council tax when compared to the prevailing rate of inflation.

The Council recognises that these are challenging times for council taxpayers but taking account of the above issues and in line with the responses received from the consultation exercise, the soundest option is to decline the Government's offer and, instead, increase council tax by 1.9% for 2013/14. This will make the Council's budget more sustainable over following years and avoid some of the most damaging cuts that would otherwise have to be made to front-line services.

10. Summary of the Medium Term Financial Strategy:

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Updated Base Budget gap	7.106	20.959	31.015

Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
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 or further savings	0.000	3.580	11.978

11. Robustness of the Budget Strategy

The Council is required to set a balanced budget and the Council's Chief Financial Officer is required to give a view on the robustness of the Council's financial strategy including the use of balances and of the financial planning process. Appendix 14 gives a more detailed view, but overall the conclusion is that given the planned programme of savings and the successful track record of having already delivered £41.7m of savings over the last 4 years and underpinned by the proposed council tax strategy, it is considered that the Council is pursuing a sound financial strategy in the context of the most difficult financial position it has ever faced.

In order to deliver a robust medium term financial strategy given the

- low starting level of council tax to deliver council services when compared to other councils
- the prospect of many more years of significant reductions to the funding that we receive from Government
- high level of up front grant cuts faced by the council
- impact of cumulative capital programme investment decisions
- low level of residual balances
- greater levels of risk over future funding streams
- increasing pressure on services

a strategy of low level council tax increases is considered to be a more sustainable and financially prudent approach than use of short-term one off grants which only delay the decisions which need taking.

Recommendations approved by Cabinet will be considered at full Council on 7th March 2013 as full Council is responsible for setting the overall revenue and capital budget framework. At this meeting full Council will also set the Council Tax for 2013/14.

12. RECOMMENDATIONS

Members are asked to approve the following recommendations:-

- 12.1 The base budget summarised by Service Delivery Unit in Appendix 9a**
- 12.2 To consider the feedback from consultation summarised in Appendix 5 and from scrutiny in Appendix 6**
- 12.3 An increase of 1.9% in council tax levels in 2013/14 (32 pence per week for the average property in the Borough) and a strategy of increasing council tax by 1.9% in the following two years in order to maintain financial stability and to help protect the delivery of front-line services.**
- 12.4 The creation of a £1.3m contingency fund to offset pressures in the safeguarding budget, and potentially the adult services budget following the transfer of young people to semi-independent living. This contingency to be held centrally and only allocated after consideration by Cabinet.**
- 12.5 The 2013/14 net savings package of £8.611 detailed in Appendix 3 and the savings proposals set out in the appendix for future years.**
- 12.6 The transfer of £1.219m to the severance fund as detailed in the report.**
- 12.7 The earmarking of £2.5m underspends in 2012/13 as a one-off budget contingency for 2013/14 as detailed in the financial monitoring report also on this agenda. This amount may be increased further should the Council underspend at the end of 2012/13 as currently projected.**
- 12.8 The Education budget position set out in section 18 of this report**
- 12.9 The statement of the Chief Finance Officer in section 11 (supported by Appendix 14 outlining the robustness of the Budget Estimates and the Adequacy of Reserves.)**
- 12.10 The policy framework for Reserves and Balances outlined in Appendix 10**
- 12.11 The revenue implications of the medium term capital programme for the period 2012/13 - 2015/16 set out in the Capital Programme report also on this agenda.**
- 12.12 The Council's Pay Policy included as appendix 11 of this report.**
- 12.13 Subject to the savings proposals being accepted that the updated Care & Support Community Care Policy & Procedure Document**

included as Appendix 12b (amended to reflect the savings) be approved.

- 12.14 The Impact Assessments contained in Appendices 4a to 4d.
- 12.15 The Safeguarding and Early Help Cost Improvement Plan contained in Appendix 2
- 12.16 The Care & Support savings proposals and Public Health budget proposals contained in Appendices 12a, 13a and 13b.
- 12.17 Telford & Wrekin's Local Council Tax Support (LCTS) 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. The global Local Council Tax Support scheme reduction now needs to be confirmed at 21% in line with the provisional agreement at full Council in November 2012.
- 12.18 A one-off sum of £0.065m should be earmarked to award discretionary discounts in cases of extreme financial hardship arising from the introduction of the LCTS scheme.
- 12.19 The deferment of auto-enrolment in the local government pension scheme for existing employees until 30th September 2016.
- 12.20 That authority to approve any expenditure to be funded from the £1m Capital "Commercial and Business Fund" and the £0.15m "Destination Telford" revenue budget be delegated to the Managing Director after consultation with the Leader and the Cabinet Member for Resources and Service Delivery.
- 12.21 In recognition of our valued relationship with Town and Parish Councils and in line with our cooperative working principles the full amount of LCTS grant attributable to Town and Parish Councils is passed on to them, reflecting the incidence of LCTS scheme claimants. In future years, the quantum of the grant to be devolved will be changed in line with the year on year percentage change in the Council's Revenue Support Grant and the allocation between Town & Parish Councils will be updated annually to reflect changes in the incidence of LCTS scheme claimants.

13. 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</i>

		<i>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 4. 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 which is detailed in the Appendix.</i>
TARGET COMPLETION/DELIVERY DATE	<i>A series of borough wide public consultation activities have been undertaken during January and early February. The proposals contained in the report were also subject to Member scrutiny during this period. Final proposals will be considered by 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 and have been 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 setting its budget and council tax levels by the March deadline laid down by the Government</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the</i>

		availability of balances. <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. 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 4d provides information on the environmental impacts of the budget proposals. The economic impacts of the proposals are also detailed in Appendix 4d.</i>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Borough-wide impact.</i>

PART B) – REVENUE BUDGET

14.0 OUR CONTEXT

The Cabinet approved a draft service and financial planning strategy for consultation covering the period 2013/14 to 2015/16 at its meeting held on 10th January 2013. These proposals were informed by the very extensive consultation exercises with local people which involved 7,442 contacts with local people in the previous year. 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.**

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.

14.1 NATIONAL PRESSURES

The January Cabinet report highlighted a number of national pressures including:-

14.2 The Comprehensive Spending Review(CSR) and Cuts to our Grants from Government.

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.

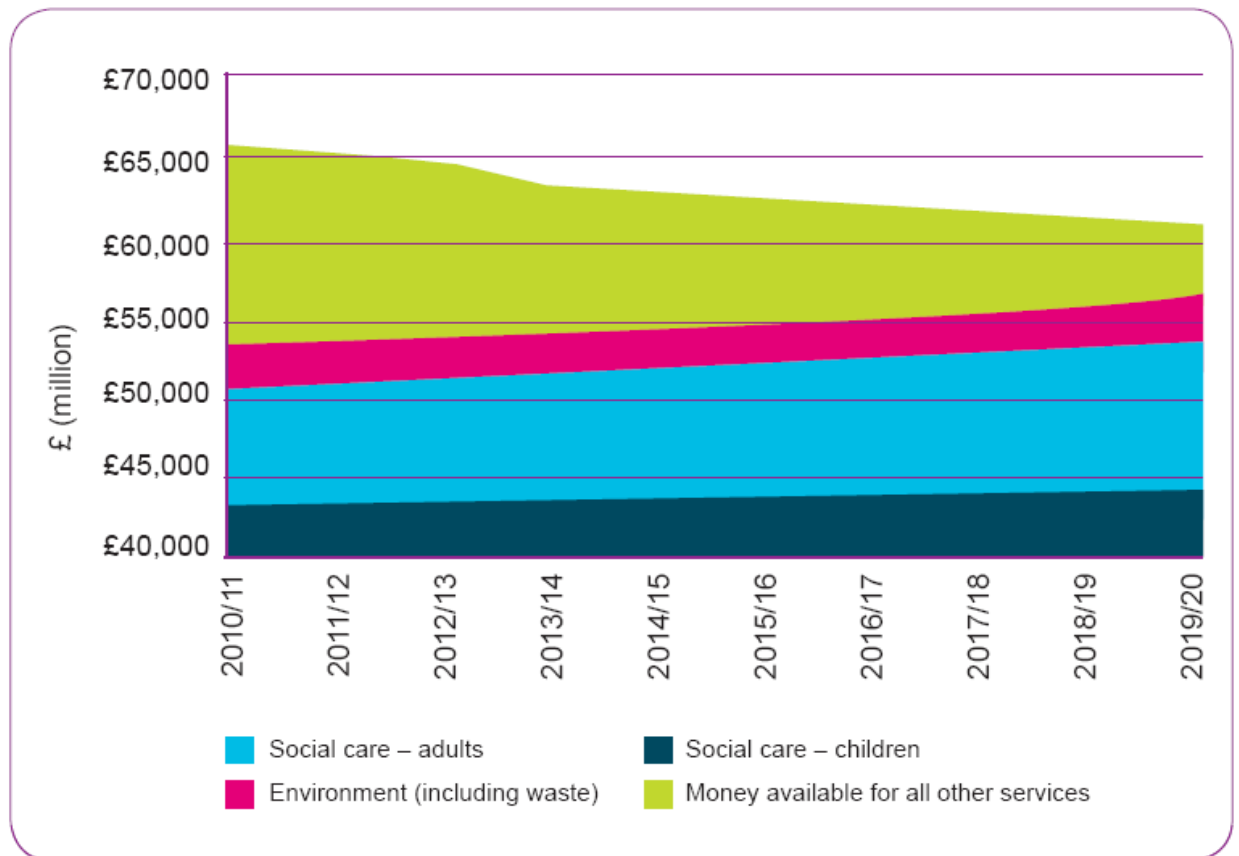
Whilst the position for local government over the period of the current CSR is extremely challenging, the impact of the cuts to Government funding are not felt uniformly across the country. There are very significant differences in the impact of the grant cuts announced so far with the north of England 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 lowest place out of 324 council areas in England. Our neighbouring local authority areas of Shropshire and Stafford are in 175th and 198th place respectively so far considerably better than us.

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 49% 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 although this will not be without inherent risks which will need to be managed as effectively as possible.

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.



14.3 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

A further “spending round” 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’.

14.4 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:-

14.4.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. The main features of this new and very complex system were explained in the January Cabinet report. The new scheme transfers significant financial risks to councils from central government and 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 is retained locally.

14.4.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. Councils were required to establish their own replacement 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.

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 the reduced 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. Our best estimate is that we face an estimated funding shortfall of £3.1m for 2013/14 as a result of the introduction of the new scheme.

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.

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 21.1% 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 2013/14 budget strategy.

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

As part of changes being made by the Government to the NHS, in April Public Health functions will transfer to either upper tier Local Authorities, or to 2 new NHS national bodies - Public Health England and the NHS Commissioning Board. The council was notified on 10th January 2013 that its ring fenced grant allocation to support the new Public Health function will be £10.6m, in 2013/14 and well above the assumption that had been made that the grant would be in the range £8.2m to £10.4m. Previous planning had been based on the lower end of this range so the Council is in a fortunate position of receiving significantly more grant. This necessitates the updating of the base budget gap and gives capacity for some existing discretionary services that contribute to the wider determinants of public health to be protected from cuts if they are funded from the ring fenced grant in future.

The Public Health budget was considered on 23rd January by the Health & Wellbeing Board (see Appendices 13a and 13b). This position is now incorporated in the overall strategy now put forward for approval

14.4.iv Local Government Grant Settlement

The provisional settlement was not announced until 19th December 2012 and there were then considerable delays in the Council receiving accurate and complete information with the final data not being received until 10th January. This extremely late announcement compressed the time available for consultation. The Government announced the availability of a council tax freeze grant for 2013/14 on 8th October 2012. This grant is only equal to a 1% increase in council tax or £0.582m at best for this Council (assuming that the grant is based on the tax base prior to the impact of introducing local council tax support schemes), compared to a grant of 2.5% (£1.4m) offered for 2012/13 although it would be payable for two years rather than for 1 year as for the 2012/13 offer. The Secretary of State also stated that those authorities who increase their relevant basic amount of council tax in 2013/14 by more than 2%, must hold a referendum.

The final settlement was announced on 4th February and reduced the grant receivable by the council in 2013/14 by £0.001m but increased it by £0.041m in 2014/15. A one-off additional New Homes Bonus allocation of £0.286m was also announced for 2013/14 as the Government had previously held back too much from their initial top slice of grants to local authorities which is used to fund the New Homes Bonus allocations made to local authorities.

15. LOCAL CONTEXT

15.1 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.

15.2 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. 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.

Clearly it is becoming increasingly difficult to make savings which will not have direct service impacts. It has to be noted that over 85% of the Council's net revenue budget is spent on Adult Social Care, Children's Services and Neighbourhood & Leisure 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.

15.3 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 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 317 Children in Care and are now projecting an overspend in the current year of £3.1m (an increase of £0.3m compared to the previous report considered by Cabinet on 10th January). A cost improvement plan for safeguarding and early years was included in the draft service and financial planning strategy which should deliver savings of £2.2m during 2013/14. The draft strategy also assumed an increase in the safeguarding budget for 2013/14 of £0.6m. However, based on the latest information available there is a very high degree of uncertainty about the robustness of the safeguarding budget for 2013/14. It is therefore now proposed to create a one-off contingency of £1.3m for safeguarding (including £0.37m which is earmarked for Care & Support who bear additional costs in respect of care-leavers) to be held centrally and only to be allocated after consideration by Cabinet who will monitor the delivery of the cost improvement plan during the year. This action plan is included at Appendix 2 of this report.

- **Care & Support**

The table below summarises the savings required of the service

	£m	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
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. 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 12a. 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 2013/14 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.

After the January Service and Financial Planning report was drafted, the Council was informed that it had been allocated an increase of £0.741m in the funding transfer from the NHS to social care in 2013/14. It is proposed that Care & Support budgets are increased by £0.37m and that £0.37m of the £1.3m safeguarding / care and support contingency referred to above is earmarked for Care & Support.

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.

16.0 OUR STRATEGY

16.1 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 14.0. 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.

16.2 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 in a separate report on this agenda.

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** – The draft budget strategy that we started consultation on in January included a new investment of £0.6m 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 and 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. However, in the light of the latest financial monitoring information and in view of comments made by the Budget & Finance Scrutiny Committee it is considered prudent to make a further investment in a one-off contingency totalling £1.3m (with £0.37m earmarked for Care & Support who face additional costs arising from care leavers) to be held centrally and allocated only after Cabinet consideration.
- 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. 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 will invest £2.5m of the available grant funding in protecting and enhancing existing 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 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.

16.3 Savings

Over the last four years we have made £41.7m. of ongoing annual savings, equivalent to around £600 for every home in the borough. 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 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 £112.774m over the medium term. The planned profile of these receipts is shown below:

	£m
2012/13	33.139
2013/14	39.127
2014/15	11.813
2015/16	12.350
2016 onwards	16.345
Total	112.774

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 level of dependency is however a significant risk and 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 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. 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. Additional funding will be required in the severance fund to cover anticipated redundancy costs over the coming year and this report recommends that £1.219m is transferred in to the fund to meet the cost of future voluntary and compulsory redundancies, although as previously stated the Council will do all that it can to minimise the number of compulsory redundancies although they cannot be ruled out. 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 consolidates the savings proposals that had previously been published in September 2012 and those that were published in December 2013. The only amendment has been the deletion of the Civil Parking Enforcement saving of £0.15m assumed from 2014/15 onwards.

This shows that around £8.611m will be available to support the service and financial planning strategy in 2013/14. Impact assessments and service user engagement will be undertaken during 2013 as more specific proposals are developed. Information on equalities, environmental and economic impact assessments are included in Appendices 4a to 4d.

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.

16.4 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 are 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 2013/14	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 prudent 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.

16.5 Base Budget, Balances and Contingencies

A summary of the Base Budget position is included at Appendices 9a and 9b details movements in the Base Budget. The net base budget totals £142.378m for 2013/14 giving a base budget funding gap of £7.106m in 2013/14.

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 transfer of £2.5m. to create a one-off contingency for 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 further increase the provision for severance costs as it is likely that further posts will need to be deleted by the Council for the foreseeable future. The projections for future years include an ongoing contingency of £2.5m from 2014/15.

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. 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.

16.6 Council Pay and Care & Support Community Care Policies

This report also contains the Council's Pay Policy at Appendix 11 which was considered at the Personnel Board on 19th February 2013 and an updated Care & Support Community Care Policy & Procedure Document included as Appendix 12b.

17. **MEDIUM TERM GENERAL FUND STRATEGY**

A number of changes need to be reflected in order to update the base budget gap as set out in the table below-

	13/14 £m	14/15 £m	15/16 £m
Base budget gap reported in 10 th January 2013 Cabinet report	10.034	23.993	33.737
Updated information relating to the funding transfer from NHS to social care	- 0.741	- 0.741	0
Additional NDR income assumed in line with final submitted "NNDR 1" form	- 0.342	-0.342	-0.342
Additional schools catering service budget – costs to be borne by Council	0.300	0.200	0.100
Waste Procurement Project - one-off costs	0.150	0	0
Delete central allowance for savings from "flexi-deals" as savings are retained in service areas	0.020	0.020	0.020
Change in funding as a result of the final (February 2013) settlement figures compared to provisional settlement (December 2012).	0.001	-0.0 41	0
Additional spend in Care & Support over and above level of spend previously assumed	0.370	0.370	0
Additional one-off New Homes Bonus	- 0.286	0	0
Additional schools ICT budget allocation – cost borne by Council	0.100	0	0
Existing key services that address the wider determinants of Public Health funded from the higher than anticipated grant allocation announced on 10 th January 2013	-2.500	-2.500	- 2.500
Updated base Budget Position	7.106	20.959	31.015

This updated base budget gap is addressed by the strategy explained in this report and summarised in the table below:-

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Updated Base Budget gap	7.106	20.959	31.015
Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
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 or further savings	0.000	3.580	11.978

Whilst the strategy sets a robust and balanced budget for 2013/14, a shortfall of £3.58m remains for 2014/15 assuming a council tax of 1.9% is implemented in this year. This will need to be covered from a mix of further savings, additional income and potentially some use of one-off resources. The projected shortfall increases by a further £8.4m in 2015/16 although as the projections for this year fall outside the current CSR period and will be subject to the impact of the Spending Round to be announced by the Chancellor sometime before the end of June 2013, the projections for this year are subject to a reasonably high degree of uncertainty.

18. 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 £646k 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. The indicative DSG for 2013/14 for Telford & Wrekin is £120.350m 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 - £96.387m – 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 - £15.019m.

The DSG is supplemented by pupil premium of £900 per pupil giving a total of expected Pupil Premium for Telford and Wrekin schools (including Academies) 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 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 has not yet been confirmed. Local authority ESG allocations for 2013-14 will be confirmed in early March 2013, based on the number of pupils in maintained schools and academies at that time. 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 of 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 £2.321m to the Council of un-ring fenced grant funding. 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. It has recently been announced that the £150m top sliced nationally will be allocated to Local Authorities as a one year Adoption Reform Grant, individual allocations have not yet been announced.

19. 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. Initially a pro-forma was issued to Assistant Directors asking for details of saving proposals and any impacts that may be experienced by service users. When compiled into one place a screening exercise was conducted, by the Community Engagement and Equalities Team, to identify possible further requirements for impact analysis and/or service user engagement. This list was agreed at Policy Review on 15 February 2013 and presented to the Budget & Finance Scrutiny Committee at their meeting held on 5 February 2013. The list can be found at Appendix 4.

The Community Engagement and Equalities Team will now work with identified lead officers to investigate the proposals confirming the extent of the equality implications and service user engagement scope. For proposals where implications have been identified and are at a sufficiently developed state a proportionate impact analysis will be undertaken. Where a proposal is still at an early stage of development, a plan has been put in place to ensure delivery of equality impact analysis and engagement during its development.

In September 2012 Cabinet agreed additional budget saving proposals. Appendix 4 shows progress on those savings proposals which needed further exploration around the need for an equality impact analysis and/or engagement.

Due to the complexity of the budget setting process with a vast array of proposals for savings there is potential for a number of small changes to have a large cumulative effect. An equality analysis of the overall impact of the budget has been completed and can also be found in Appendix 4.

The analysis will be reviewed and monitored over the full period covered by this report to ensure no unidentified impacts occur and positive progress is maintained.

20. 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 4d 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 also

included in Appendix 4d. 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.

21. NEXT STEPS

Once the service and financial planning strategy for 2013/14 has been approved by full Council on 7th March 2013 and the council tax resolutions have been decided, it will be imperative that considerable resource is devoted to rigorous financial management and monitoring by all managers and budget holders. The Council faces many financial challenges over and above the obvious and very significant reductions in Government grant and has limited contingencies and balances available. There are many risks and uncertainties inherent in the new financial system being imposed by the Government – as well as some opportunities and the full impact of the localisation of business rates system and local support for council tax scheme will only become apparent as 2013/14 progresses.

As well as exercising tight financial control and effective financial monitoring, managers and Cabinet Members will need to turn attention to the 2014/15 and later years medium term financial strategy early in 2013/14 in order to identify further savings and opportunities for additional income to bridge the projected remaining shortfalls of £3.6m in 2014/15 and an additional £8.4m in 2015/16.

22. ROBUSTNESS OF THE FINANCIAL STRATEGY AND LEVELS OF RESERVES & BALANCES

Under section 25 of the Local Government Act 2003, the Council's Chief Financial Officer (CFO) is required to report on the adequacy of the Council's reserves and balances and on the Council's financial strategy including the use of balances and of the financial planning process and the Council must have regard to this report when agreeing the medium term financial strategy.

Appendix 14 gives a more detailed view, but overall the conclusion is that given the planned programme of savings which has been under way for some time and has demonstrated an excellent track record of delivery with £41.7m savings expected to have been delivered over the 4 year period to March 2013 and with this also underpinned by the proposed council tax strategy, it is considered that the Council is pursuing a sound financial strategy in the context of the most difficult financial position it has ever faced.

In order to deliver a robust medium term financial strategy given the

- low starting level of council tax to deliver council services when compared to other councils
- the prospect of many more years of significant reductions to the funding that we receive from Government
- high level of up front grant cuts faced by the council
- impact of cumulative capital programme investment decisions
- low level of residual balances
- greater levels of risk over future funding streams

- rising and ongoing pressure on services

a strategy of low level council tax increases is considered to be a more sustainable and financially prudent approach than use of short-term one off grants which only delay the decisions which need taking.

23. BACKGROUND PAPERS

- Comprehensive Spending Review Announcements – Treasury Website
- Autumn Statement – Treasury Website
- Revenue Support Grant Provisional Settlement Announcement – CLG Website
- Revenue Support Grant Final 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
- Service & Financial Planning Update report to Cabinet – 10th January 2013
- 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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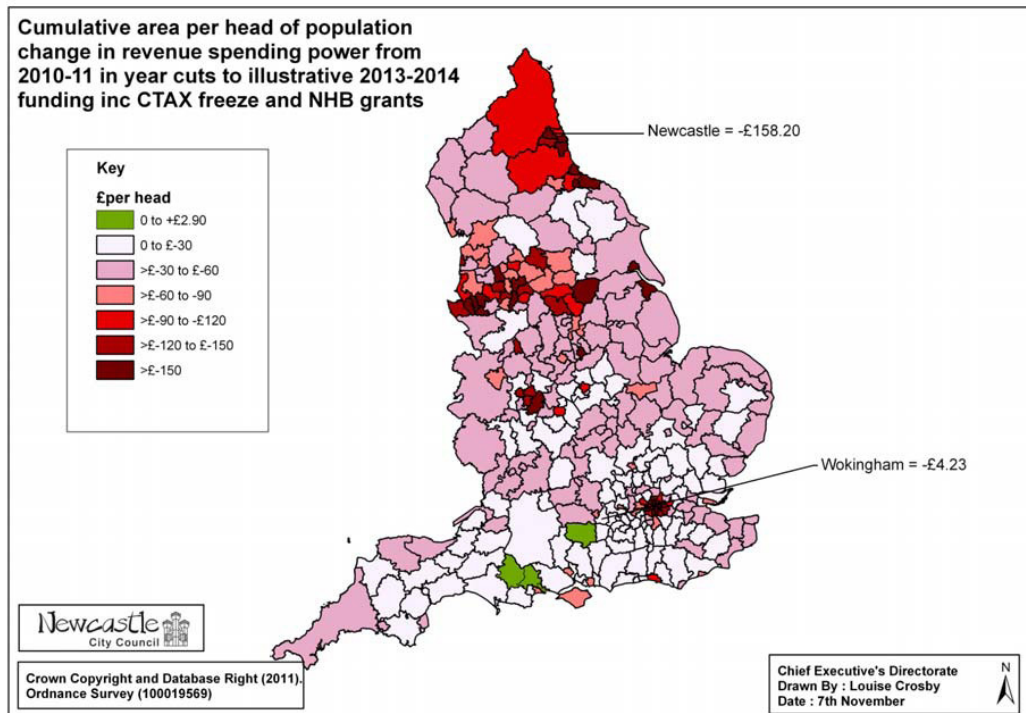
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Appendix 1.

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

Objective 1: Emma Wilcock (Karen Perry)

Recruitment & Retention – develop recruitment and retention (workforce planning and development) strategy for children's services social workers.

Performance Indicator (PI)- number of agency social workers employed across children and family services. *Includes impact of over recruitment to avoid agency staff requirements(Current number of agency staff at the end of October is 12..7)*

Max 6 Agency SWs by April 13	300	620 ¹	• Market the concept of the Telford Social Worker (co-operative offer) (<i>EW</i>) • Review approach to recruitment – “LEAN analysis of all parts of process” (<i>RF</i>) • Using generic interview panels programmed in throughout the year (<i>AW</i>) • Improved forecasting of timescales for taking up posts. (<i>SDM's</i>) • Maintaining a competitive advantage (Unique Selling Point) and pay parity with other local authorities (<i>EW/HR</i>) • Improved management reporting - vacancies, appointments and agency cover (<i>HR</i>) • Step Up students to be proactively targeted for recruitment (<i>AW</i>) spring/summer 2013 • Explore SW to SSW progression by Assessment	• 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 Sept 13 April 14

¹Based 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

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).

40 RP by end of March 13.	1,192	1,413	- 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)	- 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	March 13 March 14 March 14

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
			- Using a JIGSAW house as an assessment centre if this is confirmed as a viable option (<i>VMcY</i>) - 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	- 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

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

300 CiC by April 13	556	1,009	• “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>	• 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	April 13
294 CiC by April 14					April 14
9 fewer CP Plans by April 13					April 13
21 fewer CP Plans by April 14					April 14
Average time spent in care reduced by 6 weeks by April 13					April 13

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
			• 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

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	• 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)	• 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

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
• Culture change within our workforce and across agencies will be resisted	• 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.
• Reconfiguration uncertainty – Safeguarding review underway.	• Comprehensive engagement/communication strategy and plan put in place • Ensuring social workers understand the need for change • The concept of the Telford Social Worker
• Lack of capacity at SDM level – previous reviews have reduced substantially capacity at manager level across children and family service	• 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
• Lack of capacity in Commissioning & Family Placement teams	• As above
• Some LA pay a premium or have concluded single status work resulting pay inequity across the region	• Review inequity and make recommendations for addressing any inequity
• Adverse impact of benefit change on demand for children and family services.	• 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

• Shortage of foster carers nationally – there is a shortage of foster carers across the region, particularly for older teenage children in care.	• Review package and support offered • Review marketing strategy as above
• 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	• 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
• Impact of Family Law reform on capacity in ACM teams	• Should be short term and pending promised national simplifications of care plans
• Lack of Business Support Officer (BSO) capacity	• Review service requirements as part of the restructure

BUDGET RECOMMENDATIONS SUMMARY 7 MARCH 2013.

D1 OVERVIEW & REVENUE BUDGET RECOMMENDATIONS

- 12.1 The base budget summarised by Service Delivery Unit in Appendix 9a**
- 12.2 To consider the feedback from consultation summarised in Appendix 5 and from scrutiny in Appendix 6**
- 12.3 An increase of 1.9% in council tax levels in 2013/14 (32 pence per week for the average property in the Borough) and a strategy of increasing council tax by 1.9% in the following two years in order to maintain financial stability and to help protect the delivery of front-line services.**
- 12.4 The creation of a £1.3m contingency fund to offset pressures in the safeguarding budget, and potentially the adult services budget following the transfer of young people to semi-independent living. This contingency to be held centrally and only allocated after consideration by Cabinet.**
- 12.5 The 2013/14 net savings package of £8.611detailed in Appendix 3 and the savings proposals set out in the appendix for future years.**
- 12.6 The transfer of £1.219m to the severance fund as detailed in the report.**
- 12.7 The earmarking of £2.5m underspends in 2012/13 as a one-off budget contingency for 2013/14 as detailed in the financial monitoring report also on this agenda. This amount may be increased further should the Council underspend at the end of 2012/13 as currently projected.**
- 12.8 The Education budget position set out in section 18 of this report**

- 12.9 The statement of the Chief Finance Officer in section 11 (supported by Appendix 14 outlining the robustness of the Budget Estimates and the Adequacy of Reserves.)**
- 12.10 The policy framework for Reserves and Balances outlined in Appendix 10**
- 12.11 The revenue implications of the medium term capital programme for the period 2012/13 - 2015/16 set out in the Capital Programme report also on this agenda.**
- 12.12 The Council's Pay Policy included as appendix 11 of this report.**
- 12.13 Subject to the savings proposals being accepted that the updated Care & Support Community Care Policy & Procedure Document included as Appendix 12b (amended to reflect the savings) be approved.**
- 12.14 The Impact Assessments contained in Appendices 4a to 4d.**
- 12.15 The Safeguarding and Early Help Cost Improvement Plan contained in Appendix 2**
- 12.16 The Care & Support savings proposals and Public Health budget proposals contained in Appendices 12a, 13a and 13b.**
- 12.17 Telford & Wrekin's Local Council Tax Support (LCTS) 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. The global Local Council Tax Support scheme reduction now needs to be confirmed at 21% in line with the provisional agreement at full Council in November 2012.**

- 12.18** A one-off sum of £0.065m should be earmarked to award discretionary discounts in cases of extreme financial hardship arising from the introduction of the LCTS scheme.
- 12.19** The deferment of auto-enrolment in the local government pension scheme for existing employees until 30th September 2016.
- 12.20** That authority to approve any expenditure to be funded from the £1m Capital “Commercial and Business Fund” and the £0.15m “Destination Telford” revenue budget be delegated to the Managing Director after consultation with the Leader and the Cabinet Member for Resources and Service Delivery.
- 12.21** In recognition of our valued relationship with Town and Parish Councils and in line with our cooperative working principles the full amount of LCTS grant attributable to Town and Parish Councils is passed on to them, reflecting the incidence of LCTS scheme claimants. In future years, the quantum of the grant to be devolved will be changed in line with the year on year percentage change in the Council’s Revenue Support Grant and the allocation between Town & Parish Councils will be updated annually to reflect changes in the incidence of LCTS scheme claimants.

D2 CAPITAL PROGRAMME RECOMMENDATIONS

Members are asked to approve the report and associated capital estimates and variations for 2012/13 and 2013/14 – 2015/16, which incorporates the Capital Strategy, the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II), and Asset Management Plan (Annex III) and the three year Highways and Transport capital investment programme (Annex IV).

D3 TREASURY STRATEGY RECOMMENDATIONS

Members are asked to note the treasury management activities for the first half year, note the Treasury Management Policy Statement (Appendix A) and approve the Treasury Strategy, including the Annual Investment Strategy for 2013/14 together with the associated treasury Prudential Indicators and the Minimum Revenue Provision Statement.

D4 PRUDENTIAL INDICATORS

Members are asked to approve the prudential indicators proposed in this report as part of setting the budget for 2013/14.

D5 COUNCIL TAX RESOLUTION

Members are asked to approve the formal resolutions to determine the levels of Council Tax for 2013/14 as detailed in the report.

TELFORD & WREKIN COUNCIL

COUNCIL – 7 MARCH 2013

SERVICE AND FINANCIAL PLANNING 2013/14 TO 2015/16 OVERVIEW AND REVENUE BUDGET REPORT

REPORT OF THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER

PART A) – OVERVIEW REPORT

1. Introduction

This report seeks approval of the Service & Financial Planning strategy for the three year period 2013/14 to 2015/16 with specific budget proposals for 2013/14. This overview report, along with other reports on the agenda covering:-

- The Capital Programme
- The Treasury Management Strategy and
- Prudential Indicators

form the Council's overall Medium Term Service & Financial Planning framework and proposes the service priorities and budget for 2013/14 as well as savings proposals that will be delivered over the next three years and a medium term capital programme.

The Council published its draft budget proposals for 2013/14 on 5th January and they were approved at Cabinet on 10th January when a one month consultation period commenced. The results of the consultation exercise are included in this report.

2. Summary of the main proposals in the Draft Budget report issued for Consultation.

Despite the considerable financial challenges faced by the Council arising from cuts to the funding we receive from Government, estimated at £40m in real terms over the life of this Parliament, inflation and increased demands for many services, the report set out a clear mission to attract new jobs and investment and promote 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 clearly 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 and our most vulnerable adults, particularly in the current climate where economic pressures on many families are growing,
- 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.

The draft budget proposals included:-

- A capital programme totalling £287.3m over the medium term with a projected programme of £79.67m next year. This included £1m for a

new Commercial and Business Fund to invest in new commercial initiatives with the intention of generating profits to support the provision of existing services in the face of a pro-longed and very significant withdrawal of Government funding for the Council.

- £0.15m for “Destination Telford” initiatives to promote Telford as a place to visit, live, work and invest in. Under the new localisation of business rates proposals, the Council will receive 49% of any increased business rates generated within the area as well as receiving council tax and New Homes Bonus from new housing developments.
- Investment of £0.6m in to the childrens’ safeguarding budget for 2013/14 to help protect children at risk of harm and neglect.
- Investment of £0.15m in to the winter maintenance budget.

The report also contained savings proposals totalling £8.611m in 2013/14 rising to £15.643m by 2015/16 and a proposal to increase council tax by 1.9% in 2013/14 and the following two years.

3. Changes since Draft Budget proposals were approved for Consultation.

The Government was exceptionally late in issuing the provisional local government finance settlement which was made available between 19th December 2012 and early January 2013 with the Public Health grant allocations not being received until 10th January 2013. The Public Health grant allocation of £10.6m exceeded the projected range of between £8.2m and £10.4m. The council has also updated its projections of business rates income for 2013/14 with an increased projection of £0.34m) and been notified that the funding transfer from the NHS to social care for 2013/14 will be increased compared to the 2012/13 figure by £0.74m.

On 4th February the Government issued the final local government finance settlement for 2013/14 and whilst there was only a very minor change (£0.001m) in the revenue support grant allocation, an additional one-off allocation of £0.286m New Homes Bonus has been announced for 2013/14. These changes have therefore resulted in some restatement of the forecast budget gap for 2013/14.

The financial monitoring report also on this agenda establishes a £2.5m revenue contingency for 2013/14 from projected underspends in the 2012/13 budget. However, this report also identifies that the safeguarding overspend has increased to £3.1m from £2.8m previously reported. The Council must set a robust balanced budget and safeguarding is a volatile demand led budget which can be significantly affected by changes in the overall numbers of children in care or increases in the number of sometimes very expensive residential placements. Even before this latest increase in the level of the projected overspend on the safeguarding budget, the Budget and Finance Scrutiny Committee had expressed doubts over whether the Safeguarding and Early Help Cost Improvement action plan would be fully delivered. It is therefore considered prudent to create a one off additional budget contingency for 2013/14 of £1.3m following robust modelling of the projected

cost of safeguarding children in 2013/14 based on the latest available placement information and discussions with the Assistant Director of Safeguarding. The impact of identified savings resulting from actions within the Safeguarding and Early Help Cost Improvement Plan has been reflected in this model and will continue to be closely monitored. The contingency is required to fund the impact of the normal level of anticipated admissions throughout the year, additional pressures from the benefit changes and an allowance for the transfer of costs to Adult services of those young people moving into semi independent living. The funding from this one off contingency which will be held centrally will only be released following a review and approval process by the Cabinet.

The Council will clearly need further ongoing savings and given the high proportion of the budget spent on employees further redundancies are inevitable. The Council will do all that it can to minimise the need for redundancies through active vacancy management and redeployment, minimising the use of agency workers and consultants and will continue to seek voluntary redundancies where-ever possible. However further redundancy costs will be incurred and therefore this report also recommends that a sum of £1.219m is transferred in to the severance fund to facilitate further ongoing savings from reducing employee numbers.

4. Consultation Activity and Feedback:-

As in previous years, communicating and engaging with the community on our future plans was a key part of the budget process. 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. This year we asked for people's 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.

We began to communicate and engage with local people immediately after the publication of the draft budget strategy on 4 January 2013 and formal consultation began after the Cabinet meeting on 10 January 2013. Our communication and engagement plan included:

- 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;
- Opportunities to use Facebook, Twitter, and invitations to write in, ring in or text in views and comments;
- A postal survey of the Community Panel (comprised of 1,252 local residents who act as a sounding board to inform the Council's policy and service development);
- Meetings with a range of groups and organisations;

- An open public budget consultation event at The Place, Oakengates on January 16;
- Ongoing press releases;
- A meeting with the Employee Joint Information and Consultation Forum (JICF)
- Formal consultation with the Council's Budget & Finance Scrutiny Committee which includes an independent co-opted member of the public and councillors from both the controlling and main opposition groups.

An open public meeting was held on 16 January at The Place @ Oakengates Theatre at 6pm. The event was promoted in the press and Your Voice and a number of posters and flyers were distributed across the Borough. The open public meeting was a mix of a presentation outlining the budget plans and an opportunity for those in attendance to visit a number of information stands and speak with the Leader of the Council, Cabinet Members, the Managing Director, Assistant Directors and Senior Officers. Total number of members of the public in attendance = 66 local people.

The Cabinet Member for Resources and Service Delivery, the Chief Finance Officer and relevant Assistant Directors attended a number of local groups and forums including:

- Telford and Wrekin Parish Forum = 30 in attendance
- Senior Citizens Forum = 120 in attendance
- Telford Business Board = 15 in attendance
- Taking Part Forum = 33 in attendance
- Chief Officers Group = 10 in attendance
- Joint Information and Consultation Forum (JICF) = 4 in attendance
- Parents Opening Doors – PODS = 18 in attendance
- Young People's Forum = 12 in attendance
- Ketley Bank Residents Association = 11 in attendance
- Carers Partnership Board = 13 in attendance

Total number in attendance = 266

A number of other forums and groups were approached to receive a budget presentation. Where they were unable to host the Council they distributed the information to their members.

The consultation period ran through to 10 February 2013 in order that careful consideration could be given to the views expressed by the Council's Cabinet when preparing their final report and recommendations to full Council.

4.1 Summary of the consultation findings

Following notification of the Council's 2013/14 financial settlement from government, the Council developed a proposed 2013/14 budget building on the medium-term service and financial strategy developed for 2012/13.

The 2013/14 budget continues the organisation's focus on continuing to attract new jobs, investment and promoting growth in the borough while

protecting as far as possible Council Services. In response to the financial pressures on public services in the Borough, the Council has also developed a Fair Deal Campaign to ask Government to provide funding which better reflects the level of service demand and growth potential in the Borough.

To understand the community's views on these two elements, a programme of public consultation was undertaken from early January, closing February 10th as outlined above:

Our consultation activities explored two key themes:

1. Our plans to encourage jobs, growth and protection of front-line services, including £250m investment in the Southwater Scheme, £200m Building Schools for the Future programme and working to make it easier for businesses to come here and grow, offering support to attract new firms and help create new jobs.
2. A proposed Fair Deal Campaign for Telford and Wrekin as we consider that the Council has 'disproportionately' lost out in the Government's funding cuts to local authorities, loses as a result of an undercount of our population and through the grant damping mechanism, which means the government withholds money that it calculates the Borough should receive and reallocates it to other authorities.

In total some 1,539 people were involved with this consultation programme, building on the 7,000 comments and ideas we received in 2011/12 to shape our medium term service and financial strategy. A full consultation findings report can be found at Appendix 5.

The Council's plans to encourage jobs, growth and protection of services were broadly supported across the consultation:

- **96% of Community Panel respondents**
- **72% of public respondents to an online survey and article in 'Your Voice'**
- **70% of participants at the budget public consultation event at The Place.**

The most common stated reasons by a small number of participants for not supporting these plans were 'concern over growth plans and in particular, whether the Council should be investing in the Southwater scheme' (Community Panel respondents) and opposition to the proposed Council Tax increase (Public survey respondents).

The Council's campaign for a Fair Deal for Telford and Wrekin was also broadly supported across the consultation:

- **95% of Community panel respondents**
- **82% of public respondents**
- **87% of budget consultation event respondents**

The most common reason for not supporting the campaign was concern over the current or future level of Council Tax and that the short-term council tax freeze grant should be taken from the government.

Throughout the consultation period we responded directly or in writing to questions, concerns and issues raised by local people. A range of responses will be published on the Council's website at www.telford.gov.uk/budget. A progress report on this will be presented to Cabinet in May.

5. Role and Contribution of the Voluntary and Community Sector

The Voluntary and Community Sector (VCS) makes a significant contribution to the delivery of services to residents of Telford and Wrekin particularly in relation to prevention and low level intervention. VCS organisations deliver a wide range of services and vary from small local organisations that target a specific area or client group to large nationally recognised organisations, the annual income of these organisations varies between around £10,000 to over £1 million per year.

Although the Telford and Wrekin Voluntary and Community Sector Chief Officers Group (COG) have tried to capture the value of the sector within the Borough it has been difficult to do this. This is partly due to the number of organisations who work across the whole of Shropshire, and also because it is notoriously difficult to capture the total value that the VCS brings to an area. Further information on the role of the COG and a range of the VCS organisations within the Borough can be found at www.cog.tandwcvcs.org.uk/index.html

Telford & Wrekin Council values the contribution that is made by these organisations in the Borough through the services that they deliver and the role they play in helping to identify and address the needs of the community within Telford and Wrekin. These organisations are supported by a large group of volunteers who bring both their own experiences and extensive knowledge of local community issues to the services they support. The Council is committed to working with the VCS in the Borough and has taken a number of steps over the past twelve months to strengthen this relationship including;

- Working with the VCS to develop a 'Voluntary Sector Commissioning Framework' which will be implemented from April 2013.
- Attending the COG to discuss the Council's budget strategy, this identified the need for an ongoing strategic dialogue with the VCS about the Council's budget strategy. The appropriate mechanism for this dialogue will be agreed with the COG.
- Reminding Council services of the need to meet Best Value Guidance in relation to funding the VCS

6. Pressures Facing the Council:-

The current financial position facing the Council is the most challenging ever. Challenges we face include:-

- Projected grant cuts of at least £27m (or over £40m in real terms) over the period of the current Parliament with indications that cuts will continue at this rate until 2018/19.
- The geographical distribution of these cuts has not been even. Appendix 1 demonstrates this graphically. 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.
- The transfer of significant levels of financial risk to the council from the Government through the localisation of council tax support and localisation of business rates. The financial health of the council will therefore be closely correlated with the health of the local economy in future.
- The transfer of £8.5m pa costs relating to Continuing Healthcare cases from the Primary Care Trust.
- Growing numbers of older people needing care and support.
- The withholding of grant that the Government calculate should come to this area but which is paid to other parts of the country through the grant “damping” mechanism.
- A shortfall in grant of up to £1.6m due to the methodology used by ONS to estimate population between annual censuses.
- Pressures caused by the recession which increases demand for some services e.g. homelessness and the payment of housing and council tax benefits but also reduces the Council’s income e.g. income from planning applications and rents from the Council’s property investment portfolio are affected by the economic downturn.
- Limited available reserves. The Council is projected to have just £3.67m of usable balances remaining at the start of 2013/14.

An additional pressure in the budget is the considerable part of the net general fund budget committed to the repayment of debt incurred in respect of past capital investment decisions. Repayment of debt for past spending decisions is a commitment that cannot be avoided and as grant cuts and other pressures reduce the resources available to the Council interest and principal repayments take up an increasing proportion of the resources available that could otherwise be used to deliver front line services.

Projected Annual Cost of Borrowing	2013/14 £m	2014/15 £m	2015/16 £m
• Interest repayments	4.330	3.610	3.200
• MRP (Principal) repayments	5.293	4.831	4.631
• Debt held by Shropshire Council on behalf of Telford & Wrekin	1.955	1.847	1.763
Total	11.578	10.288	9.594

Despite the pressures faced by the Council, we remain committed to the provision of free car parking. The Council provides 2,000 free car parking spaces across the Borough. The only car parks that the council charge for are one small (56 spaces) car park in the Town Centre and the public car parks in Ironbridge. Charges for these car parks remain lower than those in the large privately owned Town Centre car parks, lower than those in Shrewsbury town centre and lower than those in other world heritage site locations. Many councils are increasing car parking charges by significant amounts in order to generate additional income but we recognise that the introduction of parking charges in our free to use car parks would have a detrimental impact on residents and the local economy.

7. Action already taken:-

The Council has clearly been preparing for the financial challenges we face for some time. Action already taken to reduce costs includes:-

7.1 Staff

- Since 2009 the Council has 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

7.2 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

7.3 “Back office” costs

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

7.4 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.

7.5 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.

7.6 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.
- 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

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.

Clearly it is becoming increasingly difficult to make savings which will not have direct service impacts. It has to be noted that over 85% of the Council's net revenue budget is spent on Adult Social Care, Children's Services and Neighbourhood & Leisure 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.

8. Savings, Severance Fund and Contingency for Safeguarding.

Despite the action already taken there is much more that needs to be done. After restating the budget gap to reflect updated information and specifically the impact of the changes referred to in section 3 above, the Council faces a budget gap of £7.106m in 2013/14 rising to an estimated £31.015m in 2015/16, although figures for this year are subject to a high degree of uncertainty as they fall outside the current Comprehensive Spending Review period.

Savings proposals are set out in Appendix 3 but will require some upfront investment. It is considered prudent to supplement the severance fund to help fund redundancy payments expected to be incurred during the coming year. As explained in section 3 above it is also considered prudent to establish a contingency for potential additional costs in the safeguarding budget to cover potential additional pressures arising from the April benefit changes and a potential allowance for the transfer of costs to Adult Services of those young people moving into semi independent living. This one off contingency will be held centrally and will only be released following a review and approval process by the Cabinet.

9. Council Tax.

The results of the consultation exercise reported above show strong support for the proposed budget strategy launched for consultation in January which included a proposal to increase council tax by 1.9% in each of the next 3 years. These results, offering broad support for a strategy that includes a moderate, below inflation, council tax increase in order to reduce the level of cuts to services that would otherwise be required, are not out of line with the results from the detailed consultation undertaken last year when 2,287 people responded to a specific question on whether the Council should accept a short term grant from the Government equal to a 2.5% council tax increase (£1.4m) or whether the Council should increase council tax. 63% (1,439

people) voted for either a 2.5% or a 3.5% council tax increase. As a result, for 2012/13 the Council increased council tax by 2.5%.

Despite the increase in 2012/13, council tax in this area is still the third lowest in the Midlands region being only 1% more than in Birmingham which has the lowest council tax in the Midlands. Our council tax at Band D level is £108 lower than the regional average and more than £300 less than in the Rutland Council area. If the council levied a council tax at the regional average £5.6m more would be generated to help deliver essential services. This low level of Council Tax means that the Council has a higher dependency on Government grants and cuts to these grants have a proportionally greater impact on Telford & Wrekin compared to many other councils. A heat map comparing the disproportionate impact of the Government's grant cuts across the country is included as Appendix 1.

This area also suffers from a relatively weak tax base as the average property in the Borough is in Band B compared which is much lower than wealthier parts of the country where property values are much higher and where the ability to generate income from a much stronger council tax base is considerably greater.

The Government has again offered a short-term grant if council tax is frozen but this time this grant is worth the equivalent of only a 1% council tax increase (£0.58m or around 40% of the grant offered for 2012/13) and only a third the rate of inflation. (The January 2013 increase in the Retail Prices index is 3.3%). An increase of 1.9% equates to around 32 pence per week for the average home in the borough and represents a real terms cut in the level of council tax when compared to the prevailing rate of inflation.

The Council recognises that these are challenging times for council taxpayers but taking account of the above issues and in line with the responses received from the consultation exercise, the soundest option is to decline the Government's offer and, instead, increase council tax by 1.9% for 2013/14. This will make the Council's budget more sustainable over following years and avoid some of the most damaging cuts that would otherwise have to be made to front-line services.

10. Summary of the Medium Term Financial Strategy:

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Updated Base Budget gap	7.106	20.959	31.015

Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
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 or further savings	0.000	3.580	11.978

11. Robustness of the Budget Strategy

The Council is required to set a balanced budget and the Council's Chief Financial Officer is required to give a view on the robustness of the Council's financial strategy including the use of balances and of the financial planning process. Appendix 14 gives a more detailed view, but overall the conclusion is that given the planned programme of savings and the successful track record of having already delivered £41.7m of savings over the last 4 years and underpinned by the proposed council tax strategy, it is considered that the Council is pursuing a sound financial strategy in the context of the most difficult financial position it has ever faced.

In order to deliver a robust medium term financial strategy given the

- low starting level of council tax to deliver council services when compared to other councils
- the prospect of many more years of significant reductions to the funding that we receive from Government
- high level of up front grant cuts faced by the council
- impact of cumulative capital programme investment decisions
- low level of residual balances
- greater levels of risk over future funding streams
- increasing pressure on services

a strategy of low level council tax increases is considered to be a more sustainable and financially prudent approach than use of short-term one off grants which only delay the decisions which need taking.

Recommendations approved by Cabinet will be considered at full Council on 7th March 2013 as full Council is responsible for setting the overall revenue and capital budget framework. At this meeting full Council will also set the Council Tax for 2013/14.

12. RECOMMENDATIONS

Members are asked to approve the following recommendations:-

- 12.1 The base budget summarised by Service Delivery Unit in Appendix 9a**
- 12.2 To consider the feedback from consultation summarised in Appendix 5 and from scrutiny in Appendix 6**
- 12.3 An increase of 1.9% in council tax levels in 2013/14 (32 pence per week for the average property in the Borough) and a strategy of increasing council tax by 1.9% in the following two years in order to maintain financial stability and to help protect the delivery of front-line services.**
- 12.4 The creation of a £1.3m contingency fund to offset pressures in the safeguarding budget, and potentially the adult services budget following the transfer of young people to semi-independent living. This contingency to be held centrally and only allocated after consideration by Cabinet.**
- 12.5 The 2013/14 net savings package of £8.611 detailed in Appendix 3 and the savings proposals set out in the appendix for future years.**
- 12.6 The transfer of £1.219m to the severance fund as detailed in the report.**
- 12.7 The earmarking of £2.5m underspends in 2012/13 as a one-off budget contingency for 2013/14 as detailed in the financial monitoring report also on this agenda. This amount may be increased further should the Council underspend at the end of 2012/13 as currently projected.**
- 12.8 The Education budget position set out in section 18 of this report**
- 12.9 The statement of the Chief Finance Officer in section 11 (supported by Appendix 14 outlining the robustness of the Budget Estimates and the Adequacy of Reserves.)**
- 12.10 The policy framework for Reserves and Balances outlined in Appendix 10**
- 12.11 The revenue implications of the medium term capital programme for the period 2012/13 - 2015/16 set out in the Capital Programme report also on this agenda.**
- 12.12 The Council's Pay Policy included as appendix 11 of this report.**
- 12.13 Subject to the savings proposals being accepted that the updated Care & Support Community Care Policy & Procedure Document**

included as Appendix 12b (amended to reflect the savings) be approved.

- 12.14 The Impact Assessments contained in Appendices 4a to 4d.
- 12.15 The Safeguarding and Early Help Cost Improvement Plan contained in Appendix 2
- 12.16 The Care & Support savings proposals and Public Health budget proposals contained in Appendices 12a, 13a and 13b.
- 12.17 Telford & Wrekin's Local Council Tax Support (LCTS) 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. The global Local Council Tax Support scheme reduction now needs to be confirmed at 21% in line with the provisional agreement at full Council in November 2012.
- 12.18 A one-off sum of £0.065m should be earmarked to award discretionary discounts in cases of extreme financial hardship arising from the introduction of the LCTS scheme.
- 12.19 The deferment of auto-enrolment in the local government pension scheme for existing employees until 30th September 2016.
- 12.20 That authority to approve any expenditure to be funded from the £1m Capital "Commercial and Business Fund" and the £0.15m "Destination Telford" revenue budget be delegated to the Managing Director after consultation with the Leader and the Cabinet Member for Resources and Service Delivery.
- 12.21 In recognition of our valued relationship with Town and Parish Councils and in line with our cooperative working principles the full amount of LCTS grant attributable to Town and Parish Councils is passed on to them, reflecting the incidence of LCTS scheme claimants. In future years, the quantum of the grant to be devolved will be changed in line with the year on year percentage change in the Council's Revenue Support Grant and the allocation between Town & Parish Councils will be updated annually to reflect changes in the incidence of LCTS scheme claimants.

13. 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</i>

		<i>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 4. 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 which is detailed in the Appendix.</i>
TARGET COMPLETION/DELIVERY DATE	<i>A series of borough wide public consultation activities have been undertaken during January and early February. The proposals contained in the report were also subject to Member scrutiny during this period. Final proposals will be considered by 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 and have been 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 setting its budget and council tax levels by the March deadline laid down by the Government</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the</i>

		availability of balances. <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. 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 4d provides information on the environmental impacts of the budget proposals. The economic impacts of the proposals are also detailed in Appendix 4d.</i>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Borough-wide impact.</i>

PART B) – REVENUE BUDGET

14.0 OUR CONTEXT

The Cabinet approved a draft service and financial planning strategy for consultation covering the period 2013/14 to 2015/16 at its meeting held on 10th January 2013. These proposals were informed by the very extensive consultation exercises with local people which involved 7,442 contacts with local people in the previous year. 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.**

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.

14.1 NATIONAL PRESSURES

The January Cabinet report highlighted a number of national pressures including:-

14.2 The Comprehensive Spending Review(CSR) and Cuts to our Grants from Government.

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.

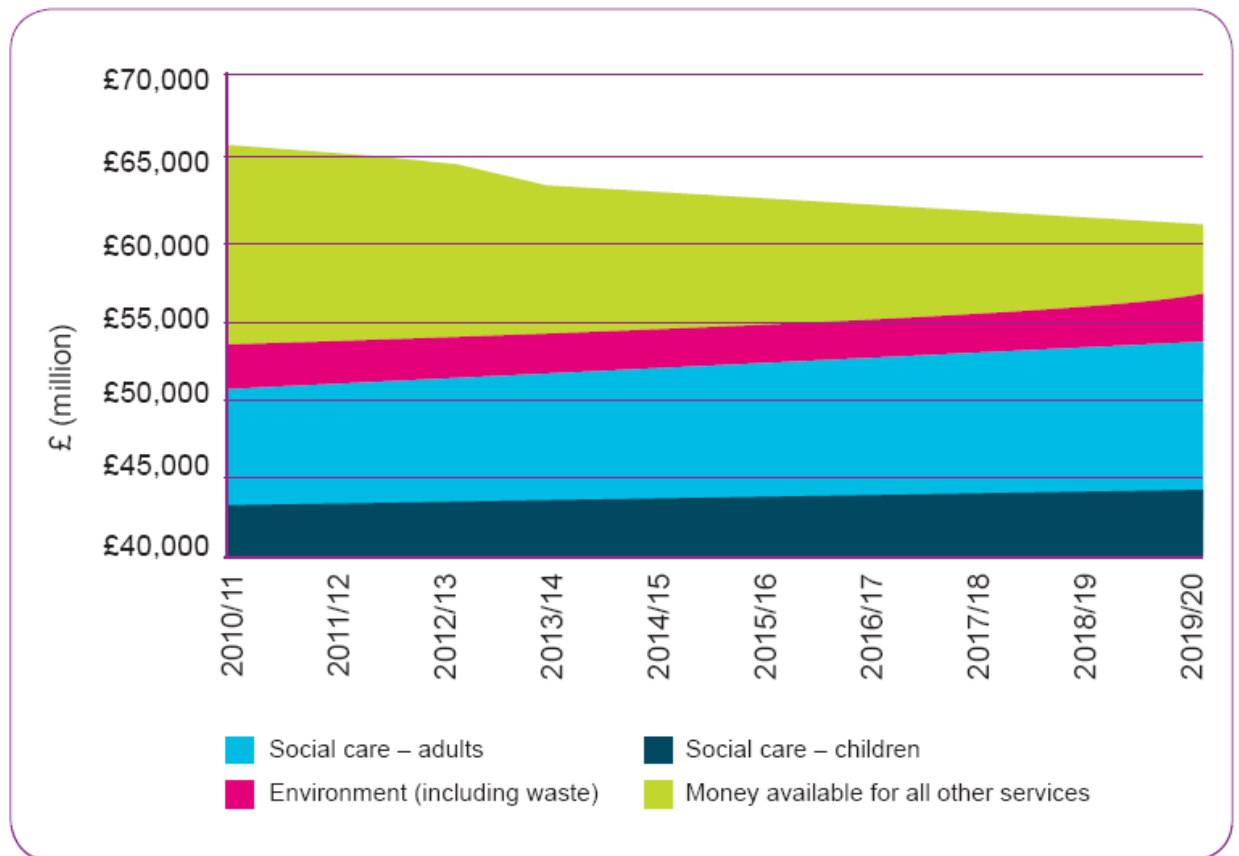
Whilst the position for local government over the period of the current CSR is extremely challenging, the impact of the cuts to Government funding are not felt uniformly across the country. There are very significant differences in the impact of the grant cuts announced so far with the north of England 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 lowest place out of 324 council areas in England. Our neighbouring local authority areas of Shropshire and Stafford are in 175th and 198th place respectively so far considerably better than us.

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 49% 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 although this will not be without inherent risks which will need to be managed as effectively as possible.

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.



14.3 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	Updated Forecast of UK Deficit
	£bn	£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

A further “spending round” 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’.

14.4 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:-

14.4.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. The main features of this new and very complex system were explained in the January Cabinet report. The new scheme transfers significant financial risks to councils from central government and 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 is retained locally.

14.4.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. Councils were required to establish their own replacement 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.

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 the reduced 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. Our best estimate is that we face an estimated funding shortfall of £3.1m for 2013/14 as a result of the introduction of the new scheme.

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.

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 21.1% 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 2013/14 budget strategy.

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

As part of changes being made by the Government to the NHS, in April Public Health functions will transfer to either upper tier Local Authorities, or to 2 new NHS national bodies - Public Health England and the NHS Commissioning Board. The council was notified on 10th January 2013 that its ring fenced grant allocation to support the new Public Health function will be £10.6m, in 2013/14 and well above the assumption that had been made that the grant would be in the range £8.2m to £10.4m. Previous planning had been based on the lower end of this range so the Council is in a fortunate position of receiving significantly more grant. This necessitates the updating of the base budget gap and gives capacity for some existing discretionary services that contribute to the wider determinants of public health to be protected from cuts if they are funded from the ring fenced grant in future.

The Public Health budget was considered on 23rd January by the Health & Wellbeing Board (see Appendices 13a and 13b). This position is now incorporated in the overall strategy now put forward for approval

14.4.iv Local Government Grant Settlement

The provisional settlement was not announced until 19th December 2012 and there were then considerable delays in the Council receiving accurate and complete information with the final data not being received until 10th January. This extremely late announcement compressed the time available for consultation. The Government announced the availability of a council tax freeze grant for 2013/14 on 8th October 2012. This grant is only equal to a 1% increase in council tax or £0.582m at best for this Council (assuming that the grant is based on the tax base prior to the impact of introducing local council tax support schemes), compared to a grant of 2.5% (£1.4m) offered for 2012/13 although it would be payable for two years rather than for 1 year as for the 2012/13 offer. The Secretary of State also stated that those authorities who increase their relevant basic amount of council tax in 2013/14 by more than 2%, must hold a referendum.

The final settlement was announced on 4th February and reduced the grant receivable by the council in 2013/14 by £0.001m but increased it by £0.041m in 2014/15. A one-off additional New Homes Bonus allocation of £0.286m was also announced for 2013/14 as the Government had previously held back too much from their initial top slice of grants to local authorities which is used to fund the New Homes Bonus allocations made to local authorities.

15. LOCAL CONTEXT

15.1 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.

15.2 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. 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.

Clearly it is becoming increasingly difficult to make savings which will not have direct service impacts. It has to be noted that over 85% of the Council's net revenue budget is spent on Adult Social Care, Children's Services and Neighbourhood & Leisure 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.

15.3 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 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 317 Children in Care and are now projecting an overspend in the current year of £3.1m (an increase of £0.3m compared to the previous report considered by Cabinet on 10th January). A cost improvement plan for safeguarding and early years was included in the draft service and financial planning strategy which should deliver savings of £2.2m during 2013/14. The draft strategy also assumed an increase in the safeguarding budget for 2013/14 of £0.6m. However, based on the latest information available there is a very high degree of uncertainty about the robustness of the safeguarding budget for 2013/14. It is therefore now proposed to create a one-off contingency of £1.3m for safeguarding (including £0.37m which is earmarked for Care & Support who bear additional costs in respect of care-leavers) to be held centrally and only to be allocated after consideration by Cabinet who will monitor the delivery of the cost improvement plan during the year. This action plan is included at Appendix 2 of this report.
- Care & Support**
 The table below summarises the savings required of the service

	£m	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
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. 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 12a. 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 2013/14 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.

After the January Service and Financial Planning report was drafted, the Council was informed that it had been allocated an increase of £0.741m in the funding transfer from the NHS to social care in 2013/14. It is proposed that Care & Support budgets are increased by £0.37m and that £0.37m of the £1.3m safeguarding / care and support contingency referred to above is earmarked for Care & Support.

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.

16.0 OUR STRATEGY

16.1 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 14.0. 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.

16.2 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 in a separate report on this agenda.

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** – The draft budget strategy that we started consultation on in January included a new investment of £0.6m 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 and 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. However, in the light of the latest financial monitoring information and in view of comments made by the Budget & Finance Scrutiny Committee it is considered prudent to make a further investment in a one-off contingency totalling £1.3m (with £0.37m earmarked for Care & Support who face additional costs arising from care leavers) to be held centrally and allocated only after Cabinet consideration.
- 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. 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 will invest £2.5m of the available grant funding in protecting and enhancing existing 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 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.

16.3 Savings

Over the last four years we have made £41.7m. of ongoing annual savings, equivalent to around £600 for every home in the borough. 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 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 £112.774m over the medium term. The planned profile of these receipts is shown below:

	£m
2012/13	33.139
2013/14	39.127
2014/15	11.813
2015/16	12.350
2016 onwards	16.345
Total	112.774

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 level of dependency is however a significant risk and 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 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. 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. Additional funding will be required in the severance fund to cover anticipated redundancy costs over the coming year and this report recommends that £1.219m is transferred in to the fund to meet the cost of future voluntary and compulsory redundancies, although as previously stated the Council will do all that it can to minimise the number of compulsory redundancies although they cannot be ruled out. 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 consolidates the savings proposals that had previously been published in September 2012 and those that were published in December 2013. The only amendment has been the deletion of the Civil Parking Enforcement saving of £0.15m assumed from 2014/15 onwards.

This shows that around £8.611m will be available to support the service and financial planning strategy in 2013/14. Impact assessments and service user engagement will be undertaken during 2013 as more specific proposals are developed. Information on equalities, environmental and economic impact assessments are included in Appendices 4a to 4d.

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.

16.4 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 are 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 2013/14	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 prudent 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.

16.5 Base Budget, Balances and Contingencies

A summary of the Base Budget position is included at Appendices 9a and 9b details movements in the Base Budget. The net base budget totals £142.378m for 2013/14 giving a base budget funding gap of £7.106m in 2013/14.

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 transfer of £2.5m. to create a one-off contingency for 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 further increase the provision for severance costs as it is likely that further posts will need to be deleted by the Council for the foreseeable future. The projections for future years include an ongoing contingency of £2.5m from 2014/15.

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. 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.

16.6 Council Pay and Care & Support Community Care Policies

This report also contains the Council's Pay Policy at Appendix 11 which was considered at the Personnel Board on 19th February 2013 and an updated Care & Support Community Care Policy & Procedure Document included as Appendix 12b.

17. **MEDIUM TERM GENERAL FUND STRATEGY**

A number of changes need to be reflected in order to update the base budget gap as set out in the table below-

	13/14 £m	14/15 £m	15/16 £m
Base budget gap reported in 10 th January 2013 Cabinet report	10.034	23.993	33.737
Updated information relating to the funding transfer from NHS to social care	- 0.741	- 0.741	0
Additional NDR income assumed in line with final submitted "NNDR 1" form	- 0.342	-0.342	-0.342
Additional schools catering service budget – costs to be borne by Council	0.300	0.200	0.100
Waste Procurement Project - one-off costs	0.150	0	0
Delete central allowance for savings from "flexi-deals" as savings are retained in service areas	0.020	0.020	0.020
Change in funding as a result of the final (February 2013) settlement figures compared to provisional settlement (December 2012).	0.001	-0.0 41	0
Additional spend in Care & Support over and above level of spend previously assumed	0.370	0.370	0
Additional one-off New Homes Bonus	- 0.286	0	0
Additional schools ICT budget allocation – cost borne by Council	0.100	0	0
Existing key services that address the wider determinants of Public Health funded from the higher than anticipated grant allocation announced on 10 th January 2013	-2.500	-2.500	- 2.500
Updated base Budget Position	7.106	20.959	31.015

This updated base budget gap is addressed by the strategy explained in this report and summarised in the table below:-

Projected Budget Gap	13/14 £m	14/15 £m	15/16 £m
Updated Base Budget gap	7.106	20.959	31.015
Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
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 or further savings	0.000	3.580	11.978

Whilst the strategy sets a robust and balanced budget for 2013/14, a shortfall of £3.58m remains for 2014/15 assuming a council tax of 1.9% is implemented in this year. This will need to be covered from a mix of further savings, additional income and potentially some use of one-off resources. The projected shortfall increases by a further £8.4m in 2015/16 although as the projections for this year fall outside the current CSR period and will be subject to the impact of the Spending Round to be announced by the Chancellor sometime before the end of June 2013, the projections for this year are subject to a reasonably high degree of uncertainty.

18. 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 £646k 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. The indicative DSG for 2013/14 for Telford & Wrekin is £120.350m 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 - £96.387m – 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 - £15.019m.

The DSG is supplemented by pupil premium of £900 per pupil giving a total of expected Pupil Premium for Telford and Wrekin schools (including Academies) 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 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 has not yet been confirmed. Local authority ESG allocations for 2013-14 will be confirmed in early March 2013, based on the number of pupils in maintained schools and academies at that time. 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 of 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 £2.321m to the Council of un-ring fenced grant funding. 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. It has recently been announced that the £150m top sliced nationally will be allocated to Local Authorities as a one year Adoption Reform Grant, individual allocations have not yet been announced.

19. 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. Initially a pro-forma was issued to Assistant Directors asking for details of saving proposals and any impacts that may be experienced by service users. When compiled into one place a screening exercise was conducted, by the Community Engagement and Equalities Team, to identify possible further requirements for impact analysis and/or service user engagement. This list was agreed at Policy Review on 15 February 2013 and presented to the Budget & Finance Scrutiny Committee at their meeting held on 5 February 2013. The list can be found at Appendix 4.

The Community Engagement and Equalities Team will now work with identified lead officers to investigate the proposals confirming the extent of the equality implications and service user engagement scope. For proposals where implications have been identified and are at a sufficiently developed state a proportionate impact analysis will be undertaken. Where a proposal is still at an early stage of development, a plan has been put in place to ensure delivery of equality impact analysis and engagement during its development.

In September 2012 Cabinet agreed additional budget saving proposals. Appendix 4 shows progress on those savings proposals which needed further exploration around the need for an equality impact analysis and/or engagement.

Due to the complexity of the budget setting process with a vast array of proposals for savings there is potential for a number of small changes to have a large cumulative effect. An equality analysis of the overall impact of the budget has been completed and can also be found in Appendix 4.

The analysis will be reviewed and monitored over the full period covered by this report to ensure no unidentified impacts occur and positive progress is maintained.

20. 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 4d 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 also

included in Appendix 4d. 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.

21. NEXT STEPS

Once the service and financial planning strategy for 2013/14 has been approved by full Council on 7th March 2013 and the council tax resolutions have been decided, it will be imperative that considerable resource is devoted to rigorous financial management and monitoring by all managers and budget holders. The Council faces many financial challenges over and above the obvious and very significant reductions in Government grant and has limited contingencies and balances available. There are many risks and uncertainties inherent in the new financial system being imposed by the Government – as well as some opportunities and the full impact of the localisation of business rates system and local support for council tax scheme will only become apparent as 2013/14 progresses.

As well as exercising tight financial control and effective financial monitoring, managers and Cabinet Members will need to turn attention to the 2014/15 and later years medium term financial strategy early in 2013/14 in order to identify further savings and opportunities for additional income to bridge the projected remaining shortfalls of £3.6m in 2014/15 and an additional £8.4m in 2015/16.

22. ROBUSTNESS OF THE FINANCIAL STRATEGY AND LEVELS OF RESERVES & BALANCES

Under section 25 of the Local Government Act 2003, the Council's Chief Financial Officer (CFO) is required to report on the adequacy of the Council's reserves and balances and on the Council's financial strategy including the use of balances and of the financial planning process and the Council must have regard to this report when agreeing the medium term financial strategy.

Appendix 14 gives a more detailed view, but overall the conclusion is that given the planned programme of savings which has been under way for some time and has demonstrated an excellent track record of delivery with £41.7m savings expected to have been delivered over the 4 year period to March 2013 and with this also underpinned by the proposed council tax strategy, it is considered that the Council is pursuing a sound financial strategy in the context of the most difficult financial position it has ever faced.

In order to deliver a robust medium term financial strategy given the

- low starting level of council tax to deliver council services when compared to other councils
- the prospect of many more years of significant reductions to the funding that we receive from Government
- high level of up front grant cuts faced by the council
- impact of cumulative capital programme investment decisions
- low level of residual balances
- greater levels of risk over future funding streams

- rising and ongoing pressure on services

a strategy of low level council tax increases is considered to be a more sustainable and financially prudent approach than use of short-term one off grants which only delay the decisions which need taking.

23. BACKGROUND PAPERS

- Comprehensive Spending Review Announcements – Treasury Website
- Autumn Statement – Treasury Website
- Revenue Support Grant Provisional Settlement Announcement – CLG Website
- Revenue Support Grant Final 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
- Service & Financial Planning Update report to Cabinet – 10th January 2013
- 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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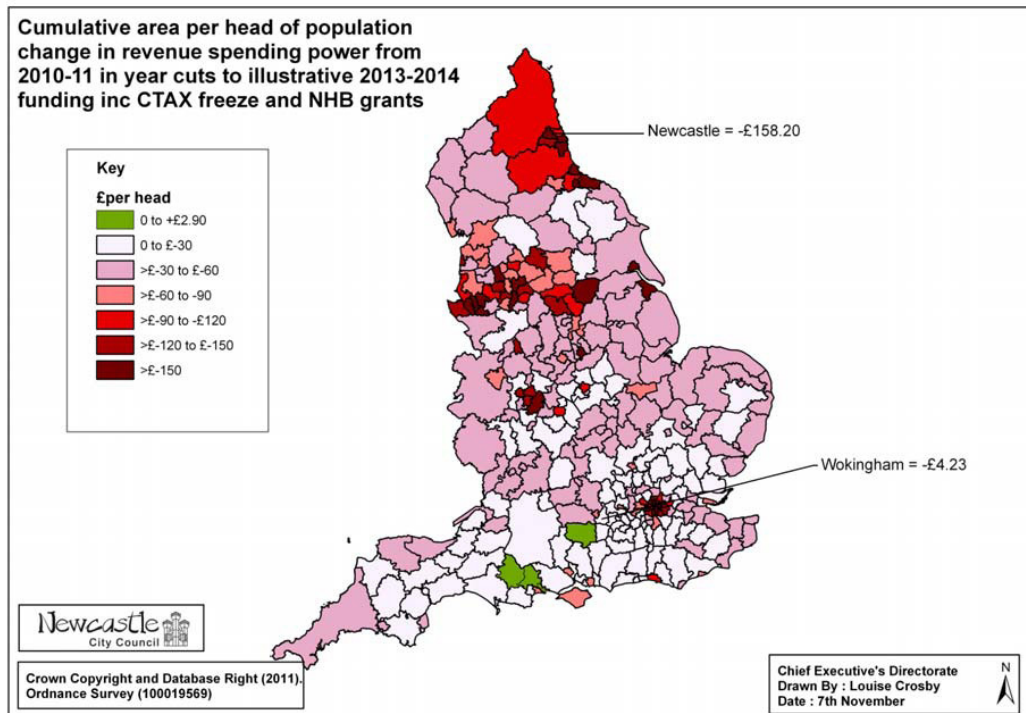
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Appendix 1.

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

Objective 1: Emma Wilcock (Karen Perry)

Recruitment & Retention – develop recruitment and retention (workforce planning and development) strategy for children's services social workers.

Performance Indicator (PI)- number of agency social workers employed across children and family services. *Includes impact of over recruitment to avoid agency staff requirements(Current number of agency staff at the end of October is 12..7)*

Max 6 Agency SWs by April 13	300	620 ¹	- Market the concept of the Telford Social Worker (co-operative offer) <i>(EW)</i> - Review approach to recruitment – “LEAN analysis of all parts of process” <i>(RF)</i> - Using generic interview panels programmed in throughout the year <i>(AW)</i> - Improved forecasting of timescales for taking up posts. <i>(SDM's)</i> - Maintaining a competitive advantage (Unique Selling Point) and pay parity with other local authorities <i>(EW/HR)</i> - Improved management reporting - vacancies, appointments and agency cover <i>(HR)</i> - Step Up students to be proactively targeted for recruitment <i>(AW)</i> spring/summer 2013 - Explore SW to SSW progression by Assessment	- 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 Sept 13 April 14

¹Based 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

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).

40 RP by end of March 13.	1,192	1,413	- 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)	- 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	March 13 March 14 March 14

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
			- Using a JIGSAW house as an assessment centre if this is confirmed as a viable option (<i>VMcY</i>) - 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	- 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

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

300 CiC by April 13	556	1,009	“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>	- 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	April 13
294 CiC by April 14					April 14
9 fewer CP Plans by April 13					April 13
21 fewer CP Plans by April 14					April 14
Average time spent in care reduced by 6 weeks by April 13					April 13

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
			• 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

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	- 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)	- 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

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
• Culture change within our workforce and across agencies will be resisted	• 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.
• Reconfiguration uncertainty – Safeguarding review underway.	• Comprehensive engagement/communication strategy and plan put in place • Ensuring social workers understand the need for change • The concept of the Telford Social Worker
• Lack of capacity at SDM level – previous reviews have reduced substantially capacity at manager level across children and family service	• 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
• Lack of capacity in Commissioning & Family Placement teams	• As above
• Some LA pay a premium or have concluded single status work resulting pay inequity across the region	• Review inequity and make recommendations for addressing any inequity
• Adverse impact of benefit change on demand for children and family services.	• 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

• Shortage of foster carers nationally – there is a shortage of foster carers across the region, particularly for older teenage children in care.	• Review package and support offered • Review marketing strategy as above
• 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	• 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
• Impact of Family Law reform on capacity in ACM teams	• Should be short term and pending promised national simplifications of care plans
• Lack of Business Support Officer (BSO) capacity	• Review service requirements as part of the restructure

Corporate Property Asset Management Plan

2013/2016

FOREWORD by Councillor Bill McClements, Cabinet Member for Resources



Land and Property assets are a key issue for the public sector and provide a significant contribution to the delivery of the Co-operative Council's vision, ambitions, priorities and services. Through investment, effective prioritisation of planned maintenance and property rationalisation, real improvements are being made across the Borough.

At a time of significant budget constraints, it is important to continue to manage and utilise our assets effectively, and examine how they can be better used and rationalised. The majority of Council services are provided indirectly through land and property. Therefore ensuring that properties meet both our service and staff needs is of paramount importance.

2012/13 has been an exciting time from a property perspective with the completion of a number of schemes and major progress on others. Perhaps the most significant was the opening of the new Abraham Darby Sports and Learning Community in the south of Telford. A multi million pound development to replace the original Abraham Darby secondary school, Madeley Court Leisure Centre and Woodlands Primary school. All three elements opened in September and the building offers a fantastic facility to both pupils and the wider community.

Abraham Darby Sports and Learning Community



The other most significant development has been the move of the Council offices combined with the Southwater Regeneration. With Telford Town Centre we are delivering a mixed use

development linking the shopping centre with the Telford International Centre and Telford Town Park. The infrastructure and enabling works are now complete and the extension to the Telford International Centre was completed in the Summer of 2011. The refurbishment of the Ice Rink was completed in time for the first game of the Telford Tigers Ice Hockey team in November 2012 and construction of a Community Hub Building to focus public sector services at the Heart of our town centre including a new Library starts in February 2013. The multi storey car park development started November 2012 with completion scheduled for February 2014.

Part of the Southwater redevelopment includes the sale of the former Council offices at Malinslee House to Asda who plan to redevelop the site in March 2013 with a new supermarket and petrol filling station development. The Council accommodation needs was developed around the purchase of Addenbrooke House which adjoins Darby House our other main office building in the centre which was completely refurbished over the summer. Staff started moving out of Civic Offices in November and all the moves were completed by Christmas. This acquisition has been a key part of our Property Rationalisation strategy which has seen the main office accommodation consolidated in 6 buildings down from 19. A number of the original buildings such as The Mount, Highfield House and 62 Wrekin Road are now being sold to realise capital receipts. Overall over 1,300 staff have been moved and have adopted 'New Ways of Working' where they will 'hot desk' and share desks in a flexible way of working. When all moves are completed the accommodation will have reduced from over 28,500 square metres down to around 18,600 square metres, a reduction of around 34% bringing £2 million of ongoing savings through reduced running costs.

Image of proposed Cinema and Hotel Southwater Way



The mixed use development of a Cineworld, Premier Inn and seven restaurants started on site in December 2012 and is planned for completion in February 2014.

The Regeneration of our Borough Towns, local centres and Telford Town Centre is a key priority. The Borough Towns are being developed in partnership with local communities, businesses, Town and Parish Councils and our Regeneration Partnerships. The built environment will play an important role and whenever possible, property is used as a catalyst for change. Wellington Civic Offices and Leisure Centre also completed in spring 2012 and was opened by Lord Grocott in June 2012. This scheme involves a new library, registry office and co located Council services for up to 220 staff as part of our approach to rationalising property with all located at the refurbished Civic and Leisure facility. The co location of services has improved the service to customers and also reduced costs. The new building links well into the commercial heart of Wellington and has contributed towards the local economy.

The Dawley Regeneration Programme has continued, following the re opening of High Street, Dawley to traffic and high quality public realm improvements, major infrastructure works on the brown field 90 acre site were completed in January 2012. Construction of the new Phoenix School started in the summer of 2012 and is due for completion in September 2013.

At Hadley District Centre the first phase of the demolition of the 1970s precinct and flats started in June. This is a £3.5 million scheme and is due for completion in March 2013. This includes six new retail units including a Tesco Express and Greggs as well as 24 houses and new public spaces.

Brookside will be the next Local Centre to be rebuilt and following extensive consultation with the community a planning application for a new local centre together with refurbished Community Centre and road alterations was approved in December 2012 with a start on site planned for April 2013. This will replace the four run down shops with three new units including a local convenience store, removal of two blocks of flats, new housing development and high quality public spaces.

A robust Asset Management Plan will inform decisions relating to Service Delivery, and bring major benefits to the local communities.

Demolition of Madeley Court Leisure Centre (relocated to Abraham Darby Learning Community)



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Statement of Assets

1.0 Statement of Context

The Council's "Local Development Framework" core strategy was adopted a number of years ago and runs to 2016 with 'Shaping Places' now being developed to take us through to 2031. The Central Telford Area Action Plan (CTAAP) was adopted in Spring 2011. The continuing growth and development of the area ensures services and facilities are constantly monitored and reviewed, resulting in challenges and opportunities for property holdings and Asset Management. Critically in 2012/13 the Council was re structured to incorporate the traditional Planning and Economic Development roles within the other property functions under a new service area of Business, Development and Housing. This will provide a single point of contact for business, investors and developers and provide a seamless service from initial enquiry through identifying land/premises, planning permission to finished development. This is a key element of the Council's budget strategy going forward seeking to take advantage of the governments initiatives to give local authorities greater control of their areas through New Homes Bonus and retention of increased rateable values. As a New Town with approximately 100 hectares zoned for commercial development plus zoned residential development land as yet undeveloped Telford is well placed and these changes will facilitate growth as part of the budget strategy.

The Asset Management plan is split into three main areas

- Operational Property and associated Land
- Property Investment Portfolio (Property held for investment purposes)
- Land (held for future disposal or future operational use)

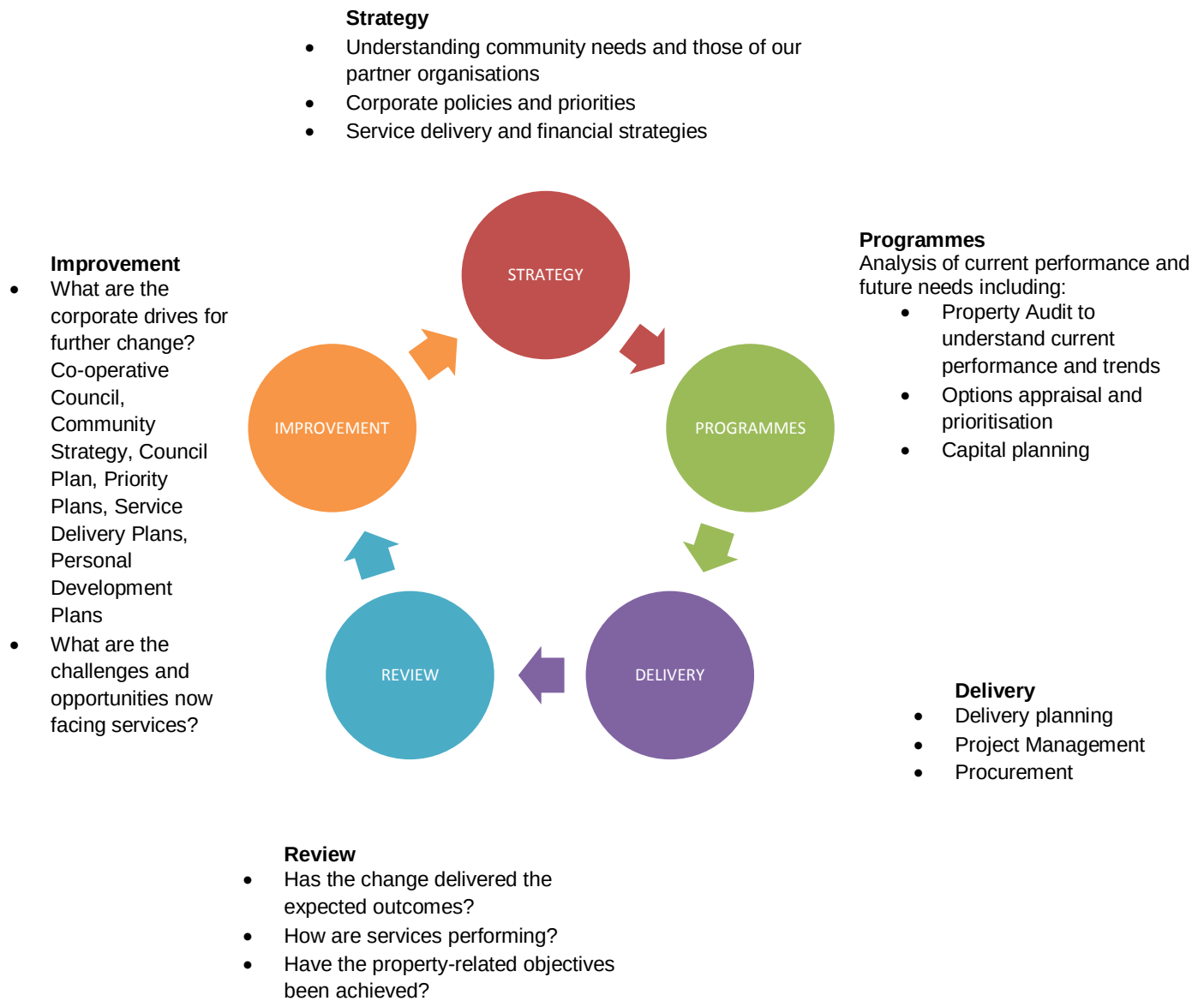
The Land Strategy, Operational Property Strategy and PIP Strategy all inter link to form a comprehensive approach to Asset Management covering Council property assets within Telford.

Asset Management Plan - Aims:

- Ensure Assets are fit for purpose
- Maximise the use of assets
- Ensure Assets are located in appropriate locations for Service Delivery
- Deliver an integrated approach to Asset Management across the Authority
- Reinforce a corporate approach for holding property and outline objectives
- Ensure Asset Management decisions are co-ordinated and consistent with council priorities
- Ensure we invest in Property to protect income from services, providing a commercial approach
- Manage a simple and robust performance measurement system
- Provide comprehensive and accurate data to assess Property Performance and to support and facilitate improved service delivery
- Use land and buildings to facilitate "Growth" agenda and be the enabler of Regeneration
- Optimise and prioritise the level of Property Investment, to meet the Council's current and future service needs
- Promote the innovative use of Property together with partners and stakeholders

2.0 Links to Key Plans and Objectives

The Co-operative Council approach details the Strategic Asset Management decision-making links within and across Services:



3.0 Data Management

The ability to make informed Property decisions is dependant upon collating and updating accurate data.

Core Data

All Council Property Data is recorded on a Property Management System, which is designed to accommodate all forms of Property Data in a central location. The Property Management software brings all the main functions such as Asset Management, Capital Projects, Service Asset Register and Help Desk software together into one integrated solution. This provides greater exchange of information; and streamlined property database linked to a help desk. The software is Internet based and provides a direct link to customers and stakeholders, enabling them to access data and information in a user friendly environment.

- The Asset Register:

The Council maintains a central Asset Register to record valuations and information for all land and buildings, in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) and Audit requirements. A five-year rolling programme of asset and insurance valuations is in place for Operational Property, ensuring that 20% of assets are re-valued each year after the validity of the basic data/information has been verified. The Property Investment Portfolio is re-valued annually.

- Condition & Suitability

Condition Surveys of all Schools and Operational Buildings have been completed and are re-assessed as part of an on going re-survey process. Property data is captured across all service areas and work is prioritised according to the data, allowing a transparent planned programme of work to be implemented. Similarly, this enables informed decisions on investment disposal.

- Asbestos

A comprehensive Asbestos Database is held incorporating 'Type 2 Enhanced Surveys' as part of the Asset Management Data, ensuring that quality and up to date information is retained. In accordance with the Council's Asbestos Management Plan, annual risk assessments are conducted on all previously surveyed properties, to ensure that the Council targets available resources at priority items and manages the risks on site.

- Access

Accessibility to properties is paramount to the delivery of services. Comprehensive Disabled Access Audits of Operational Properties ensuring suitability of premises in relation to Service Delivery has been carried out. The Audits are stored electronically on the central Asset Management Database and are accessible for stakeholders and managers via a web browser. This ensures ownership under the duties imposed as part of the Disability Discrimination Act (DDA).

- Energy and Efficiency

There is a dedicated energy module as part of the Asset Management Software System, which enables analysis of property related energy data. This data feeds into the Property Performance Indicators (see Section 11), and assists when making key decisions regarding investment and disposal of property. The data also informs the Council's Climate Change Strategy, allowing a targeted approach based upon poor energy ratings of buildings to ensure resources are allocated in the right areas to reduce the carbon footprint. Carbon Reduction Commitment (CRC) has led to the Council obtaining accurate readings of all energy consumption and staff resources have been established to target high use buildings raising awareness amongst occupiers. The publication of the first CRC national league table has placed Telford & Wrekin Council at number 304 out of 2,100 Organisations. The league table ranks the United Kingdom's leading Public and Private Sector Organisations by the work they have completed on carbon management. This is an encouraging start which should improve as the BSF and Property Rationalisation programmes continue.

The first use of photovoltaics, taking advantage of the attractive feed in rates, has been completed with a private operator as part of the Wellington Civic & Leisure development. Whether further agreements will be viable under the revised feed in rates will require careful analysis. Also at Wellington, the photovoltaics have been combined with a ground source heating system, which is another first for the Council. In addition, water harvesting has been installed at Hadley Learning Community, Old Park Primary and Short Wood Primary, together with sedum roofs to minimise water run off. Web enabled monitoring of heating and ventilation at new Schools is proving to be a significant benefit. This controlled management should result in meaningful reductions in energy usage, improving efficiency. Combined with the property rationalisation programme this is expected to lead to a major reduction in the Councils carbon footprint.

- Measured Surveys

Accurate, comprehensive, measured Building Surveys are available on AutoCAD for all properties.

4.0 Programme Development and Implementation

The Decision Making Process

The information contained in the Asset Management System allows informed, property related decisions. This corporate planning process identifies requirements for the Property Portfolio. The Council utilises data detailing condition, suitability, access, sufficiency and asbestos, in the following areas (list not exhaustive):

- Review of office accommodation
- Repair and Maintenance Programmes
- Capital Programmes
- BSF
- Property Rationalisation
- Borough Towns and Local Centre Regeneration
- Housing Investment
- Commercial Development

Maintenance Programme

The planned Maintenance Programme for 2013/14 has been submitted to Cabinet for approval in February 2013. The Planned Maintenance Programme details the priorities set in accordance with the framework described in the Asset Management Plan.

Formulating the Property Related Capital Programme and Key Issues

Option appraisal processes take account of the different outputs required. They will include examining reduced operating costs, regeneration factors, service benefits, geographic and deprivation indices, alternate premises, sharing premises and partnership with the Private Sector or other Public Sector Partners. Whole life cycle costing provides a far more accurate assessment of the long-term cost effectiveness of a project, than standard economic methods that focus solely on first costs or on operating-related costs in the very short term. Research has identified the relationship between capital cost, cost in use and the cost to the business of assets as a ratio of 1:5:200. This results in the cost of operating and maintaining a building over its life will be five times the original capital cost. Moreover, the cost of staff productivity and occupation is two hundred times the capital cost.

Telford & Wrekin Council actively considers sustainability as part of asset provision, use and management. Sustainable Procurement Strategy is part of our commissioning approach, and we are innovative in ensuring sustainability is part of all new-build and refurbishment schemes.

Key Issues Addressed in finalising the 2013/14 Capital Investment Programme include:

- The delivery of the Capital Projects to underpin and support improved service delivery
- Property Rationalisation - planned investment in retained buildings to reduce maintenance back log
- Regeneration – support and Project Management to all Regeneration Projects
- Repair and Maintenance Programmes for the PIP will maintain income levels
- Climate Change/Energy Efficiency/ CRC

5.0 Operational Assets

Property Rationalisation/ New Ways Working

Changing Work Patterns and Culture

Whilst 2011/12 was primarily a year for formulating policy and identifying buildings which no longer met the Councils operational needs through a combination of suitability or condition purposes 2012/13 has been a year of significant implementation. Following restructures across all Service Areas and the agreement of the New Ways of Working policy with Hot Desking and a separate designated file storage facility. There is now a range of office options such as “hot-desking”, touchdown, open plan offices and the creation of flexible team or group-working places that support and encourage a flexible workforce. Many staff are completely mobile and increasingly reliant on ICT whilst all office accommodation delivers flexible space and maximises use. With the sale of the 1970s Civic Offices as part of the Southwater redevelopment it was agreed to re-locate into as smaller number of purpose built offices as possible. As a result Addenbrooke House was acquired as a key part of our accommodation strategy and the Councils’ offices concentrated in Darby House, Addenbrooke House, Southwater One (SW1) and Wellington Civic. Smaller buildings closed throughout the year and staff started moving out of Civic Offices in November 2012. All the moves were completed by Christmas 2012. Overall over 1,300 staff have moved and adopted New Ways of Working; as a result buildings have been freed up for either disposal or release from their lease (listed below). Overall, this has reduced the number of buildings we use and the floor area has reduced from 28,415m² to 18,820m² which is circa 34%. A number of the original buildings such as The Mount, Highfield House and 62 Wrekin Road are now being sold to realise capital receipts. The tables below list the retained, new and disposed of buildings.

Disposed Buildings:

Property	m²
Civic Offices, Town Centre	9,587
The Mount, Wellington	1,243
Highfield House, Wellington	641
Glebe Centre, Wellington	1,626
Ringway House, Wellington	210
62 Wrekin Road, Wellington	489
Pergo House, Donnington	129
Tan Bank Offices, Wellington	867
Station House, Madeley	141
Matthew Webb House, Dawley	319

Euston House, Town Centre	601
Wrekin Farmers, Bridge Road, Wellington	277
Upper House, Madeley	469
2 Landau Court, Wellington	184
4 Landau Court, Wellington	186
Edward James House, Hortonwood	475
First Point at Hadley	123
8 High Street, Hadley	83
	17,650
New Buildings:	
Whitechapel House, Priorslee	1,627
Addenbrooke House	3,538
Wellington Civic	1,573
Donnington House (part of Portico House)	336
Stafford Park 11, Unit B4	827
	7,901
Retained:	
Darby House	6,111
Granville	3,971
Strickland	322
Portico House	361
12-14 Court Street, Madeley	154
	10,919
Summary:	
Disposed	17,650
New	7,901
Retained	10,919
Total for New & Retained	18,820
Reduction in Space	9,749

6.0 Regeneration Opportunities Across The Borough

Management of Homes and Communities Agency (HCA) Assets

Chapter 7 Section 3 examines the land holding within Telford. The management of HCA Assets is a significant opportunity to shape how the Borough is developed in line with the growth and localism agenda and to support the new role HCA have as a facilitator and enabler of development. It will provide the opportunity to complete the New Town in line with the original vision as set out 40 years ago.

Telford Town Centre

Southwater Development (Southwater One, Premier Inn Hotel, Cineworld Cinema and restaurants)



The Regeneration of Telford Town Centre is a key priority for Telford & Wrekin Council, partners and the region. The regeneration will underpin and support growth, stimulate and attract investment in the Borough and create a Town Centre responding to the needs of the community. Outline planning consent, obtained in March 2010, set the context for regeneration through the establishment of land use zones to include residential, commercial, bars, restaurants, hotels, retail and leisure. Since then considerable works have been undertaken with more planned for 2013.

During 2012, works have been completed on a brand new visitor centre for Telford Town Park and associated landscaping works. This highly sustainable building is located at the heart of the park's leisure offer and provides visitors with an excellent multifunctional facility comprising of a cafe, public toilets, a visitor information point and a class base for use by all schools in The Borough.

Meanwhile, Telford Ice Rink has undergone a significant refurbishment and extension to deliver a modern and vibrant regional attraction. Extensions to the building will house a "soft play" facility, catering for infants and juniors. In addition, a new standalone restaurant unit has been delivered to the front of the existing bowling and bingo building and will provide active frontage onto the new Main Street.

Telford Ice Rink (November 2012)



In December 2012, works commenced on an 11 screen Cineworld cinema, an 82 bedroom Premier Inn and seven restaurants, all of which have been pre let to leading national restaurant chains including Pizza Express, Nandos and Wagamama. This development represents a £25m private sector investment in the town, generating circa 200 new jobs.

Also in December 2012 works commenced on the construction of a new multi storey car park, with the demolition of Telford library. This 600 space facility will provide safe and convenient parking for visitors to Southwater and Telford Shopping Centre. Telford's central library is to be re-provided in an enhanced form in "Southwater One", which is a mixed use building, also containing a cafe and restaurant on the ground floor and a customer "First Point" on the second floor, providing help and advice on a range of council and other public sector services. Works are due to commence on Southwater One in February 2013, with the building opening in spring 2014. Landscaping work as part of the scheme will create new squares, a Main Street and a new Southwater Lake will provide high quality linkages between these developments.

Southwater One



Within the Town Park itself the new visitor centre opened in April 2012. A single storey structure of structural panel construction incorporating 'Passivhaus' principles of energy efficiency the building will provide a cafe, bike hire, meeting rooms and exhibition space .

Town Park Visitor Centre



Borough Towns and Local Centres

The Regeneration of the Borough to stimulate investment and development is critical. With reduced funding there is a need to be creative with the use of our assets to facilitate and achieve this.

Dawley & Malinslee

The Regeneration of parts of Dawley & Malinslee is well underway with the completion of the school amalgamation of two Primary Schools at Old Park Primary in September 2009 together with the opening of the new public realm in High Street, Dawley during November 2010. This is combined with a proposed new retail, health facilities and housing. Another significant contribution will be the reclamation of spoil mounds and land fill on the edge of Dawley. This was one of the largest civil engineering projects undertaken since the old 'Telford Development Corporation' and involved the movement of 1.3 million cubic metres of material. Birse were procured through an OJEU tender and finished the works in January 2012. The first phase of the re development of this reclaimed land started in April 2012 with the new Phoenix Secondary School. This is on about 25 acres with an adjacent retail development linking into the existing High Street. This will bring increased footfall to Dawley providing a significant stimulus to place shaping and regeneration. The remaining land will be used for housing and leisure uses.

Aerial View of Paddock Mount Land Reclamation



Malinslee Local Centre

Malinslee was a typical local parade of shops constructed in the 1970's. A fire destroyed two of the four shops in 2010. An option appraisal was undertaken to explore alternative forms of redevelopment. Cabinet approved the construction of the new centre with the intention of residential development once the housing market returns. Construction started in November 2011 and was completed in May 2012. The completed development will include a new Primary School, PCT learning facility, play areas and shops.

Wellington

The Wellington scheme combines the existing leisure centre with a new library, registry offices and Council office accommodation which started in March 2010 and completed Spring 2012. This has partly been funded through Property Rationalisation. It will support the Regeneration of Wellington by consolidating a significant number of staff in a purpose built, central, land mark building, in partnership with the Town Council thus providing increased footfall to support the local economy. Spurred on by this investment several long term empty shops including the former Barley Mow Pub in Crown Street and the Fox & Hounds Pub in Duke Street are now being renovated and occupied using Private Investment. The former Library and Edgbaston House in nearby Walker Street are being marketed as a redevelopment opportunity. Further Properties such as The Mount, Highfield House and 62 Wrekin Road are also being marketed as part of the Property Rationalisation process. A number are now under offer and the sale of the former Registry Office on Bridge Road has already completed.

Views of Wellington Civic & Leisure Centre



Randlay Local Centre

Randlay local shops were identified as having a structurally unsafe roofing system. Additionally the adjoining Community Centre required substantial investment to bring it up to a suitable modern standard. Again, rather than simply rebuilding or repairing these faults which would have been very costly, the possibility of potential redevelopment was explored. An Outline Planning Consent was obtained and the site put to the market to include new shops and importantly a new Community Centre attached to Randlay Primary School. A residential care operator has purchased the site and construction of the new shops was completed in October 2012. The original shops are due for demolition in Spring 2013 and the care home construction will follow on.

Hadley Local Centre

A multi million scheme to partly demolish (Phase 1 work) the 1970s shopping precinct and provide new retail and high quality public spaces has secured Planning Consent and started on site in Summer 2012. The Phase 1 scheme will remove a number of flats and apartments and retail units and replace with new retail provision including a Tesco Express and 5 smaller units including a Gregg's. Completion is set for March 2013 and phase two will follow on immediately with the remaining flats being demolished and a further 3 retail units including a veterinary surgery due later in 2013.

Hadley Centre Pre Demolition



Site Ready for Development



Hadley Centre – New Retail Units Under Construction



Brookside Local Centre

As part of the Council's co-operative approach, Brookside has been identified as a key area of focus and investment. The Centre is 1970s precinct incorporating four shop units, a Community Centre, Pastoral Centre and a Youth Building. Consultation has been undertaken throughout 2012, working with the Co-operative Council pilot group, Brookside residents, Public Sector Agencies, business and the third sector to look at options for investment in the Local Centre. Following consultation it was agreed to rebuild the shops and refurbish the Community Centre to include the Youth provision and make major improvements to the road access and public realm spaces as well as changing the residential provision. A Planning Application was submitted in October 2012 and approval received in December 2012. The first phase of the contract is being tendered with the target of an April 2013 start on site.

Sketch of Brookside Local Centre



Building Schools for the Future

The Council was awarded funding for Wave 4 of the Governments Building Schools for the Future (BSF) Programme. This is a one off chance to completely transform secondary education and community buildings within the Borough. Property & ICT lead and advise on all 'Technical' aspects of this Project and are responsible for delivery of the programme.

In order to deliver transformational change, the Council has considered co locating Secondary Education with Primary Schools and Leisure/Community facilities. In certain cases this will involve closing facilities, disposing of the sites and re locating elsewhere.

In October 2009 after an extensive evaluation process Kier Construction were appointed for the first phase and work started at Abraham Darby in Spring 2010. This included a 420 place Primary School which opened in January 2012, a new leisure provision with 4 court sports hall and 6 lane swimming pool which also opened in January 2012 together with a 900 place Academy opened Summer 2012. In November 2011 Kier were appointed to further deliver the following schemes:

- New 900 place Phoenix Secondary School together with 8 court sports hall, community sports provision and BMX track. Site setup started in February 2012 and completion is September 2013.
- Mount Gilbert, Dawley. New skills centre and internal alterations completed October 2012
- Newport Girls High School, Newport. A new multi use hall, removal of demountable classrooms and 4 new class bases completed October 2012.

The reduction in funding announced in October 2010 necessitated a further assessment of the programme. Combined with this and as part of the Government Regulations the BSF contract has to be retendered using Framework 2 as the new format. Using Ercall Wood as the sample school, the process of selecting a new contractor started on the 9 January 2012 with the successful bidder Shepherds appointed in the summer of 2012. They will now deliver Ercall Wood followed by the other schools listed below. Some are still out for consultation but will broadly consist of the following programme across the Borough.

- Burton Borough- Refurbished secondary school
- Priorslee - New build secondary school
- Oakengates - New build secondary school linked to Oakengates Leisure Centre
- Lord Silkin - New build secondary school
- Charlton - New build secondary school
- Adams Grammar – Refurbishment

Phoenix School (under construction)



7.0 Property Investment Portfolio (PIP)

The Authority holds a number of individual sites for Investment, Regeneration and Economic Development purposes. Details of all assets and their values based on CIPFA valuation principles are contained in the Authority's Asset Register (see Section 10). The PIP has an annual revenue target of £6.2 million.

A survey of the UK Commercial Market undertaken in the third quarter of 2012 by the Royal Institution of Chartered Surveyors (RICS) reported that in general occupier demand had weakened whilst supply had continued to edge upwards. A more recent overview by the RICS undertaken January 2013 titled The UK Economy & Property Market, confirmed economic activity in both manufacturing and service sectors had declined in the final quarter and advised 'as far as the commercial market is concerned, headline capital values and rents will be broadly flat over the course of the year'. Looking at the sector breakdowns, demand for offices fell whilst supply increased along with the level of inducements awarded to secure new lettings. The retail sector meanwhile shows the greatest fall in tenant demand and rental expectations. The contrast is provided by the industrial sector which is broadly stable. Financial analysts, Deloitte forecast in their Real Estate Predictions report 'although improvement will not be seen until the later part of the year, 2013 is expected to herald the beginning of the long awaited recovery in UK commercial property markets'.

The Regeneration & Investments Team has continued, via a range of measures, to provide effective support to local businesses during this difficult economic climate. These have included stepped or incentivised rents, deferred rent payment arrangements, and re-gearing of existing lease agreements. This in turn, has helped maintain revenue income for the Council, limited costs associated with holding empty property, in particular Business Rates and safeguarded jobs within the Borough. The Estates & Investments Team continued to enjoy particular success in 2012, despite challenging economic conditions, completing 130,000ft² of new lettings and undertaking a significant number of lease renewals retaining the majority of the Council's tenant's base.

Regeneration & Investments continued throughout 2012 to implement its Property Disposal Programme. Completed in November 2010, the comprehensive portfolio review identified a number of assets that were underperforming in terms of income generation and those which were a significant drain on a reducing repair and maintenance budget. The proceeds from these sales have been used to reinvest in modern buildings which are capable of providing income/capital growth, with reduced maintenance liabilities and those that will help deliver new employment opportunities for the Borough. Examples include the sale of The Glebe

Centre, Wellington, a detached office block constructed during the 1970's, sale of Stafford Park 15 industrial estate, acquisition of new Industrial premises at Queensway and development of new retail facilities at various local centres. The acquisition at Queensway increases the number of properties owned by the Council on the high quality business park to six. Such investments will maintain the balanced mix across the property sectors, spreading the overall risk to the Council.

The Glebe Centre, Wellington (sold)



Industrial units on Queensway Business Park (acquisition)



Key Achievements of the Investment Portfolio in 2012

- Achieved the income target set for the Property Investment Portfolio
- Completion of quality new retail facilities at Malinslee Centre (see 6 Borough Town Regeneration)

Malinslee Centre (new retail facilities)



- 6 Borough Town Regeneration)

- Completion of quality new Community Centre and retail facilities at Randlay Centre (see

Randlay Centre (new retail facilities)



- Commencement of Phase 1 Regeneration works at Hadley Local Centre, delivering six new retail units, and securing Tesco Express as an anchor tenant (see 6 Borough Town Regeneration)

Phase 1 Hadley Centre (under Construction January 2013)



- Energy Performance Certificates now held for all industrial properties
- Disposal of poor performing assets, including The Glebe Centre and Stafford Park 15
- Acquisition of new industrial premises at Queensway Business Park
- All properties previously identified as having asbestos containing materials re-surveyed as part of a the Council's duty to manage

- Assisted customers during the economic downturn, via stepped rents, payment arrangements, deferred payment arrangement and re-gearing of leases. This will ensure progress towards achieving income target, and safeguard jobs within the Borough
- External refurbishments of industrial workshop premises at Bradley Road, Donnington Wood, Cuckoo Oak, Halesfield 18, and Commercial Way, Oakengates.

Plans and Developments 2013

- Achieving the Investment Portfolio income target whilst being proactive in assisting clients in the continued economic downturn
- Continue to implement the Property Disposal Programme, reinvesting in assets such as the new restaurant and cafe units at Southwater One that are capable of delivering revenue and capital growth, have reduced liabilities, ensuring the long term sustainability of the PIP.
- Obtain an independent assessment of the PIP performance for the financial year 2012/13
- Refresh the Estates & Investments website as a means of continuing to attract new business and establish a strong working relationship with Telford Business Partnership
- Develop and implement a planned programme of repair and maintenance works, and enforcement of lease covenants. The programme will ensure that the overall condition of assets within the Investment Portfolio is effectively managed
- Re-establish revenue and void targets for each asset
- Devolve the repair and maintenance budget down to asset level
- Complete Phase 1 Regeneration works at Hadley Local Centre to deliver new high quality retail stores, and Tesco Express as anchor tenant
- React to legislative changes introduced by The Energy Act 2011 by identifying assets with the lowest energy performance rating E or F. Consider a programme of refurbishment or whether these should be added to the Disposal Programme.
- Continue the use of conditional break options linked to repayment of rent free incentives, surrender premiums, rent deposits and guarantees at a time of on-going market uncertainty.
- Development of new properties capable of achieving the highest possible energy rating and conforming to national policies regarding sustainability and energy performance.
- Submit Full Application to secure ERDF Funding with which to refurbish and rebrand The Business Development Centre, at Stafford Park 4.
- Continue to reduce both current and former tenant debt following the introduction of Agresso, the Council's new accounting and financial monitoring system.
- Set and effectively manage Rent, Repair and Maintenance and Service Charge budgets for individual assets.
- Continue to work with Business Support Officers on the provision of after care and business advice given to customers of the Council, further improving rates of retention.
- A business like approach to managing the PIP with ownership and responsibility. Strong improvements through financial management and property management in the proactive approach to managing the PIP
- Performance Management embedded within the approach to managing the PIP covering a range of areas such as rental income, repair and maintenance, voids, debt management, investment

- Undertake external refurbishment programmes of offices at Bishton Court, and Tweeddale Court industrial estate with a view to improving their marketability, and securing new lettings
- Install new shop front to retail units at Limes Walk, Oakengates, and complete improvement works to cladding and lighting.

Land Strategy

TWC Land Assets

The Land Assets held by the Authority within the Asset Register are defined as playing fields, public open space, amenity land, woodland, paddocks etc and amount to some 300 hectares (Ha). Specifically, the area excludes the site area of built Operational and Non-Operational Assets (which extends to some 700Ha). The aim of the Land Strategy has been to undertake a detailed appraisal of each individual land asset by collating information from a number of sources into a single database.

The information for each site includes the following key information:-

Site Description
 Site Area
 Existing Use
 Suitability for disposal
 Potential for alternative use
 Legal issues
 Planning issues
 Engineering information
 Regeneration considerations

For specific issues such as Planning, regard has been made to the adopted Local Development Framework and the sites current land allocation, together with a view on future development potential. The information collated has been used to categorise each Land Asset. A traffic light system of categorising has been adopted as follows:

Red	Land suitable for disposal
Amber	Land that may be suitable for disposal will require further investigations before a recommendation is made e.g. Engineering study, Planning Application etc.
Green	Land to be retained

The assessment was completed in 2010 with the detailed appraisal of the 358 Assets categorised as follows:

Category	Number of Assets
Red	17
Amber	107
Green	234

The Assets identified for disposal (red) have obtained Council approval for sale and have been marketed. Utilising both private treaty and auction, terms have been agreed for 13 of the 17 assets and are currently with solicitors for legal completion of the sales. Upon completion of the 13 sales a capital receipt of over £100,000 will be generated for the Authority. The remaining red assets will be marketed over the coming twelve months.

The Land Strategy has identified some 107 “Amber Sites” that could be suitable for disposal but where further studies/investigations are required before the assets can be sold e.g.

Engineering studies, ecological surveys, Planning applications etc. A programme has been established to investigate these Amber Sites. To date some 25 of these sites have been reviewed leading to an additional 5 sites being identified for disposal (subject to the necessary approvals).

Assets categorised as Green (land to be retained) will continually be reviewed on a rolling 5 year programme (20% per annum) to ensure that where criteria/circumstances have changed the sites development /disposal can come forward.

The Land Strategy, Operational Property Strategy and PIP Strategy all connect and form the approach to Asset Management within Telford.

Management of Homes and Communities Agency (HCA) Assets

The management of HCA Assets is a significant opportunity to shape how the Borough is developed in line with the localism agenda and to support the new role HCA have as a facilitator and enabler of development. It will provide the opportunity to complete the New Town in line with the original vision as set out 40 years ago. A Stewardship Agreement signed in September 2012 appointed TWC to market, promote and sell HCA's commercial sites. The sale of a 5 Ha site at Hortonwood completed in December will deliver a 7,500 sq m meat processing plant to be completed by July 2013. This is estimated to create around 160 jobs. A number of substantial enquiries are currently being processed at Hortonwood, Hadley Park East and Halesfield.

8.0 Asset Details & Performance

The Statement of Assets is found in Appendix 1.

A raft of Performance Indicators are collected and compared with other similar Local Authorities via the Octopus Benchmarking Group. Three key measures against condition, energy use and space utilisation are contained in Appendix 2.

In summary, with reducing budgets maintenance/refurbishment has been kept to a minimum across both Operational Property and Schools. This has led to a rise in condition back log. However, BSF will substantially reduce the School back log as new and refurbished schools are delivered. On the Operational side, Property Rationalisation will reduce the backlog of outstanding maintenance as services and Staff are concentrated in key modern buildings and old out dated buildings are disposed of.

Energy use as we have seen in Chapter 5 is increasingly important from both an environmental and financial viewpoint. Whilst we have pursued a programme of eco friendly initiatives such as bio mass boilers, increased insulation etc. this has been offset by increasing use of technology powered by electricity in buildings. It is expected that further significant reductions in usage can come from both the BSF and Property Rationalisation Programme which will both utilise modern technologies including photovoltaic technology and ground source heat pumps etc.

Similarly, space utilisation should further improve from current standards as Property Rationalisation gathers momentum (Chapter 5).

Appendix 1
Fixed Assets Utilised by the Council

Category	Quantity	Total Values*
Emergency Planning Centre	1	£160,000
Bus Stations	4	£889,000
Cemetery Building	1	£1
Changing Rooms & Pavilions	11	£1041,000
Community Centres	6	£1,981,000
Travellers' Sites	2	£1,070,000
Hostels, Homeless & Sheltered Accommodation	2	£1,825,000
Ice Rink	1	£1,500,000
Leisure Centres	6	£16,989,000
Libraries	8	£2,788,000
Nursery Schools	1	£305,000
Offices	11	£11,923,000
Outdoor Activity Centre	1	£617,000
Primary/Infants/Junior Schools	51	£93,599,100
Public Conveniences	3	£136,800
Secondary Schools	8	£33,791,000
Academy Schools	5	£5
Ski Slope	1	£367,000
Special Schools	3	£6,140,000
Swimming Pools	1	£645,000
Theatres	1	£1,780,000
Training/Day Centres & Residential Care	4	£2,255,000
Youth Projects	5	£654,000
Pupil Referral Units	1	£430,000
Children Centres	2	£1,631,000
TOTAL	140	£182,516,906

Operational Property Leased in from Property Investment Portfolio

Property Type	Quantity	Total Values
Offices	4	See PIP table for asset value
Training / Day Centre	2	See PIP table for asset value

Operational Property Leased in from Private Sector

Property Type	Quantity
Offices	2
HLC Learning Community (Private Finance Initiative – PFI)	1
Jigsaw (PFI)	1
TOTAL	4

Property Investment Portfolio - Details

Property Investment Assets	Quantity	Total Values
Smallholdings	1	£400,000
Offices	27	£14,021,831
Retail	32	£7,144,000
Industrial	31	£30,137,650
Miscellaneous/Ground Rents/rationalisation	166	£40,834,600
TOTAL	257	£92,538,081

Indicator 1Bi : Required maintenance by cost expressed as a total cost in Priority levels 1–3 Telford & Wrekin Property Performance Indicators for 2012.

Priority 1–3 covers a 5 year maintenance period. The total cost of priority level 1 – 3 works for all Operational Property (including schools) is £39,422,643. The average for the previous Benchmark Group in 2011 which comprises similar sized authorities is £62,232,762.

T&WC figure is split as follows:

School Property	£30,652,623
Operational Property	£8,770,020

Previous year comparisons

		2008	2009	2010	2011	2012
Schools	P1-P3	£25,277,205	£27,657,372	£29,352,678	£28,593,580	£30,652,623
Operational	P1-P3	£11,984,120	£10,134,790	£11,080,659	£12,766,526	£8,770,020

The condition liability for operational buildings has reduced due to major investment in capital projects such as the Ice Rink refurbishment and the overall reduction in Office accommodation by 34%. The figures here include assumptions for new buildings which have been acquired and do not currently have condition surveys – these will be undertaken during 2013-14.

School Condition Surveys do not show the reduction due to the investment of circa £1.5m in 2012/13. Surveys are due to be updated 2013/14 which will reflect this investment. With this in mind, the condition liability for Schools shows an increase this year, however within the next 2 years, a number of secondary schools are due to convert to Academy status, which is expected to reduce the overall condition backlog circa £8m.

Indicator 2A : Energy costs/consumption

The running cost for all Operational Buildings (gas/electric) including schools is:

£ spend per m2 GIA **£10.38**

2011 Benchmark average **£13.57**

Previous year comparisons

Year	£ spend per m2 GIA
04/05	£8.08
05/06	£5.91
06/07	£10.75
07/08	£10.75
08/09	£16.59
09/10	£14.00
10/11	£13.46
11/12	£10.38

It is encouraging to see that energy consumption has fallen. There continue to be awareness campaigns targeted at staff to switch off lights, electrical equipment and reduce heating levels. We are undertaking audits of all operational buildings to review performance to identify and implement appropriate energy efficiency measures. The Low Carbon Schools Service, a programme providing energy saving advice and support to schools was launched during 2011/12 and has enabled schools to make significant reductions to their energy

consumption. Against this, the increasing use of computers and ICT across Buildings has and will continue to increase consumption.

Whilst we are already under the benchmark average, the extensive property rationalisation that has taken place recently, combined with the Building Schools for the Future programme, are expected to reduce energy consumption costs further in the period 2012/13 and beyond. New Schools will be built to modern standards and refurbished Schools will have their efficiency improved via better insulation and heating systems.

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TELFORD & WREKIN COUNCIL -

CABINET
COUNCIL

28 FEBRUARY 2013
7 MARCH 2013

HIGHWAYS & TRANSPORT CAPITAL INVESTMENT PROGRAMME 2013-2015

REPORT OF THE ASSISTANT DIRECTOR: NEIGHBOURHOOD & LEISURE SERVICES

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To identify the proposed planned Highways and Transport Capital Investment Programme for financial years 2013/14 – 2014/15, in accordance with the Proposed Budget Strategy.

2. RECOMMENDATIONS

2.1 That Cabinet:

- i. Approve the planned Highways and Transport investment programme for 2013/14-2014/15 as identified in Part B
- ii. Delegate responsibility for agreeing any variations or changes to schemes in the capital programme that remain within overall approved budget limits to the Assistant Director of Neighbourhood and Leisure Services in consultation with the Cabinet Member with responsibility for Neighbourhood Services & Cooperative Council

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Maintaining the highway network has been identified as a key priority through community consultation. Maintaining an efficient and effective transport network through the Highways and Transport Capital Programme contributes to the delivery of the following current Council Priorities: • ensure that neighbourhoods are safe, clean and well maintained; • improve the health and wellbeing of our communities and address health inequalities; • regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.
	Will the proposals impact on specific groups of people?	
	No	The highway and transport network is used by all sections of the community. As far as is practicably possible all schemes aim to meet guidance on accessibility; all maintenance schemes are based on assessments of condition of the highway network and feedback from the local community.

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TARGET COMPLETION/DELIVERY DATE	Projects will be delivered during the financial years 2013/14 – 2014/15	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Budgetary provision for the Highways and Transport Capital Programme is £14.283m for 2013/14 (including capital grants from the DfT Local Sustainable Transport Fund), and funding for future years is outlined in Part B of this report. The programme will be delivered using target cost contracts to ensure value for money. J.A Copus 08/02/13
LEGAL ISSUES	No	There are no direct legal implications arising from this report, the Council has a duty to manage and maintain the highway network and any works will be procured and managed in accordance with financial and contract procedure rules.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The highway and transport network forms a key part of the physical environment that people experience on daily basis. In delivering the programme it is important that all opportunities are explored to maximise the enhancement of the local environment, where it can be done in an efficient and cost-effective way. The Council's Transport Asset Management Plan is currently being updated, but analysis undertaken to date shows that even with the recent and planned additional investment the overall condition of the carriageways network is likely to remain the same, and will deteriorate without additional investment from 2014/15 onwards. Other assets such as street lights, signs and road markings are likely to continue to deteriorate without further investment.
IMPACT ON SPECIFIC WARDS	No	This report outlines schemes to be delivered in 2013/14. The list of schemes approved by Cabinet in 2012 has been updated based on condition surveys and community feedback.

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

The Council's draft Transport Asset Management Plan (TAMP) identifies that the value of the highway assets (including roads, footpaths, bridges, street lights and other highway infrastructure) the Council is responsible for managing and maintaining is around £1bn at present. In developing the Highways and Transport Capital Programme a range of factors are taken into consideration including data on condition, feedback from residents, local parish councils and ward members, programming with other schemes on site, safety and accident history. A draft three-year programme was subject to consultation with ward members and parish and town councils during December 2011. This Highways and Transport Programme

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for 2013/14 covers year 2 of the agreed programme. Table 1 sets out the funding allocations until 2015 and Appendix A sets out the list of schemes for 2013/14.

As anticipated in the 2012 capital programme report, new schemes have been added, based on normal rates of deterioration and requests from communities for road repairs, which can be further exacerbated by periods of cold weather. Due to the pressures on resources there may be a degree of reprioritisation which means that it may not be possible to deliver all the schemes identified. Any schemes not delivered in 2013/14 will be prioritised for delivery in 2014/15. Table 1 identifies the available capital resources in the approved capital programme to 2015. In addition the Council has allocated a minimum of £2m from Council Capital funds for carriageway maintenance in 2015/16. A national Pothole Review published in 2012 highlighted the importance of getting highway maintenance right first time and this involves moving some emphasis from reactive to planned maintenance.

Table 1 – Highways and Transport – Available Capital Resources 2013/14 – 2014/15

Source	2013-14 £'000	2014-15 £'000	Total Two-Year Approved Budget (£) £'000
Council Capital Funding			
Maintenance	2,250	2,000	4,250
Local Sustainable Transport Fund-Box Road	2,594	15	2,609
Local Sustainable Transport Fund-Box Road(Developer Contribution)	269	1,818	2,087
Street Lighting Invest to Save	325	325	650
Slippage from 12/13 for committed projects	1,084*		1,084
Total Council Capital	6,522	4,158	10,680
DfT Funding			
Maintenance	2,661	1,942**	4,603
Additional Highways Maintenance Funding as per December-12 Autumn Statement	481	257	738
Integrated Transport	939	1,320**	2,259
Local Sustainable Transport Fund-Small Scheme	438	110	548
Local Sustainable Transport Fund-Box Road	3,242	3,183	6,425
Total Dft Capital	7,761	6,812	14,573
All Funding	14,283	10,970	25,253

*There will be further slippage from 12/13 which will be finalised at the year-end.

**DfT funding for 2014/15 is unconfirmed

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Table 2 summarises the draft programme for 2013/14 to 2014/15 based on currently approved resources (which includes indicative allocations for 2014/15 from DfT).

Table 2 – Summary of Highways & Transport Capital Programme 2013/14 – 2014/15

	2013-14	2014-15	Total Two Year Programme
Highway Programme Area	£'000	£'000	£'000
Maintenance of Existing Assets			
Carriageway Maintenance (including safety maintenance schemes)	3,691	3,089	6,780
Footway maintenance	396	400	796
Lighting and illuminated signs/bollards	270	370	640
Barriers & Guard Rail Maintenance	20	20	40
Drainage Maintenance	160	160	320
Structures: Maintenance	640	640	1,280
Signing & Lining: renewal & maintenance	130	150	280
Annual Condition Surveys	85	85	170
Improving and Amending the Highway Network	5,392	4914	10,306
New / Upgraded Infrastructure	386	100	486
Sustainable Travel (Public Rights of Way / Safer Routes)	59	70	129
Safety Schemes	59	70	129
Public Realm & Street Scene Projects	200	220	420
Local Sustainable Transport Fund Smaller Projects	673	255	928
Local Sustainable Transport Fund Box Road	6,105	5,016	11,121
Street Lighting Upgrades	325	325	650
Schemes carried forward from 12/13	7807	6056	13,863
To be funded from slippage	1,084		1,084
Total	14,283	10,970	25,253

The principles of the TAMP are around making sure that the Council has as full an understanding as possible of the condition of its highway assets, whilst using Asset Management Planning to maximise the effect of the available financial resources on improving the condition of the Council's highway assets. In adopting this approach the Council may not treat the roads in worst condition first, there may be instances where early intervention can prevent the need for more expensive interventions in future years; therefore in the interest of maximising the effectiveness of resources it may be necessary to allocate resources to parts

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of the network that are not considered to be in the worst condition. A detailed report on the TAMP will be brought to Cabinet during 2013/14.

The Capital Programme includes a number of improvement schemes including projects that are funded by the Local Sustainable Transport Fund (LSTF) grant. Over the life of the LSTF programme (2011/12 – 2014/15) the Council is putting in place match funding from its own resources and drawing in further contributions from other organisations. The overall funding package means that the Council is able to deliver a programme including projects such as the transformation of Telford Town Centre Box Road and an upgrade to the route between Telford Central Rail Station and Telford Town Centre as well as programmes of support for employers, schools and colleges to promote walking, cycling and sustainable transport.

5. **IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

Community Impact

Maintaining the highway and transport network is key to ensuring that people are able to travel for work, education, accessing services and for leisure activities. The condition of the highway and its surroundings can have a significant influence on the overall perception of the quality of the physical environment. The network is used on a daily basis by residents and visitors to the Borough and in terms of service use is likely to be the most used service the Council provides. As part of the Cooperative Council approach the process of engaging contractors for the Highways Programme will include the consideration of supporting local employment and apprentice schemes.

Equalities Impact

Where possible, as part of the capital programme improvements to accessibility will be carried out, such as the provision of dropped kerbs and tactile paving. This allows the Council to support its Local Transport Plan objective of improving accessibility.

Environmental Impact

Environmental improvements are incorporated into schemes where appropriate to support the recognition that highway and footpath condition can have a significant bearing on the perceived environmental quality of an area. The Council will be seeking to use recycling of materials and new more sustainable surfacing treatments, in collaboration with other local authorities, with the aim of reducing the Council's Carbon Emissions.

6. **PREVIOUS MINUTES**

Cabinet 22 September 2011
Local Sustainable Transport Fund
Cabinet 23 February 2012
Highways & Transport Capital Investment Programme 2012 - 2015

7. **BACKGROUND PAPERS**

Local Transport Plan 3
Draft Transport Asset Management Plan

Report prepared by Amanda Roberts – Highway Capital Programme Team Leader & Keith Harris, Interim Highways Service Delivery Manager

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Appendix A: Proposed Maintenance Schemes for 2013/14

Arleston

Location	Scheme Type	Associated Wards
Arleston Lane	Patching - DfT additional funding	Wrockwardine
High Street	Re-texturing	Haygate, College
Mill Bank	Re-texturing	College
Bayley Road	Surface Dressing	
Churchill Road	Surface Dressing	
John Broad Avenue	Surface Dressing	

Brookside

Location	Scheme Type	Associated Wards
Brookside Avenue	Minor Scheme	
Grange Avenue (North)	Major Scheme	The Nedge
Stirchley Road	Surface Dressing	The Nedge
Burford	Footway Maintenance	

Church Aston & Lilleshall

Location	Scheme Type	Associated Wards
A518 Sheep Roundabout	Safety Scheme	
Littlehales Road	Patching - DfT additional funding	
A41 Woodhouse Lodge	Safety Scheme Signage	
Church Road	Surface Dressing	
The Crescent	Micro Asphalt	

College

Location	Scheme Type	Associated Wards
Apley Avenue	Major Scheme	Dothill
Victoria Road	Major Scheme	Haygate
Park Street	Major Scheme	
Urban Gardens	Minor Scheme	
High Street	Re-texturing	Haygate, Arleston
Mill Bank	Re-texturing	Arleston
Ladycroft	Footway Maintenance	

Cuckoo Oak

Location	Scheme Type	Associated Wards
Brockton Roundabout	Safety Scheme	
Hills Lane/Hills Lane Drive	Patching - DfT additional funding	
Halesfield 16	Safety Scheme Signage	
Stonedale	Surface Dressing	
Sutton Way	Surface Dressing	
Kemberton Road	Patching - DfT additional funding	Madeley
Cuckoo Oak Green	Minor Scheme	

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Dawley Magna

Location	Scheme Type	Associated Wards
Holly Road	Patching - DfT additional funding	Horsehay & Lightmoor
New Road	Patching - DfT additional funding	
St Lukes Road	Patching - DfT additional funding	Horsehay & Lightmoor
Dawley Green Way	Re-texturing	Malinslee
Purbeck Dale	Surface Dressing	
Willow Bank/Gittens Drive	Surface Dressing	
Malvern Crescent	Footway Maintenance	
Mendip Close	Footway Maintenance	
Dawley Road	Footway Maintenance	
Southall Road	Footway Maintenance	

Donnington

Location	Scheme Type	Associated Wards
Furnace Lane	Patching - DfT additional funding	
A518 near Hortonwood Roundabout	Safety Scheme Signage	Wrockwardine Wood & Trench
Jubilee Avenue/Winston Drive	Surface Dressing	
Station Road	Surface Dressing	
Barclay Court	Micro Asphalt	
Church Walk	Micro Asphalt	
Wrekin Drive	Micro Asphalt	
Hayward Avenue	Minor Scheme	
Morris Drive	Patching - DfT additional funding	
Church Walk	Footway Maintenance	
Granville Roundabout	Footway Maintenance	Muxton, Priorslee
Furnace Lane	Footway Maintenance	Wrockwardine Wood & Trench
Hayward Avenue	Footway Maintenance	
Oakengates Road	Footway Maintenance	Wrockwardine Wood & Trench
St Georges Road	Footway Maintenance	Priorslee
Barclay Court	Footway Maintenance	
Wrekin Drive Access	Footway Maintenance	
Church Road	Footway Maintenance	

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Dothill

Location	Scheme Type	Associated Wards
Apley Avenue	Major Scheme	College
Whitchurch Road	Major Scheme	Park

Edgmond

Location	Scheme Type	Associated Wards
Caynton Mill Road	Patching - DfT additional funding	
Cherrington Road	Patching - DfT additional funding	
B5062 to Sheep Bridge	Surface Dressing	
Old Smithy Road	Minor Scheme	
Cherrington Road	Footway Maintenance	
Maslan Crescent	Footway Maintenance	
Old Smithy Road	Footway Maintenance	
Sambrook Footpath	Footway Maintenance	

Ercall

Location	Scheme Type	Associated Wards
Holyhead Road	Patching - DfT additional funding	
Wrekin Road	Major Scheme	Haygate

Ercall Magna

Location	Scheme Type	Associated Wards
Park Lane	Patching - DfT additional funding	
River Lane	Patching - DfT additional funding	
Middle Lane/Shop Lane/Stars Lane	Surface Dressing	
Rodington to Roden	Surface Dressing	
Ridgway, High Ercall	Footway Maintenance	

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Hadley & Leegomery

Location	Scheme Type	Associated Wards
Church Street	Micro Asphalt	
Crescent Road (East)	Minor Scheme	
Crescent Road (West)	Minor Scheme	
Grainger Drive	Joint Sealing	
Haybridge Avenue	Patching - DfT additional funding	
Haybridge Road	Patching - DfT additional funding	
Horton Lane	Micro Asphalt	
Mafeking Road	Minor Scheme	
Manse Close	Minor Scheme	
Manse Road	Minor Scheme	
Parkdale	Micro Asphalt	
Pool Meadow	Micro Asphalt	
Sunningdale	Minor Scheme	
Hortonwood 30	Safety Scheme	Wrockwardine Wood & Trench
Church Street/ Hadley Road	Footway Maintenance	
Haybridge Avenue	Footway Maintenance	
Near Vallens	Footway Maintenance	
Sunningdale	Footway Maintenance	
Acacia Drive	Footway Maintenance	
Camarthen Green	Footway Maintenance	
Cheltenham Court	Footway Maintenance	

Haygate

Location	Scheme Type	Associated Wards
Victoria Road	Major Scheme	College
Bridge Road	Safety Scheme	
High Street	Re-texturing	Arleston, College

Horsehay & Lightmoor

Location	Scheme Type	Associated Wards
Lawley Common Roundabout	Safety Scheme	
Frame Lane	Patching - DfT additional funding	
Holly Road	Patching - DfT additional funding	Dawley Magna
St Lukes Road	Patching - DfT additional funding	Dawley Magna
Woodhouse Lane	Patching - DfT additional funding	
Pool View	Surface Dressing	

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Ironbridge Gorge

Location	Scheme Type	Associated Wards
Woodside Avenue	Major Scheme	Madeley, Woodside
Woodside Avenue	Safety Scheme	Madeley, Woodside
Coalport High Street	Patching - DfT additional funding	
Sutton Bank	Patching - DfT additional funding	
Buildwas Road	Surface Dressing	
Jiggers Bank	Surface Dressing	
Wesley Road/Jockey Bank	Micro Asphalt	
Jiggers Bank	Footway Maintenance	
Cherry Tree Hill	Footway Maintenance	

Ketley & Oakengates

Location	Scheme Type	Associated Wards
Woodside Road	Major Scheme	
The Incline	Minor Scheme	
B5061/A442 Slip Rd	Safety Scheme	
Holyhead Road	Safety Scheme	
Mossey Green Way	Safety Scheme Signage	
Severn Hills Place	Micro Asphalt	
East Road	Footway Maintenance	
Fifth Avenue	Footway Maintenance	
Sixth Avenue	Footway Maintenance	
Main Road	Footway Maintenance	
Woodside Road	Footway Maintenance	
The Incline	Footway Maintenance	
Sinclair Gardens	Footway Maintenance	
Riddings Close	Footway Maintenance	
Orchard Close	Footway Maintenance	
Mountside	Footway Maintenance	St Georges, Priorslee
Severn Hills Place	Footway Maintenance	
Sandway	Footway Maintenance	
Sandbrook	Footway Maintenance	
Margaret Close	Footway Maintenance	

Lawley & Overdale

Location	Scheme Type	Associated Wards
Old Park Roundabout	Safety Scheme	
Damson Drive	Footway Maintenance	
Elderberry Close	Footway Maintenance	

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Madeley

Location	Scheme Type	Associated Wards
Mound Way	Patching - DfT additional funding	Woodside
Woodside Avenue	Major Scheme	Woodside, Ironbridge Gorge
Woodside Avenue	Safety Scheme	Woodside, Ironbridge Gorge
Parkway	Safety Scheme Signage	
Kemberton Road	Patching - DfT additional funding	Cuckoo Oak

Malinslee

Location	Scheme Type	Associated Wards
St Leonards Place	Patching - DfT additional funding	
Dawley Green Way	Re-texturing	Dawley Magna
Buxton Road	Surface Dressing	
Chesterfield Road	Surface Dressing	
Lancaster Avenue	Surface Dressing	
Matlock Avenue/Mount Road	Surface Dressing	
Oxford Road / Eyton Road	Surface Dressing	
Stone Row	Micro Asphalt	
Bank Road	Footway Maintenance	
Park Road/Cemetery Road	Footway Maintenance	
Powis Place	Footway Maintenance	
Drayton Way	Footway Maintenance	
Peveril Bank	Footway Maintenance	
Cecil Parry Close	Footway Maintenance	

Muxton

Location	Scheme Type	Associated Wards
Granville Roundabout	Footway Maintenance	Donnington, Priorslee
Saltwells Drive	Footway Maintenance	

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Newport South

Location	Scheme Type	Associated Wards
Wellington Road	Re-texturing	Newport West
Granville Avenue	Surface Dressing	
Shuker Close	Minor Scheme	

Newport East

Location	Scheme Type	Associated Wards
Fishers Lock	Micro Asphalt	

Newport North

Location	Scheme Type	Associated Wards
Forton Road	Footway Maintenance	
Hallcroft Gardens	Footway Maintenance	

Newport West

Location	Scheme Type	Associated Wards
Hawkstone Avenue	Patching - DfT additional funding	
Upper Bar	Re-texturing	
Wellington Road	Re-texturing	Newport (S)
Roddam Court/ /Sandiford Crescent	Micro Asphalt	
New Street	Footway Maintenance	

Park

Location	Scheme Type	Associated Wards
Whitchurch Road	Major Scheme	Dothill

Shawbirch

Location	Scheme Type	Associated Wards
Glade Way	Footway Maintenance	
Harrington Heath	Footway Maintenance	
Shawbirch Road	Footway Maintenance	

Priorslee

Location	Scheme Type	Associated Wards
Castle Farm Way	Minor Scheme	
Granville Roundabout	Footway Maintenance	Donnington, Muxton
Checkley Lane	Footway Maintenance	
Mountside	Footway Maintenance	Ketley & Oakengates, St Georges
Priorslee Road	Footway Maintenance	St Georges
St Georges Road	Footway Maintenance	Donnington
Moss Road	Footway Maintenance	St Georges

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St George's

Location	Scheme Type	Associated Wards
Church Street	Minor Scheme	
Freeston Avenue	Major Scheme	
Gower Street	Re-texture	
Grove Street	Major Scheme	
London Road	Minor Scheme	
Priorslee Road	Minor Scheme	
Stafford Street	Major Scheme	
Moss Road	Footway Maintenance	Priorslee
Fox Avenue	Footway Maintenance	
Freeston Avenue	Footway Maintenance	
London Road	Footway Maintenance	
Regent Drive	Footway Maintenance	
Priorslee Road	Footway Maintenance	Priorslee
Willows Road	Footway Maintenance	
Mountside	Footway Maintenance	Ketley & Oakengates, Priorslee
Middle Road	Footway Maintenance	Wrockwardine Wood & Trench

The Nedge

Location	Scheme Type	Associated Wards
Grange Avenue (North)	Major Scheme	Brookside
Stafford Park 6	Major Scheme	
Arundel Close	Patching - DfT additional funding	
Churchway	Surface Dressing	
Churncote	Surface Dressing	
Stirchley Road	Surface Dressing	Brookside
Grange Avenue (South)	Surface Dressing	
Queen Elizabeth Avenue	Surface Dressing	
Stirchley Avenue	Surface Dressing	
Naird Lane	Micro Asphalt	
Randlay Avenue	Major Scheme	
Arundel Close	Footway Maintenance	
Long Meadow	Footway Maintenance	
Culmington	Footway Maintenance	
Stirchley Centre	Footway Maintenance	
Churchway Cul de sacs	Footway Maintenance	

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Woodside

Location	Scheme Type	Associated Wards
Woodside Avenue	Major Scheme	Madeley, l'bridge Gorge
Woodside Avenue	Safety Scheme	Madeley, l'bridge Gorge
Mound Way	Patching - DfT additional funding	Madeley

Wrockwardine

Location	Scheme Type	Associated Wards	
Allscot Loop	Patching - DfT additional funding		
David's Bank	Patching - DfT additional funding		
Arleston Lane	Patching - DfT additional funding	Arleston	
Marsh Green to Sugden	Surface Dressing		
Walcot B4394 (N)	Surface Dressing		
The Dell	Micro Asphalt		
Clee Rise	Footway Maintenance		
Wrekin View	Footway Maintenance		
B5063 Longdon-u- Tern	Footway Maintenance		
Allscott Loop	Footway Maintenance		
Broomfield Road	Footway Maintenance		
Station Road	Footway Maintenance		

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Wrockwardine Wood & Trench

Location	Scheme Type	Associated Wards
Trench Road	Major Scheme	
Hortonwood 30	Safety Scheme	Hadley & Leegomery
Hortonwood 7	Safety Scheme + Re-texturing	
Church Rd/New Rd	Minor Scheme	
A518 near Hortonwood Roundabout	Safety Scheme Signage	Donnington
Trench Lock	Safety Scheme Signage	
Gibbons Road	Surface Dressing	
Pool Road	Surface Dressing	
Juniper Dr/Newfield Dr	Micro Asphalt	
Lennock Road	Patching - DfT additional funding	
Furnace Lane	Footway Maintenance	Donnington
Broadway Avenue	Footway Maintenance	
Henley Drive	Footway Maintenance	
Oakwood Drive	Footway Maintenance	
Pinewood Avenue	Footway Maintenance	
Richmond Avenue	Footway Maintenance	
Sunbury Drive	Footway Maintenance	
Tenbury Drive	Footway Maintenance	
Woodhouse Crescent	Footway Maintenance	
Hortonwood 1	Footway Maintenance	
Hortonwood 7	Footway Maintenance	
Wombridge Road	Footway Maintenance	
Oakengates Road	Footway Maintenance	Donnington
Middle Road	Footway Maintenance	St Georges
Wombridge Way	Footway Maintenance	

Borough Wide

Scheme Type	Notes
A442 Annual Clean and Routine Maintenance	Traffic Management, patching and investigations
Joint-Sealing Programme	Schemes on main routes - to be identified
Routine Patching	Monthly rolling programme

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Projects to Improve and Upgrade the Highway Network 2013-14

Scheme	Wards
Infrastructure	
Strategic Signing ITS upgrades and UTC Disabled pedestrian access Barriers and Guard Rails New footway links	Various
Sustainable Travel	
Safer Routes to School Public Rights of Way	Various
Safety	
Local Safety Scheme	As required
Speed Indication Devices	Various
Local Sustainable Transport Fund Match Funding	
LTSF Large project (Telford Town Centre)	Malinslee Lawley & Overdale The Nedge
Telford Central Interchange Project	Lawley & Overdale
Telford - Stafford cycle route (NCN55) Low Carbon Life Skills Co-operative Area Travel Plans	Various

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

Policy Area	Total £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	Later Years £'000
Protect and Support Our Vulnerable Children & Adults	6,111	4,012	2,099	0	0	0
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	33,958	14,769	17,496	1,693	0	0
Improve the Health and Well Being of our Communities and Address Health Inequalities	7,298	4,435	1,690	223	950	0
Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	16,100	9,174	5,985	941	0	0
Ensure That Neighbourhoods are Safe, Clean and Well Maintained	55,209	10,019	16,352	19,588	9,250	0
Improve Local People's Prospects through Education and Skills Training	157,663	34,904	60,007	51,303	10,048	1,401
Managing the Organisation	10,967	2,357	3,570	2,270	2,270	500
	287,306	79,670	107,199	76,018	22,518	1,901
Resources						
Borrowing Approval	2,313	2,056	257	0	0	0
Government Grant	170,038	46,512	64,087	50,983	6,198	2,258
Prudential	(1,045)	(3,056)	3,379	11,364	3,970	(16,702)
Capital Receipts	112,774	33,139	39,127	11,813	12,350	16,345
Revenue	53	(67)	80	40	0	0
External	3,165	1,078	269	1,818	0	0
S106	8	8	0	0	0	0
Total funding	287,306	79,670	107,199	76,018	22,518	1,901

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

		Expenditure						Funding					
Priority Area	Scheme	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		6,111	4,012	2,099	0	0	0	2,975	2,534	350	0	0	252
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'													
	Town Centre - Phase 1 & Accommodation Strategy	33,958	14,769	17,496	1,693	0	0	4,890	-5,835	34,903	0	0	0
Total		33,958	14,769	17,496	1,693	0	0	4,890	-5,835	34,903	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	324	324	0	0	0	0	95	141	80	0	8	0
Total		7,298	4,435	1,690	223	950	0	1,547	4,361	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	2,349	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		16,100	9,174	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	7,130	5,511	1,619	0	0	0	5,240	467	586	416	0	421
Total		157,663	34,904	60,007	51,303	10,048	1,401	125,326	-698	31,256	1,684	0	95
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	4,656	546	1,870	870	870	500	0	-13,384	18,040	0	0	0
Total		10,967	2,357	3,570	2,270	2,270	500	0	-7,073	18,040	0	0	0
Total All Schemes		287,306	79,670	107,199	76,018	22,518	1,901	170,038	-1,045	112,774	2,313	8	3,218

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			6,111	4,012	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	17,840		17,840	0	0
Total	Sub Total Town Centre - Accommodation Strategy		8,277	7,877	400	0	0
Total			33,958	14,769	17,496	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

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	1,201	451	750	0	0	0
Total		7,298	4,435	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				
Total	Sub Total Oakengates	1,664	1,664	0	0	0	0
	Sutton Hill	284	284	0	0	0	0
		0	0	0	0	0	0
	Sutton Hill Local Centre	-191	-191	0	0	0	0
		0	0	0	0	0	0
		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
		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
		362	362	0	0	0	0
		1,135	155	480	500	0	0
Total	Sub Total - Brookside	6,148	1,554	3,653	941	0	0
Total		16,100	9,174	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

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

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

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 Removal	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 Management	Gov Grant	30	30	0	0	0
	Various Schools - Security Measures	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 Enhancement	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 Bldg	Cap Receipts	91	91	0	0	0
	Donnington Wood Infants Main Bldg	Gov Grant	180	180	0	0	0
	Hollinswood Infant - Curtain Wall -	Gov Grant	35	35	0	0	0
	Newport Infants - Toilet refurbishment	Gov Grant	17	17	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 Works	External	7	7	0	0	0
	Crudgington Primary - External Works	Gov Grant	33	33	0	0	0
	Crudgington Primary -New Biomass	Gov Grant	7	7	0	0	0
	Captain Webb - Intercom & fencing	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

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 Installation Gov Grant	90	90	0	0	0	0
	Lilleshall Primary - Roofing / Window External	4	4	0	0	0	0
	Lilleshall Primary - Roofing / Window Borrow App	13	13	0	0	0	0
	Lilleshall Primary - Roofing / Window Gov Grant	103	103	0	0	0	0
	Meadows Primary - Electrical Installation Gov Grant	80	27	53	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 - Demountable 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 Walling Gov Grant	15	15	0	0	0	0
	Wombridge Primary - Boiler Gov Grant	100	100	0	0	0	0
	Wombridge Primary - New Entrance External	17	17	0	0	0	0
	Wrekin View Primary - Chimney Work Gov Grant	7	7	0	0	0	0
	William Reynolds Jnr - Amalgamation Borrow App	6	6	0	0	0	0
	William Reynolds Jnr - Amalgamation Gov Grant	242	242	0	0	0	0
	William Reynolds Jnr - Amalgamation Gov Grant	56	56	0	0	0	0
	William Reynolds Jnr - Amalgamation 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 School External	8	8	0	0	0	0
	Haughton Special School - Main School Gov Grant	90	90	0	0	0	0
	Leegomery Changing Rooms Showers Gov Grant	45	45	0	0	0	0
	Charlton School - Yellow lining for Windows Gov Grant	1	1	0	0	0	0
	Admaston Tuition Centre - ICT External	10	10	0	0	0	0
	Admaston Tuition Centre - Capital Expenditure cont, school facilities	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
	Aqueduct Primary - DDA Gov Grant	6	6	0	0	0	0
	Apley Wood DDA Works Gov Grant	10	10	0	0	0	0
	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

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
	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	7,130	5,511	1,619	0	0	0
Total		157,663	34,904	60,007	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	-15,040	-18,956	6,931	9,530	-3,950	-8,595
	To Reduce Prudential Borrowing Cap Receipts	15,040	18,956	-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

TELFORD & WREKIN COUNCIL

COUNCIL - 7 MARCH 2013

SERVICE & FINANCIAL PLANNING 2012/13 – 2015/16: CAPITAL PROGRAMME

REPORT OF THE MANAGING DIRECTOR, CHIEF FINANCE OFFICER (ASSISTANT DIRECTOR: FINANCE, AUDIT & INFORMATION GOVERNANCE), THE ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & HOUSING AND THE ASSISTANT DIRECTOR: ENVIRONMENTAL & LEISURE SERVICES

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The report details the revised capital programme for 2012/13 and the proposed capital programme for 2013/14 to 2015/16, together with the Capital Strategy (including the proposed Asset Management Plan and related Building Maintenance Plan and the Highways and Transport capital investment programme).

2. RECOMMENDATIONS

Members are asked to approve the report and associated capital estimates and variations for 2012/13 and 2013/14 – 2015/16, which incorporates the Capital Strategy, the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II), and Asset Management Plan (Annex III) and the three year Highways and Transport capital investment programme (Annex IV).

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT *Do these proposals contribute to specific priorities?*

Yes/No All priorities are covered by the report.

Will the proposals impact on specific groups of people?

Yes/No An element of the capital improvements to Council buildings will be focused on improving accessibility. The allocation is prioritised using the full range of asset management data and specifically using the accessibility audits as well as working with Assistant Directors and the Equalities team.

**TARGET
COMPLETION /**

There are many different capital projects and each one has a different target completion date. Some of

DELIVERY DATE		<i>the programmes are ongoing, others will complete during the period of the programme as shown in Annex I.</i>
FINANCIAL/VALUE FOR MONEY IMPACT	Yes/No	<i>Where appropriate these are detailed in the body of the report.</i>
LEGAL ISSUES	Yes/No	<i>all proposals are covered by the legislative framework within which the Council operates</i>
OTHER IMPACTS, RISKS AND OPPORTUNITIES	Yes/No	<i>The Council's current Strategic Risk Register has been considered as part of allocating resources in the overall programme</i>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Proposals affect all wards in the Borough</i>

PART B – ADDITIONAL INFORMATION

4.0 SUMMARY

- 4.1 This report presents the Council's Capital Strategy for 2012/13 – 2015/16 and later years and a capital programme of £287.306m that includes the proposed investments included in the overall budget strategy. It also sets out the Council's Asset Management Plan and proposed planned Building Maintenance programme, particularly focusing on 2013/14 and the three year Highways & Transport capital investment programme.
- 4.2 The strategy and programmes address our corporate priorities in conjunction with the service and financial planning strategy.
- 4.3 The revenue cost of the use of the Council's own resources and unsupported borrowing are built into the proposed 2013/14 budget and future projections, while the cost of government supported allocations is currently met through a combination of Revenue Support Grant and direct capital grants.
- 4.4 The Asset Management Plan sets out the framework for assessing and prioritising property related issues. The approved framework has been adhered to in prioritising the planned building maintenance programme for 2013/14. The building maintenance programme has been set in accordance with the proposed budget 2013/14 – 2015/16.

5.0 STRATEGIC OVERVIEW

In the short to medium term, Telford & Wrekin Council is in a period of significant transformation and change. The drivers of this are:

- The retrenchment of public spending by the coalition Government - the Council is facing the challenge of making significant savings of £40m over a three-year period whilst trying to protect front-line services as far as possible. Our Service and Financial Planning Strategy sets out our response to this challenge and how these savings are being identified and delivered.
- Becoming a Co-operative Council and ultimately a Co-operative Borough to reshape the relationship between the Council, its employees, the community and partners to:
 - **Improve and bring services together;**
 - **Deliver the things that matter to local people;**
 - **Strengthen and develop our communities;**

Our Co-operative Council “adopter programme” sets out our pathway to becoming a Co-operative Council.

Both of these challenges have required the Council to review its ‘priorities’ which have been adopted as:

As a Co-operative Council, we will work with our communities to create:

‘Telford & Wrekin – the Place of Enterprise, Innovation & Partnership’

We will:

- ***put our children and young people first***
- ***protect and create jobs as a ‘Business Supporting, Business Winning Council’***
- ***improve local people’s prospects through education and skills training***
- ***protect and support our vulnerable children and adults***
- ***ensure that neighbourhoods are safe, clean and well maintained***
- ***improve the health and wellbeing of our communities and address health inequalities***
- ***regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing***

Capital investment clearly plays a key role in the achievement of our local priorities. Through our Asset Management Plan and Capital Strategy **we seek to maximise the value and opportunities of our assets to take forward the delivery of emerging strategic priorities.**

Our Capital Strategy and Asset Management programme are not, however, just about ‘concrete, tarmac and buildings etc’, they are about making a positive difference to the quality of local people’s lives through specific projects, services, technology and facilities. In recent years, key initiatives progressed/ delivered through targeted capital investment include:

- Improvements to roads, pavements and street lighting;
- Redevelopment of the local centres
- Development of new 'state of the art' schools commencing with AbrahamDarbyAcademy and Woodlands Primary

6.0 **CAPITAL STRATEGY: 2012/13 – 2015/16**

- 6.1 During 2013/14, we are planning to invest **£107.199m** as part of a **£287.306m** capital programme, to build and improve the facilities, assets and infrastructure to support the delivery of these objectives. This investment has been secured primarily through a combination of Government grants and supported borrowing allocations, use of the Council's own resources (capital receipts), and Prudential Borrowing by the Council. Over the planning period, our capital programme is as follows:

Priority Area	Total £m	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m
Protect and create jobs as a 'Business Supporting, Business Winning Council'	33.958	14.769	17.496	1.693	0.000	0.000
Improve local people's prospects through Education and Skills Training	157.663	34.904	60.007	51.303	10.048	1.401
Protect and support our vulnerable children and adults	6.111	4.012	2.099	0.000	0.000	0.000
Ensure that neighbourhoods are safe, clean and well maintained	55.209	10.019	16.352	19.588	9.250	0.000
Improve the health and well being of our communities and address health inequalities	7.298	4.435	1.690	0.223	0.950	0.000
Regenerate those neighbourhoods in need and work hard to ensure that local people have access to housing	16.100	9.174	5.985	0.941	0.000	0.000
Managing the Organisation	10.967	2.357	3.570	2.270	2.270	0.500
	287.306	79.670	107.199	76.018	22.518	1.901

- 6.2 Supporting Telford & Wrekin's role as a focus for continued growth and development until 2026 underpins all our priorities. This is very much a 'capital' agenda – though it

must be supported by the day-to-day delivery of high quality and efficient and improving services for the community - and we will look creatively to utilise local resources such as the Council's land assets and land owned by other partners, and external funding and investment to turn vision into reality.

- 6.3 Details of the major projects and investments that we are looking to resource are detailed in Annex I. Many of these investments contribute in to the delivery of more than one Priority.

7.0 CAPITAL PLANNING FRAMEWORK

- 7.1 The Council's Capital Strategy is driven by our shared Vision for the Borough and our Priorities. All our plans and spending proposals (both capital and revenue) are developed within a partnership framework. The capital strategy is seen as a key opportunity to:

- drive forward the Vision and Priorities for the Borough;
- influence the development of the Borough and the actions of other agencies;
- work in partnership with other bodies to pursue national and regional objectives;
- ensure that funding mechanisms are used effectively and external funding maximised;
- maintain and improve the condition and suitability of our assets.

- 7.2 A key feature of our approach is that capital and revenue expenditure are considered together through one integrated service and financial planning framework and process. The Capital Strategy process brings together all aspects of capital planning and management. It guides and acts as the focus for all work on capital issues. The capital strategy process is given firm leadership:

- at officer level by the Senior Management Team;
- at member level by the Cabinet.

Progress and the outcomes of capital expenditure are also considered by the Council's scrutiny committees as part of their service and financial performance monitoring role. They also input specifically to the strategy development process through scrutiny of the Draft Budget Strategy.

(i) Approach

- 7.3 Our approach to the Capital Strategy Process is described below. This process is continually evolving and has been developed to enable the Council to respond effectively to the developments in Capital and Asset Management Planning.
- 7.4 The Prudential Code of Borrowing requires us to look at capital and revenue spend in an integrated way. Under this regime, the Council has much more freedom to invest in capital projects as long as the borrowing is determined to be **affordable, prudent, sustainable and represents value-for-money**. The prudential system of capital finance makes the capital strategy a much more integral and essential part of the annual budget setting process and medium term financial strategy; developed through

an emerging 3-year forward planning framework which brings together service and financial planning priorities and proposed developments to support delivery of our priorities.

(ii) Capital Strategy Process

a) Strategic Review of Needs

7.5 We annually review plans and priorities for capital spending. This is done as part of the annual corporate planning process, the development of key planning documents such as Priority Plans, and the outcome of major policy and/or service reviews. In seeking to determine priorities for investment and action, it is important to understand the key issues, needs and opportunities that need to be addressed. The following documents in particular map these out in detail, these are:

- The LSP's Vision 2026, Community Strategy and Local Area Agreement;
- The Council Plan/Priority Plans;

7.6 The result is a clear strategic view of priorities which identifies both **pressures and developments** in terms of:

- Projects required to progress the Vision for the Borough – whether partner, Council or joint (developments);
- Projects required to meet service priorities (pressures and developments);
- Maintenance spending required on assets (pressures).

This process is done collaboratively through dialogue with partners and is also informed by the Council's annual consultation strategy. This framework encourages a joined-up focus on outcomes, on major strategic initiatives and partnership working. The outcome is a broadly-based overview of capital spending priorities, business needs and opportunities, and outcomes to be realised.

b) Strategic Consideration of Priorities, Resources and Resource Implications

7.7 The financial implications of new capital spending requirements are carefully assessed within a business case in terms of:

- Overall resource availability including the anticipated results of asset disposals;
- Identification and consideration of whole life costings;
- Identification of significant revenue implications for capital proposals, with overall decisions on capital programme being made (and consulted on) as part of the overall service, financial planning and value-for-money process;
- Consideration of appropriate procurement strategies and potential funding regimes.
- 'Pay back'/Invest to Save potential, such as for example investment in Waste Recycling facilities to reduce the future impact of Landfill Tax increases.

7.8 The Prudential Code of Borrowing highlights the need, in making decisions on capital investment, to have regard to a number of core factors. As such, the Capital Strategy and Programme for 2013/14 has been developed around the following principles and processes:

- Corporate Strategic Planning Assessment:

7.9 Revenue and capital budgets are planned together as far as practicable each year. Desired spending has been prioritised and narrowed down into an overall capital strategy taking account of local, national and regional priorities. National priorities are considered within the parameters of the Government's Annual Capital Guidelines (ACG's) for major service areas.

- Options Appraisal to Secure Value for Money:

7.10 In developing the capital programme, the Council has sought to identify which of a number of alternative ways is the best way to fund and deliver a capital project to meet its objectives. Also, to ensure that the Council's approach to prudential borrowing is affordable, prudent and sustainable, a set of prudential indicators have been developed to monitor performance. The business case for capital investment requires consideration/identification of how such spend represents or will improve value-for-money to the community.

c) Detailed Capital Programme

7.11 The Strategic Assessment of capital spending priorities is then subjected to further internal and external consultation and translated into an achievable phased programme across the whole Council with clearly agreed and identified:

- Revenue implications.
- Procurement Arrangements;
- Timescales, project management arrangements and accountabilities;

Annex I sets out details of our committed Capital Programme 2012/13 – 2015/16 and Detailed Analysis of Capital Grants.

d) Control, Monitoring, Performance Management & Review

7.12 A corporate framework for project management exists for capital schemes. Regular monitoring of progress and spend takes place both at service and corporate levels. The Asset Management Plan ensures that relevant property performance indicators (PIs) have been incorporated into corporate performance monitoring arrangements and into the monitoring of the management of the capital programme. In-year progress is highlighted as part of the reporting arrangements of the Service & Financial Performance Management Framework.

8.0 ASSET MANAGEMENT PLANNING & PROGRAMME

Our Strategic Approach

- 8.1 The Asset Management Plan (Annex III) and associated data on Property (i.e. condition, suitability, sufficiency, access, asbestos surveys) informs the Council's Building Investment Programme. The Council has completed all surveys for Operational Properties used for the delivery of its services and these are updated on a rolling programme each year. The Council's Asset Management Plan 2012 /2016 has identified a condition backlog of £8.7million for Operational Properties (excluding schools) and £30.6m for Schools / education properties. The school condition back log will be significantly addressed over the next few years with the investment from the Building Schools for the Future Programme (BSF). The Operational Property backlog will also show significant reductions as a result of Property Rationalisation and investment in retained buildings.
- 8.2 The Building Investment Programme as identified in Annex II, is set in accordance with the approved framework for prioritising condition backlog as included in the Asset Management Plan. The proposed level of investment included in the Capital Programme 2013/14 is £1.2m for Educational Assets and £1m for all other Operational Assets. The budget allocations do not take into account the capital investment relating to Schools and the secured investment relating to BSF which will greatly reduce the condition backlog for Education Properties as part of the building rationalisation process. In addition to the above capital allocations, Schools are also in receipt of Devolved Formula Capital (DFC) which is used fundamentally for repairing and maintaining the School building stock on a day to day basis.

Condition backlog as detailed in the Asset Management Plan

Priority 1

Urgent works that will prevent closure of premises and/or address a high risk to the health and safety of occupants and/or remedy a serious breach of legislation.

Priority 2

Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address medium risk to the health and safety of the occupants and/or remedy a minor breach of legislation.

Priority 3

Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of legislation.

8.3 Previous year condition comparisons

		2008	2009	2010	2011	2012
Schools	P1-P3	£25,277,205	£27,657,372	£29,352,678	£28,593,580	£30,652,623
Operational	P1-P3	£11,984,120	£10,134,790	£11,080,659	£12,766,526	£8,770,020

*Note: Hadley PFI / Jigsaw / Madeley Academy / Abraham Darby Academy have not been included within the above figures.

- 8.4 The Asset Management Database is analysed on a yearly basis as the priorities may change due to new findings as part of continuing re-surveys of property. Emergencies that occur within the financial year may also lead to reprioritisation of the allocated budgets and a change to the programme identified.

- 8.5 In accordance with prioritisation as set out in the Asset Management Plan we have identified the building maintenance programme for 2013/14 as identified in Annex II; all schemes listed are deemed necessary in order to maintain service delivery.

9.0 PARTNERSHIP AND CROSS CUTTING ACTIVITY

- 9.1 There is a very well-developed Local Strategic Partnership, bringing together key local organisations and agencies across all sectors. The Partnership is overseen by an 'executive' Agenda Group which comprises the chief officers of the main public, private and voluntary organisations in Telford & Wrekin.
- 9.2 Partnership working is the framework through which all key local cross-cutting issues are tackled. The Partnership has a range of both 'thematic' and 'area based' sub-partnerships tackling local issues and informed by an extensive programme of consultation.
- 9.3 The Council actively works with partners to maximise assets. For example through various co-locations of services which is a key feature in particular of the Learning Communities that are being developed. Amalgamation and co-location of services and community facilities is a key aim that drives our asset management and service planning.

10.0 CONSULTATION

- 10.1 Over the past few months, the Council has been engaging widely with the local community around service and financial planning. Further details are set out in the over-arching Service and Financial Planning report considered by Cabinet on 22 December 2012. As capital programmes are being rolled out there will be a need for further consideration on consultation with the public.

11.0 RESOURCES

11.1 Mainstream Government Supported Borrowing

The main borrowing allocations received, along with forward indications of minimum future allocations are as follows:

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m
Improve local people's prospects through Education and Skills Training	1.684	0.000	0.000	0.000	0.000
Ensure that neighbourhoods are safe, clean and well maintained	0.372	0.257	0.000	0.000	0.000
Total	2.056	0.257	0.000	0.000	0.000

In the comprehensive spending review the government announced that no new allocation would be issued for 2013/14 or 2014/15.

The revenue cost of utilising these government allocations should be funded by Revenue Support Grant although this is impacted by the RSG damping mechanism which withholds a substantial part of the additional revenue funding due to the Council to support the cost of these allocations at present.

11.2 Supplementary Grants

While information is still awaited on some allocations, the following new allocations have been built into the overall resources position: This takes into account the reduction in grant for Sports and Learning Communities discussed in 6.3 above.

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m
Protect and create jobs as a 'Business Supporting, Business Winning Council'	3.394	1.496	0.000	0.000	0.000
Improve local people's prospects through Education and Skills Training	32.815	50.489	35.447	4.317	2.258
Protect and support our vulnerable children and adults	2.093	0.882	0.000	0.000	0.000
Ensure that neighbourhoods are safe, clean and well maintained	6.064	9.255	15.390	1.325	0.000
Improve the health and well being of our communities and address health inequalities	0.280	0.565	0.146	0.556	0.000
Regenerate those neighbourhoods in need and work hard to ensure that local people have access to housing	1.866	1.400	0.000	0.000	0.000
Total	46.512	64.087	50.983	6.198	2.258

11.3 Capital Receipts

The capital programme places a significant reliance on future capital receipts, totalling £112.774m shown in the table below. Any shortfall in the amounts received or re-

phasing of schemes would have a revenue impact which is not built into the budget strategy. This would have to be mitigated through re-phasing of spend, re-prioritising schemes or incurring additional borrowing which would have a revenue impact which would have to be taken into account in future in the Medium Term Service & Financial Planning Strategy.

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m
Total	33.139	39.127	11.813	12.350	16.345

11.4 Prudential Borrowing Regime

Within the budget strategy for 2012/13 to 2015/16 the level of Prudential Borrowing assumed is as follows:

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m
Protect and create jobs as a 'Business Supporting, Business Winning Council'	7.430	-11.720	-1.545	0.000	0.000
Improve local people's prospects through Education and Skills Training	-0.808	0.000	10.386	-2.169	-8.107
Protect and support our vulnerable children and adults	1.357	1.177	0.000	0.000	0.000
Ensure that neighbourhoods are safe, clean and well maintained	-5.040	0.993	-9.295	7.925	0.000
Improve the health and well being of our communities and address health inequalities	4.067	-0.177	0.077	0.394	0.000
Regenerate those neighbourhoods in need and work hard to ensure that local people have access to housing	6.537	4.105	0.441	0.000	0.000
Managing the Organisation	-16.599	9.001	11.300	-2.180	-8.595
Total	-3.056	3.379	11.364	3.970	-16.702

11.5 Overall Resources Position

For planning purposes, some forward allocation indications have been included below. In these cases no firm scheme proposals will be put forward for approval until actual allocations are known.

Resources Available	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Later Years £m	Total £m
Government Allocations						
Improve local people's prospects through Education and Skills Training	1.684	0.000	0.000	0.000	0.000	1.684
Ensure that neighbourhoods are safe, clean and well maintained	0.372	0.257	0.000	0.000	0.000	0.629
	2.056	0.257	0.000	0.000	0.000	2.313
Grant Allocations						
Protect and create jobs as a 'Business Supporting, Business Winning Council'	3.394	1.496	0.000	0.000	0.000	4.890
Improve local people's prospects through Education and Skills Training	32.815	50.489	35.447	4.317	2.258	125.326
Protect and support our vulnerable children and adults	2.093	0.882	0.000	0.000	0.000	2.975
Ensure that neighbourhoods are safe, clean and well maintained	6.064	9.255	15.390	1.325	0.000	32.034
Improve the health and well being of our communities and address health inequalities	0.280	0.565	0.146	0.556	0.000	1.547
Regenerate those neighbourhoods in need and work hard to ensure that local people have access to housing	1.866	1.400	0.000	0.000	0.000	3.266
	46.512	64.087	50.983	6.198	2.258	170.038
Other Resources						
Capital Receipts	33.139	39.127	11.813	12.350	16.345	112.774
Revenue/External	1.019	0.349	1.858	0.000	0.000	3.226
Prudential Borrowing	-3.056	3.379	11.364	3.970	-16.702	-1.045
	31.102	42.855	25.035	16.320	-0.357	114.955
Total	79.670	107.199	76.018	22.518	1.901	287.306

The revenue impact of the use of Council resources, government allocations and prudential borrowing in the proposed programme are built in to the budget summary.

12.0 CONCLUSION

12.1 Because Telford & Wrekin is a growing and changing area it has substantial capital spending needs:

- to support and meet the growing needs of the Borough and our aspirations to transform Telford & Wrekin;
- to maintain and develop the Council's own stock of capital assets;
- to address the 'New Town effect' of a commonly-ageing infrastructure.

- 12.2 As a former new town area, with the Council having limited land and asset holdings, we have a more limited capacity to generate capital receipts through disposals than some other authorities. We, therefore, take the capital strategy and its asset management planning very seriously. We look on capital spending as an integral element of our overall approach to Community Planning, partnership working and community engagement.
- 12.3 We are committed to maximising the effectiveness of our assets and capital spending and to identifying or creating opportunities to attract external funding resources. **Our focus is on delivering our priorities and policy objectives and on ensuring that our vision for the community can, each year, become more of a reality for local people.**

Background Papers

Funding notifications, investment proposals, cabinet reports on various schemes, previous Capital Strategy documents and capital programmes.

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Appendix 12b Care & Support Policy & Procedure Document

Policy & Procedure Title	:	Adult Care & Support Community Care Policy & Procedure
Policy & Procedure Ref:	:	30: Community Care
Date IIA Approved by Line Manager:	:	
Date CIA Approved by HoS	:	
Intranet Location:	:	Adult Care and Support pages (pending new Community Care Process page) and CC Handbook
Internet Location:	:	TBC
Associated Public Info Ref N^o	:	TBC
Date Established:	:	August 2004
Date Last Amended:	:	July 2012
Date of Next Review:	:	September 2014
Safeguarding & Quality Assurance Validation:	:	
Legal Sign off by	:	
Finance Sign off by	:	N/A
Owner:	:	Assistant Director: Social Care Specialist
Approver:	:	Assistant Director: Care and Support

1. POLICY STATEMENT

- This policy explains the Council's approach to the delivery of Community Care services as laid down by the NHS & Community Care Act 1990 and other relevant legislation. It also sets out our approach to meeting the recommendations and principles set out in the Think Local, Act Personal guidance for Transforming Adult Social Care and the recently published Government White Paper.
- This Policy is an overarching statement relevant to all of Adult Social Services. It explains in general terms the approach taken by the Council to meet the objectives laid down for Social Services by the Department of Health (DoH) in respect of services for adults within Caring for Our Future, Think Local, Act Personal and the wider Personalisation agenda.
- The Council has other social services responsibilities to adults that can run separately or in parallel to its community care responsibilities, including the protection of vulnerable adults (see Adult Protection, Mental Capacity and Deprivation of Liberty Safeguards policies), services for carers (see Carers policy), the delivery of mental health services (see Joint Policies produced by the Partnership Policy Committee), delivery of Drug and Alcohol Recovery Services (DARS), Continuing Health Care (CHC) arrangements, financial assessment & charging, the delivery of Supporting People Services and delivery of transition services for young people from the age of 14 prior to moving into adult services at the age of 18.
- A range of other policies & procedures flow out of this policy and are either part of the Community Care process or are stand alone policies and procedures. Although these

sit outside of the community care process, they do, and will continue to contribute to the community care process where an individual's needs are assessed as requiring input from these services e.g. Drug & Alcohol Recovery Services (see **Appendix 3: Adult Care & Support Process**).

- The Government White paper 'Caring For Our Future: Reforming Care and Support' published in July 2012 supports the approach set out within this policy with the key principles of :-
 - **Health, wellbeing, independence and rights** so that individuals are at the heart of care and support including timely and effective interventions
 - People are treated with **dignity and respect** and are safe from abuse and neglect
 - **Personalisation** is achieved where individuals have real choice and control over the care and support they need to achieve their goals
 - **Skills, resources and networks** in every community are harnessed and strengthened to support people to live well and contribute to their communities where they can
 - **Carers** are recognised for their contribution to society and are supported to reach their full potential
 - A **caring, skilled and valued workforce** delivering high quality care and support in partnership with individuals, families and communities
- It should be noted that the approach set out within the Government White Paper is a long term vision with some initiatives not due until 2015 or beyond. It is recognised that the detail of some of these initiatives e.g. introduction of a national minimum eligibility threshold, Government start up funding for online care and support information, Social Impact Bonds, Care & Support Housing Fund, legislation giving entitlement to a personal budget are not yet known, but will have a potential significant impact on this and other operational policies. Similarly, a comprehensive modernisation of care and support law is proposed by the draft Care & Support Bill. Therefore, an unscheduled review of this policy will be undertaken to take account of any significant changes emerging from these developments over the coming months/years.

2. PURPOSE OF THE POLICY

2.1 This policy sets out a high level overview of the community care process which has recently been significantly reviewed and updated to reflect key changes in legislation and best practice issued by the Department of Health with a focus on delivering preventative services to ensure individual's needs do not escalate unnecessarily to on-going, high level support needs. This demonstrates the Councils shift in focus to enabling as many people as possible to live independently, stay active and healthy with an active involvement in their communities for longer, and delaying or avoiding the need for targeted services whilst ensuring that those individuals who do need targeted support are given the appropriate information, means and confidence to direct their own support. For most people, enablement will be a key process to determine what on going support needs are required. **Where people choose not to engage with the enablement process, on going services will not normally be provided by the council.**

2.2 Telford and Wrekin endorse the 7 key principles set out in the Government Vision For Social Care document required for a modern social care system (see section 7.1) and the following key themes highlighted in the 'Making It Real' and the Government White Paper 'Caring for Our Future' - it is these principles which underpin our overall approach:-

1. **Information & Advice** – access to easy to understand, consistent, accurate and up to date information in order that individuals feel able to make well informed decisions and enabling individuals to help themselves
2. **Active and Supportive Communities** – access to a range of support networks including carers, family, friends and the wider community to help them live the life they want and continue to be a contributing member of society (this is covered in more detail within our My Community Policy & Procedure (ref 31))
3. **Flexible and Integrated Care & Support** – ability to exercise maximum choice over how they are supported
4. **Workforce** – support is delivered by a competent workforce
5. **Risk Enablement** – supported to manage risks and plan for crisis before it occurs whilst maintaining choice and independence
6. **Personal Budgets and Self Funding** – Individuals know the amount of money available to them and can determine how this is used, with support where necessary, regardless of the source of funding or whether the individual pays for their own services in full.

2.3 The procedure set out below is based on the above principles which are endorsed by Telford & Wrekin Council. In following these principles, the Council aims to:-

- Secure greater co-operation and better use of **resources** across public services to improve individuals and their families' experiences. This includes housing, leisure, culture, transport, health, welfare benefits, employment support, social care and community safety throughout the community care process and in particular as part of the 'My Community' aspect of the community care process (see process map at **Appendix 2**) and the 'My Community' Policy & Procedure (ref 31).
- As a Co-operative Council, we will encourage and help local communities, groups and external providers to work in **partnership** with us to provide networks of support, to help people improve their health and well-being, and to reduce their need for more acute care and health services
- Actively **involve** people, carers, families and communities in the design, development, delivery and review of innovative care and support arrangements to maximise choice and independence and utilise the widest range of resources
- Ensure that the general public, service users, carers and their families have the **information and advice** they need to make informed care and support decisions which work for them, regardless of who is paying for the care. This includes helping them to make the best use of their own resources to support their independence and reduce their need for long-term care
- Provide everyone who may need to access social services the opportunity to receive **Reablement & Prevention services** according to their need. This may be from a few days up to a maximum of 28 days free of charge, in order that they can receive short term support with the aim of maintaining their own independence in the long term and preventing their needs escalating to the point of requiring acute or on-going services
- Ensure that access to **low level and preventative services** is easily accessible without the need for assessment wherever possible
- Facilitate a broad range of **choice** in the local care and support market, including housing options, and personalise the way in which care and support services are delivered wherever people live

- Wherever possible, individuals are given **choice and control** on how their finances are managed as well as receiving transparent information in relation to their financial contributions and the cost of services, allowing real choice and control over their services and finances.
- Ensure those people eligible for ongoing council social care funding receive this via a **personal budget** (either as a direct payment or a managed account or a mixture of both) allowing them to exercise the same amount of choice and control as those who pay for their own care.
- It should however be noted that the Council aims to secure the most cost effective package of services that meets the users needs whilst taking account of service user preferences wherever possible. This must be within available resources which may sometimes involve difficult decisions where a balance has to be struck between meeting identified needs within available resources and meeting the care preferences of the individual service user. Although each individual's circumstances will be considered on a case by case basis, the following principle will be applied:-
 - The maximum cost to Telford & Wrekin Council for community based care packages should in all but exceptional cases, be no more than the cost of a care home placement per week to Telford & Wrekin Council (excluding Funded Nursing Care or other NHS contribution)

Where an individual who is subject to the above principle wishes to remain in the community but they or their family does not want to top up the care package to the level of that recommended as result of the assessment, a risk assessment must be carried out to ensure we do not fund or part fund a care package that puts the service user or care staff an unacceptable risk (please refer to our risk assessment policy and procedure).

It is recognised that there may be exceptional circumstances where alternatives will be considered but this must be agreed by the budget holder. Social Services reserve the right to review all care packages and provide a cheaper alternative so long as this will continue to meet the needs of the service user.

- Enable individuals who pay for their own care to have access to the services described in this policy though there may be a charge made for these services depending on individual circumstances (see guiding principles above).

These key principles underpin our Personalisation model (see **Appendix 1**) which was developed in conjunction with service users as part of our Putting People First (PPF) Project and forms the basis of this policy and associated procedure.

2.4 How will we meet these objectives?

Our approach has an emphasis on effective prevention and intervention with a greater focus on enabling self-help and self service for those individuals who are able to do so. Where long-term support is required, the Council will aim to deliver it in a way that is cost effective and will enable the people who use services to remain in their home, wherever possible.

In order to meet the principles set out above, a significant restructure has been undertaken following extensive consultation to ensure that resources are appropriately organised to enable a focus on Reablement & Prevention rather than resources being organised by

client group. This allows more flexibility and cross working in order to deliver a personalised service. The process that community care services will be delivered through is known as, the “Community Care Process”. There are a number of stages in this process that are illustrated in the high level process map (**Appendix 2**) and medium level process maps (**Appendix 4**) and described in more detail at section 5 of this policy. Operational policies and procedures apply to each of these stages (see section 7.1).

The list below highlights the key stages of the community care process as well as which team/s are responsible for each stage. However, it should be noted that not everyone will pass through every stage and neither will the stages necessarily occur in this order as this will very much depend on the individual’s needs and circumstances:-

- 1) Information and advice** (delivered by the wider community, Access Team and wider Council Services e.g. Contact Point, Customer Services etc)
- 2) Referral and access** (delivered by the Access Team and the Home From Hospital Team)
- 3) Reablement and prevention** (delivered by the Reablement & Prevention Teams)
- 4) Personal Budget support** (delivered by the Personal Budget Support Team (PBS) (and Assessment & Case Management Teams)
- 5) Assessment and eligibility** (undertaken by the Assessment & Case Management and Financial Case Management Teams)
- 6) On-going care and review** (undertaken by the Assessment & Case Management teams)

Ultimately, our ambition is that everyone is able to:-

- ❖ Live independently
- ❖ Stay healthy and recover quickly from illness
- ❖ Exercise maximum control over their own life and where appropriate the lives of their family members
- ❖ Participate as active and equal citizens both economically and socially
- ❖ Have the best possible quality of life irrespective of illness or disability and;
- ❖ Retain maximum dignity and respect

3. POLICY INFORMATION

3.1 Who does the policy apply to?

- Telford and Wrekin Council is the Authority responsible for the delivery of community care services for adults (people aged 18 years and over) normally resident in the Borough.
- The following people may require community care support as a result of illness, frailty or substantial disability:
 - Older People (65 years +)
 - People with a Physical Disability
 - People with a Sensory Disability
 - People with a Learning Disability
 - People who have mental health problems
 - People who have problems resulting from excessive misuse of drugs and/or alcohol
 - Young people in transition who will bring community care needs into adulthood
 - Carers
 - Children who are carers of adults

This policy applies to all adult care and support service delivery units as follows:

- Access & Enablement
- Assessment & Case Management
- Personalisation Support & Service Provision
- Adult Safeguarding
- Commissioning Services

3.1 Service-Specific Information

This policy applies to all Care and Support Services.

4. PROCEDURE STATEMENT

This procedure provides a consistent, transparent and equitable approach to the delivery of social services as part of the community care process and is supported by operational policies and procedures in relation to each aspect of the overarching process e.g. information and advice, referral and access, reablement & prevention, personal budget support, assessment and eligibility & on-going care and review.

It should be noted that where an individual has primarily health care needs, these will be assessed by the local health services and not via the Council's Community Care Process. These health care needs may be eligible for full Continuing Health Care (CHC) funding by the NHS or where the individual is placed in nursing home care, Free Nursing Care (FNC) funding from the NHS can pay a proportion of the cost. Some health related needs should also be met by the NHS as part of a joint package of care – further details of the CHC & FNC process are available within the CHC & FNC Process Guides.

5. PROCEDURE DETAILS

5.1 The overarching Community Care process consists of five key stages through which most individuals will pass (see **Appendix 2**). It is recognised that not every individual who contacts our services will pass through every stage – the advice, information and support provided will be tailored to individuals' needs dependent upon the nature and level of need. It is the Council's aspiration to ensure that wherever possible, individuals' needs are addressed at first point of contact with recognition that where this is not appropriate, referral to the Rehabilitation and Prevention Team will prevent the individuals' needs from escalating and encourage independent living wherever possible.

Despite not all stages of the process being appropriate for every individual, each stage is delivered in such a way as to ensure that every individual is dealt with in a transparent, efficient way. Every individual receives a personalised service which meets their own needs whilst aiming to give every individual as much choice and control over their own care and support as possible throughout the process. It is the Council's aspiration that individuals will maintain real choice and control over their own lives and decisions around their care and support throughout the Community Care process.

5.2 The key stages below will be delivered by corresponding teams with timely intervention and support from the Financial Case Management and Personal Budget Support teams. It is recognised that any team playing a part in the community care process may contribute to an individual's care and support particularly those teams who do not directly form part of the community care process but whose services are inextricably linked e.g. Drug and Alcohol Rehabilitation Services (DARS) (See diagram at **Appendix 3**).

The following sections give a brief breakdown of the services provided at each stage of the community care process by team. However, it should be noted that for each stage of this process, there is a more detailed operational policy and procedure (see section 7.1). In addition, for each stage, there is a medium level process map at **Appendix 4:-**

5.3 Referral and Access

5.3.1 **Information and Advice** – ensure that accurate, easy to understand information about community resources and social services care & support is easily available to citizens to give them real autonomy and choice whilst enabling them to make informed choices about their care and support. This information will be made available on the Council's website through the My Life portal which will be accessible by members of the public and professionals alike. This will enable individuals to decide whether or not they need to contact Social Services for further help, advice and guidance. This links closely to the Council's Co-operative Council approach, encouraging local communities to play a significant role in contributing to and planning services for the Borough (this aspect of the process is referred to as 'My Community' on the process map at **Appendix 2** and is covered by an operational 'My Community' Policy & Procedure).

5.3.2 **Access** -Where information is not available or further support is required, contact can be made with our Access team which provides a single point of contact for all adult care and support services – this provides the public with a single point of contact for all queries. The Access team aims to resolve as many enquiries as possible at the first point of contact by providing high quality information and advice and signposting citizens to sources of community support such as community/ voluntary organisations and community groups. The role of the access team is to:-

- Receive all initial enquiries made to social services whether from carers, service users or members of the public
- Receive vulnerable adult referrals
- Screen information and establish if a referral is appropriate
- Where appropriate, offer information and advice, signpost queries to other agencies, community resources
- Ensure that individuals are signposted to appropriate services when discharged from hospital (this is undertaken by the Home from Hospital Team)
- Where queries cannot be resolved at first point of contact, undertake a contact assessment to determine whether the query can be resolved through appropriate advice & information and/or signposting to a low level service
- Where appropriate, make a referral to the Reablement & Prevention Service (See para 5.4.1 below) and the Financial Case Management Team for further intervention/assessment
- In emergency situations or where the individual clearly has high level needs, also make a referral into the Assessment & Case Management service (see 5.5.1 below)

For more detailed information on the Referral and Access process, please refer to the 'Referral and Access' Policy & Procedure (see Section 7.1) and the process map shown at **Appendix 4**.

5.4 Reablement & Prevention

5.4.1 Referral to the Reablement and Prevention Team will be made by Access or Assessment & Case Management in order to maximise and increase the individual's independence before identifying and putting in place arrangements to maintain independent living. Reablement covers a range of short-term interventions which help people recover their skills and confidence after an episode of poor health, admission to hospital, or bereavement. Reablement can help people to continue to live independently in their own homes without the need for an ongoing social care support package. During this time, the Financial Case Management Team will also help to maximise income and establish an individual's assessed contribution to the cost of any on going care required. Where an individual (following reablement) still requires longer-term care, the individual will be referred into the Assessment & Case Management Team (See 5.5 below). The role of the enablement team is to:-

- Receive referrals from the Access Team where basic low level services will not meet their needs
- Receive referrals from the Assessment & Case Management team where an individual is assessed as requiring reablement or prevention services
- Undertake and co-ordinate full assessment of the individual which could include Occupational Therapy assessment, Nursing Assessment, Social Work Assessment and/or Physiotherapy assessment to inform the individuals reablement plan
- Identification of carers and offer carers assessments
- Deliver free short term (up to 28 days) reablement, rehabilitation and preventative services in order to help individuals return to live independently in their own home
- Where on-going need is identified and longer term services are required undertake a Fair Access to Care Services (FACS) assessment to determine eligibility
- Co-ordinate and produce a support plan with the individual taking account of provisional funding arrangements
- With the assistance of the Personal Budget Support Team identify, agree and arrange services with the individual to meet their individual support plan requirements
- Once a support plan is in place and services arranged, handover case to Assessment & Case Management for on-going monitoring/assessment (see Section 5.5 below).

For more detailed information on the Reablement and Prevention process, please refer to the 'Reablement and Prevention' Operational Policy & Procedure (see Section 7.1) and process map shown at **Appendix 4**.

5.5 Assessment & Case Management

5.5.1 Assessment and Case Management will deal with those individuals whose needs cannot be met through Reablement, Rehabilitation or Prevention services and who require longer term care. This team consists of social workers and other professional staff who will focus on assessment of need, determination of eligibility, case management and review of services. The role of Assessment and Case Management includes:-

- Receiving referrals where individuals require on-going services past the initial reablement service provision

- Arranging specialist assessments when required e.g. Mental Health Act assessments, capacity assessments, best interest assessments and DoLS assessments
- Where individuals have primarily Health needs, refer them to health for an assessment in accordance with the Continuing Health Care process
- Case management role, providing support and advice to individuals based on their individual needs (which may change over a period of time)
- Working with individuals to understand and manage any known risks
- Acting as Investigating Worker in cases referred into the adult protection process
- Identification of carers and offer carers assessments
- Evaluate assessment information to determine eligibility against FACS (See Assessment & Eligibility Operational Policy & Procedure at section 7.1)
- Work closely with the Personal Budget Support (PBS) Team to ensure the individual continues to manage their own budgets effectively and that when their needs change, options are explored with the individual in terms of services available to them and the cost of those services.
- Consider the need for further assessment by the Reablement and Prevention team to maximise independence
- Support planning by working with the individual, their carers and other relevant professionals to discuss and arrange an appropriate support plan that the individual feels will best meet their needs
- Working with the PBS team to arrange services where required to meet agreed needs set out in the support plan
- Identify changes in needs and any resulting change in services (with referral to the Personal Budget Support Team where service changes are required - see 'Personal Budget Support' Policy at section 5.7 below).
- Undertake the first initial review following the set up of care arrangements in line with the On-going Care & Review Policy as well as undertaking regular (at least annual) reviews of individuals care and support in liaison with other relevant professionals, the individual, carers and family members to re-assess on-going care needs and eligibility for services and ensure that services remain essential and appropriate.

5.6 Personal Budget Support Team and Financial Case Management

5.6.1 An individual will require involvement from the Financial Case Management Team as soon as it seems likely they will need on going services to establish how much they will need to contribute to their personal budget to pay towards on-going services to meet FACS eligible needs. The Personal Budget Support Team will use the support plan developed between the individual and the enablement / assessment teams to help them set up these services. The Personal Budget Support Team will also provide the same support for individuals who fund their own care services using a personal budget, however, there may be a charge for this service depending on the individual's circumstances and nature of the support required (see para 2.3 above).

5.6.2 The Financial Case Management Team

A referral will be made to the Financial Case Management Team by Access Services at the same time that the individual is referred to Reablement & Prevention Services. The Financial Case Management Team will then continue to work with the individual past their reablement phase if they have on-going support needs.

The Financial Case Management team will undertake:-

- Financial assessments
- Highlight any opportunities for individuals to follow up to maximise their income
- Determine the individual's personal financial contribution to the cost of services (this is undertaken during the reablement phase as a provisional contribution and re-assessed/confirmed during assessment and case management phase if the individual does require on-going care and support see Charging policy and procedure at section 7.1)
- Arranging income collection from service users
- Where there is no one else able or appropriate to take on the role, to take on appointeeship or Court of Protection roles
- Undertake annual reviews of the individual's financial assessment to ensure it remains accurate
- Share information with the Personal Budget Support Team to support the setting up of services

5.6.3 The Personal Budget Support Team

Referral to this service may be made by Reablement & Prevention Services or the Assessment & Case Management Team.

The Personal Budget Support Team will assist service users to find the personalised services they need to meet their assessed needs and make sure they are delivered effectively and efficiently. They will:-

- Provide a Direct Payment service to include assisting people to set up care arrangements, payroll support, audit of use of budget
- Provide a brokerage service and help service users to set up services (service agreements) following the establishment of a personal budget to meet detailed support plans produced by Reablement or Assessment teams and brokerage support to the Enablement Team in setting up interim services
- Where the outcome of the support plan is nursing home care, ensure that a referral has been made to the NHS for an assessment for eligibility for Free Nursing Care in line with the FNC process Guide
- Where appropriate/possible, work with Commissioning and Contracts Services to negotiate contract costs, contracts with service providers and set up contracts with the chosen provider on behalf of the Council whilst seeking the best possible rates for the service user
- Monitor service delivery against individual care contracts and payment of bills from service providers
- Support the service user to make changes to their care arrangements within the agreed support plans and budget commitment (this will include reduction of care costs but not increases)
- Refer individuals back to the Assessment and Case Management Team for unscheduled review where changes require reassessment or increased budget commitment
- Arranging timely payment to providers for services provided to meet contract obligations
- Monitor service provision and trends in order to assist Commissioning Services in planning for future demand

For further information and detail in relation to each of the areas outlined above, please refer to the Financial Case Management and Personal Budget Support Team Policies and Procedures as listed at section 7.1 of this policy and reflected within the process maps at **Appendix 4**.

5.7 Commissioning Services

It is also recognised that although not part of the Community Care Process, Commissioning Services have a significant role to play in developing and encouraging services which are flexible, responsive and person centred in order to meet the needs of individuals as part of our new ways of working. It is crucial that there are services available within the community which can be tailored to meet the needs of individual service users to meet the expectations of our new approach. In order to achieve this, Commissioning will link particularly closely with the Personal Budget Support Team who will act as brokers for individuals and will therefore be aware of services required by service users, gaps in the current provider market and preferences expressed by service users. This information will be used by commissioners in order to develop, shape and encourage service provision to meet any gaps in the market as well as developing micro markets of smaller providers who may be able to provide more specialist services not currently available. Commissioning Services are described in more detail within the Commissioning and Contracting Policy & Procedure.

6 POLICY IMPLICATIONS

6.1 Legal Implications

This policy outlines the Authorities obligations for provision of social services in line with the NHS & Community Care Act 1990 and other relevant legislation. It is recognised that the Government's draft Care & Support Bill may place further/amended obligations on Local Authorities in due course. Once this is finalised, this policy will be amended accordingly.

6.2 Finance and Value for Money Implications

The aim of this procedure is to reduce individuals' need for high level intensive care and support (which can be high in cost) by providing preventative services which aim to rehabilitate and reable the individual to live independently wherever possible and avoid their care needs escalating to high dependency care. Although this may result in a reduction in the use of high intensity, expensive care packages, the anticipated savings are being re-diverted into investing in the Authority's Reablement and Preventative services as well as into community developments and encouraging/enabling development of support mechanisms within the community.

6.3 Economic Impact

It is anticipated that the personalised approach being implemented via the Community Care process will ensure that each individual is able to continue to play an active part in their own community as well as achieving their own personal goals and outcomes which for those of working age, may include gaining employment or training which in turn will support and develop their own local community and economy.

In order to provide a wide range of services which allow a flexible approach to meeting individuals' needs, the Council is committed as part of its Co-operative Council approach to investing in, encouraging and shaping a varied market of providers including smaller social enterprises in order to meet the needs of the community as a whole.

6.4 Environmental Impact

There are no environmental impacts associated with this policy.

6.5 Other Impacts

There are no other impacts associated with this policy.

7. CROSS REFERENCE INFORMATION

7.1 Standards

- General Social Care Council (GSCC) Codes of Practice see the following link:
<http://www.gsccl.org.uk/codes/Get+copies+of+our+codes>

7.2 Legislation

Assessment

- National Health Service & Community Care Act 1990
<http://www.legislation.gov.uk/ukpga/1990/19/contents>
- Disabled Persons (Services Consultation and Representation) Act 1986
<http://www.legislation.gov.uk/ukpga/1986/33>
- Mental Health Act 1983
http://www.dh.gov.uk/en/Publicationsandstatistics/Legislation/Actsandbills/DH_4002034
- Mental Capacity Act 2005 <http://www.legislation.gov.uk/ukpga/2005/9/contents>

Carers

- Carers (Recognition and Services) Act 1995
<http://www.legislation.gov.uk/ukpga/1995/12/contents>
- Carers (Equal Opportunities) Act 2004
<http://www.legislation.gov.uk/ukpga/2004/15/contents>

Service provision

- Disabled persons (Employment) Act 1944 <http://www.legislation.gov.uk/ukpga/Geo6/7-8/10>
- National Assistance Act 1948 <http://www.legislation.gov.uk/ukpga/Geo6/11-12/29>
- Health Service and Public Health Act 1968
<http://www.legislation.gov.uk/ukpga/1968/46>
- Chronically Sick and Disabled Persons Act 1970
<http://www.legislation.gov.uk/ukpga/1970/44>
- National Health Service Act 2006 <http://www.legislation.gov.uk/ukpga/1977/49> -
- Health and Social Services and Social Security Adjudications Act 1983
<http://www.legislation.gov.uk/ukpga/1983/41>
- Community Care (Direct Payments) Act 1996
<http://www.legislation.gov.uk/ukpga/1996/30/contents>
- Health and Social Care Act 2012
<http://www.legislation.gov.uk/ukpga/2012/7/contents/enacted>
- LAC (2002) 13 - Fair Access to Care Services – guidance on eligibility criteria for adult social care
http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/Localauthoritysocialservicesletters/DH_4004734

7.3 Systems Implications

Please refer to the CareFirst user guide for guidance on recording the Community Care process onto the CareFirst system. Also refer to the CareAssess guidance when recording on CareAssess. All information and guidance relating to Adult Social Services Systems can be found on the following intranet page:-

<http://ecouncil/AdultSocialCareDelivery/AdultSocialCareSystems/Pages/default.aspx>

7.4 Other Relevant Documents

- Adult Care & Support Directory
http://www.telford.gov.uk/info/100010/health_and_social_care/1160/adult_care_and_support_directory
- Making It real
<http://www.thinklocalactpersonal.org.uk/library/Resources/Personalisation/TLAP/MakingItReal.pdf>
- Think Local Act Personal
http://www.thinklocalactpersonal.org.uk/library/PPF/NCAS/Partnership_agreement_easy_read_1_November_2010.pdf
- Caring for our Future White Paper
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@pg/documents/digitalasset/dh_130455.pdf
- The Commission on Funding of Care and Support
<http://www.dilnotcommission.dh.gov.uk/our-report/>
- A Vision for Adult Social Care: Capable Communities and Active Citizens
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_121971.pdf

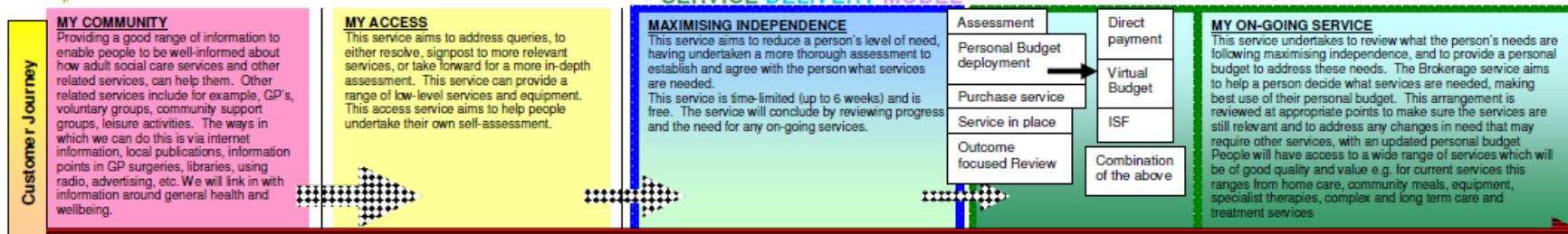
7.5 Linked Policies

- Adult Protection Policy & Procedure
<http://ecouncil/SafeguardingAndCorporateParenting/SafeguardingAdvisory/Pages/SafeguardingandAdultProtection.aspx>
- Joint Mental Health Policies & Procedures
<http://ecouncil/AdultSocialCareDelivery/Pages/default.aspx>
- In-house Provider Policies & Procedures (TBC)
- Supporting People Policies & Procedures
- Fairer Charging Policy
<http://extranet/CommunityCareHandbook/CommunityCareHandbook/Chapter%207%20Charging.doc>
- My Community Policy & Procedure (TBC)
- Referral and Access Operational Policy & Procedure (TBC)
- Reablement & Prevention Operational Policy & Procedure (TBC)
- Assessment & Eligibility Operational Policy & Procedure (TBC)
- Personal Budget Support Team Operational Policy & Procedure (TBC)
- Financial Case Management Operational Policy & Procedure (TBC)
- On-going Care and Review Operational Policy & Procedure (TBC)
- Risk Assessment & Management Policy & Procedure (TBC)
- Commissioning & Contracting Policy & Procedure (TBC)

APPENDIX 1: PUTTING PEOPLE FIRST SERVICE DELIVERY MODEL

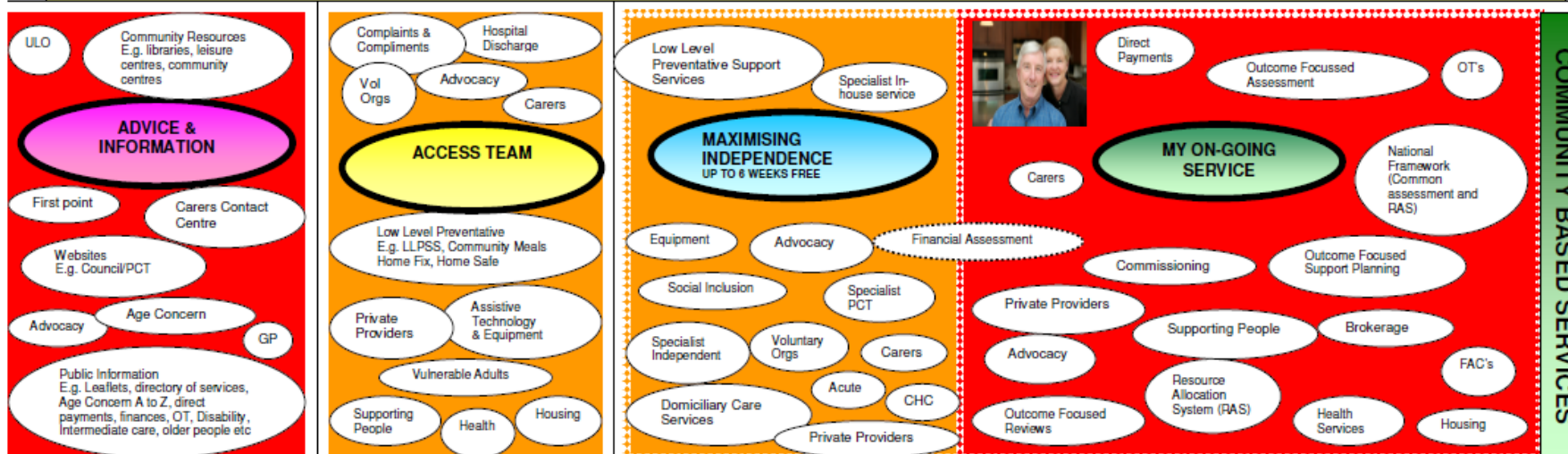


PRINCIPLES OF THE MODEL



Service Delivery Model – A person's journey may take their pathway straight into care management, i.e. complex needs, emergency intervention, crisis situation

THIS MODEL IS ILLUSTRATIVE OF SOME OF THE CONNECTIONS.....



SYSTEMS (Critical factor)

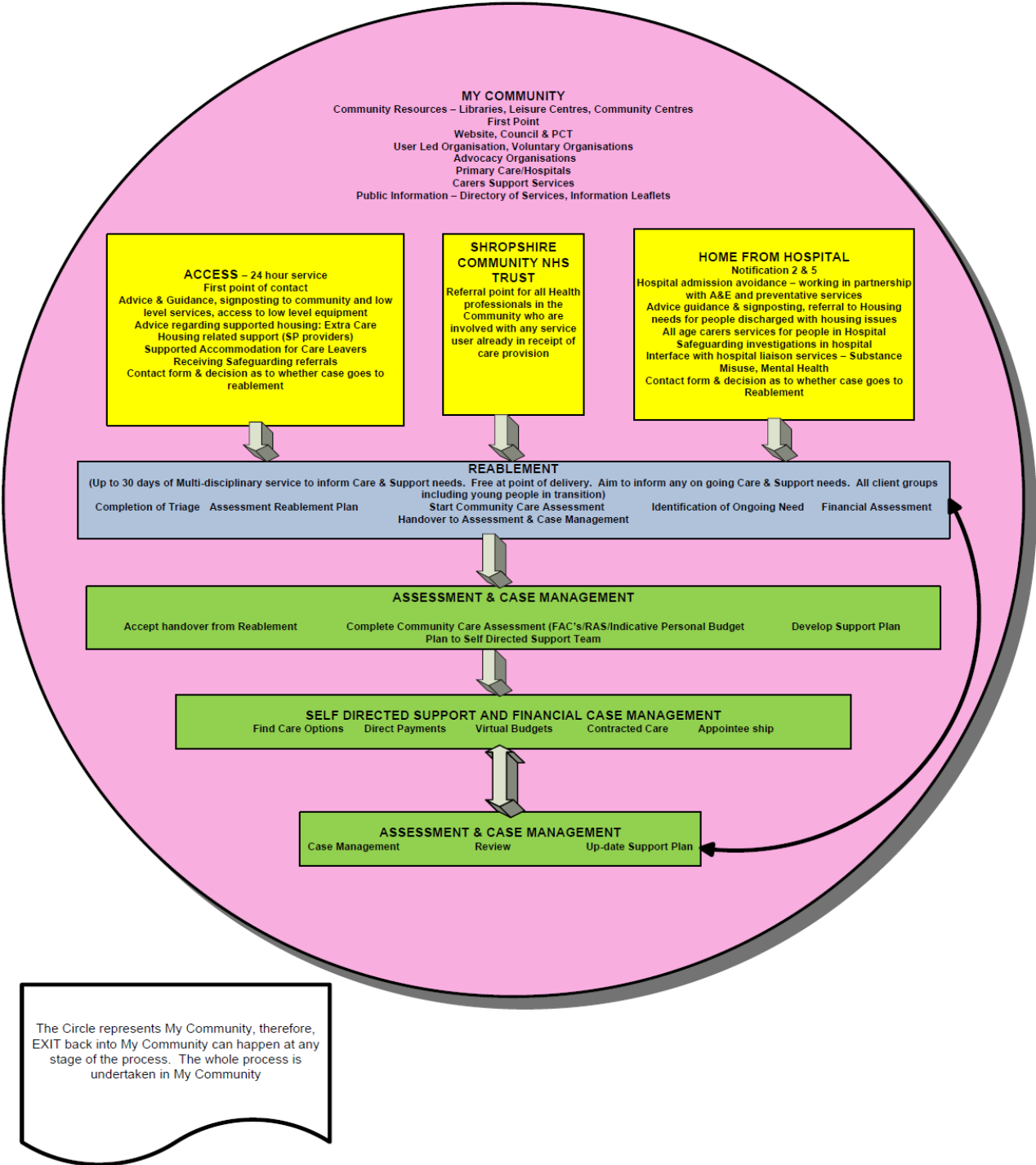
WORKFORCE (Critical factor)

ACTIONS

- Use the PPF framework document to progress the information and advice strategy (task and finish group)
- Further development of public information especially web-based
- Implement ULO (this is already launched)
- Links to the Corporate Centre
- Develop links to PCT, i.e. single referral points
- Extend to other adult client groups
- IT systems development (e.g. electronic directory of services)
- Development of retail model of equipment including assistive technology – small task and finish group already establish to take this forward.
- Need to develop IT reporting system
- Need to consider future investment to meet additional capacity
- Need to secure health funding
- Workshop programme to consider operational model
- Service review and findings
- Detailed project plan
- Consider FACE and OLM systems to decide which RAS options preferred
- Progress business process mapping
- Review of finance system to reflect personal budgets
- ICT transformation workshop to be progressed
- Recruitment to ESCR post

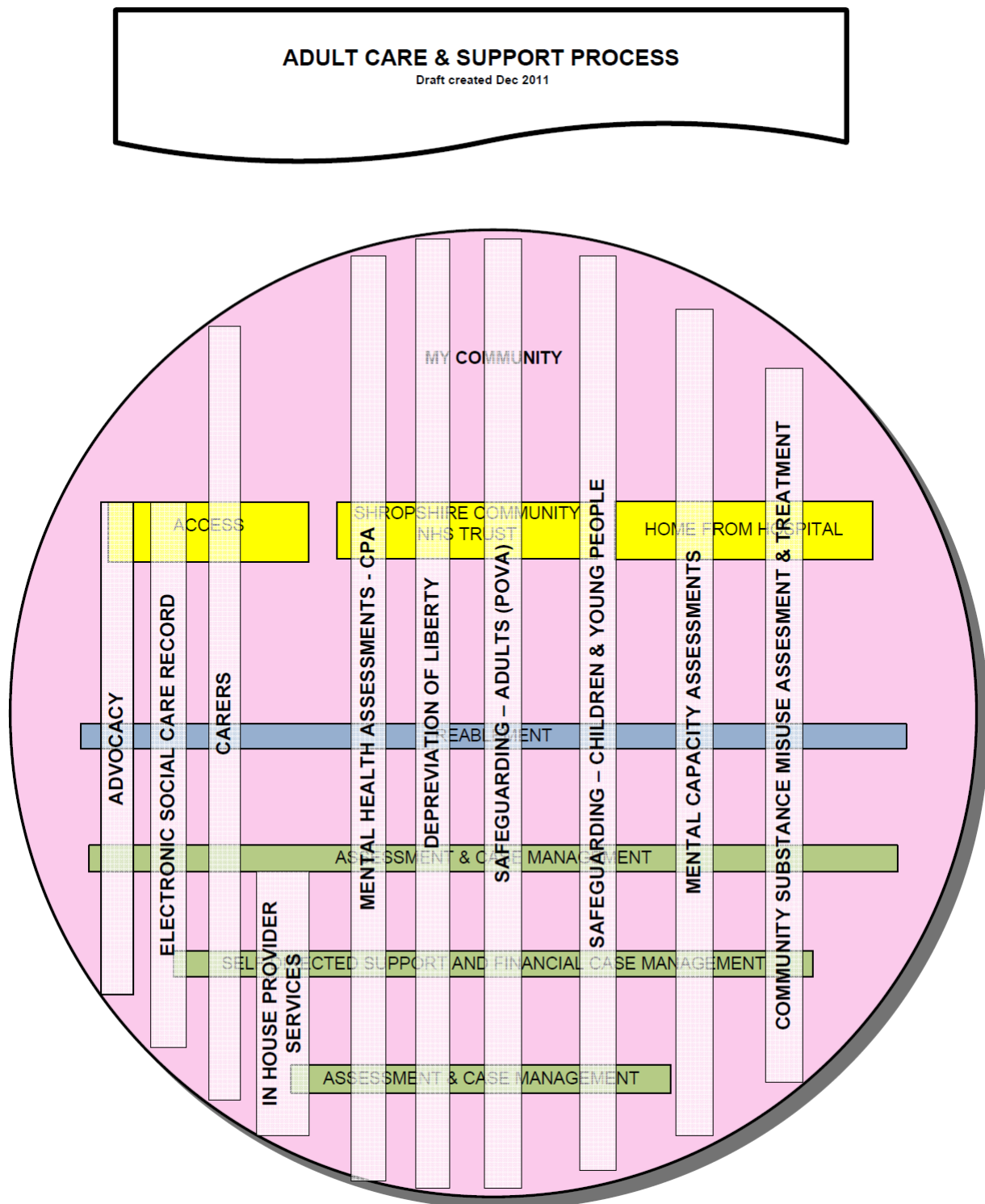
Appendix 2: Adult Care & Support High Level Flow Chart Business Process

1

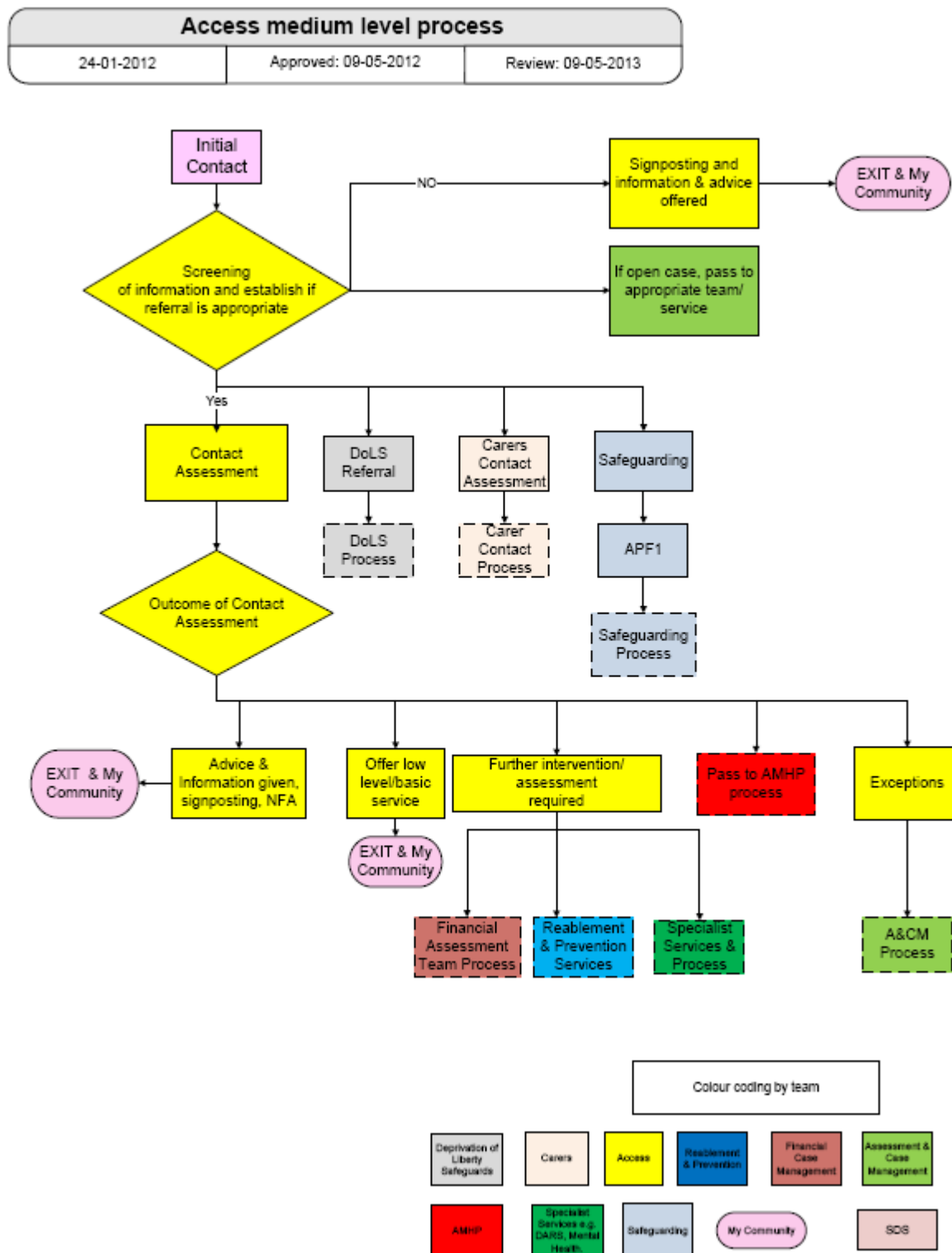


Appendix 3: Adult Care & Support Processes: Linkages

The diagram below illustrates the core processes associated with the Community Care process as well as those processes which sit outside of the community care process but will contribute to an individuals journey through the community care process:-



Appendix 4: COMMUNITY CARE MEDIUM LEVEL PROCESS MAPS

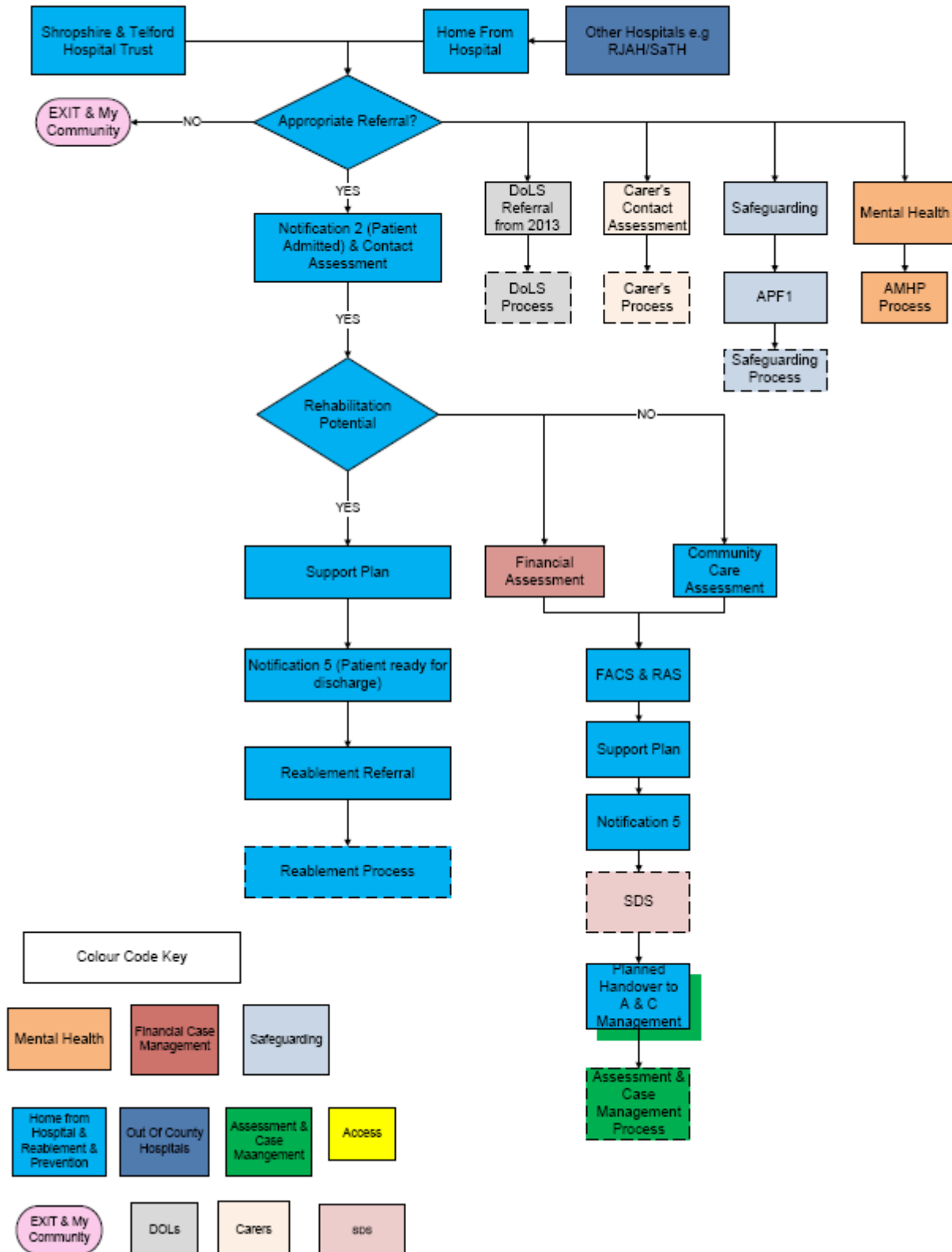


Home from Hospital medium level process

06/03/2012

Approved: 09-05-2012

Review: 09-05-2013

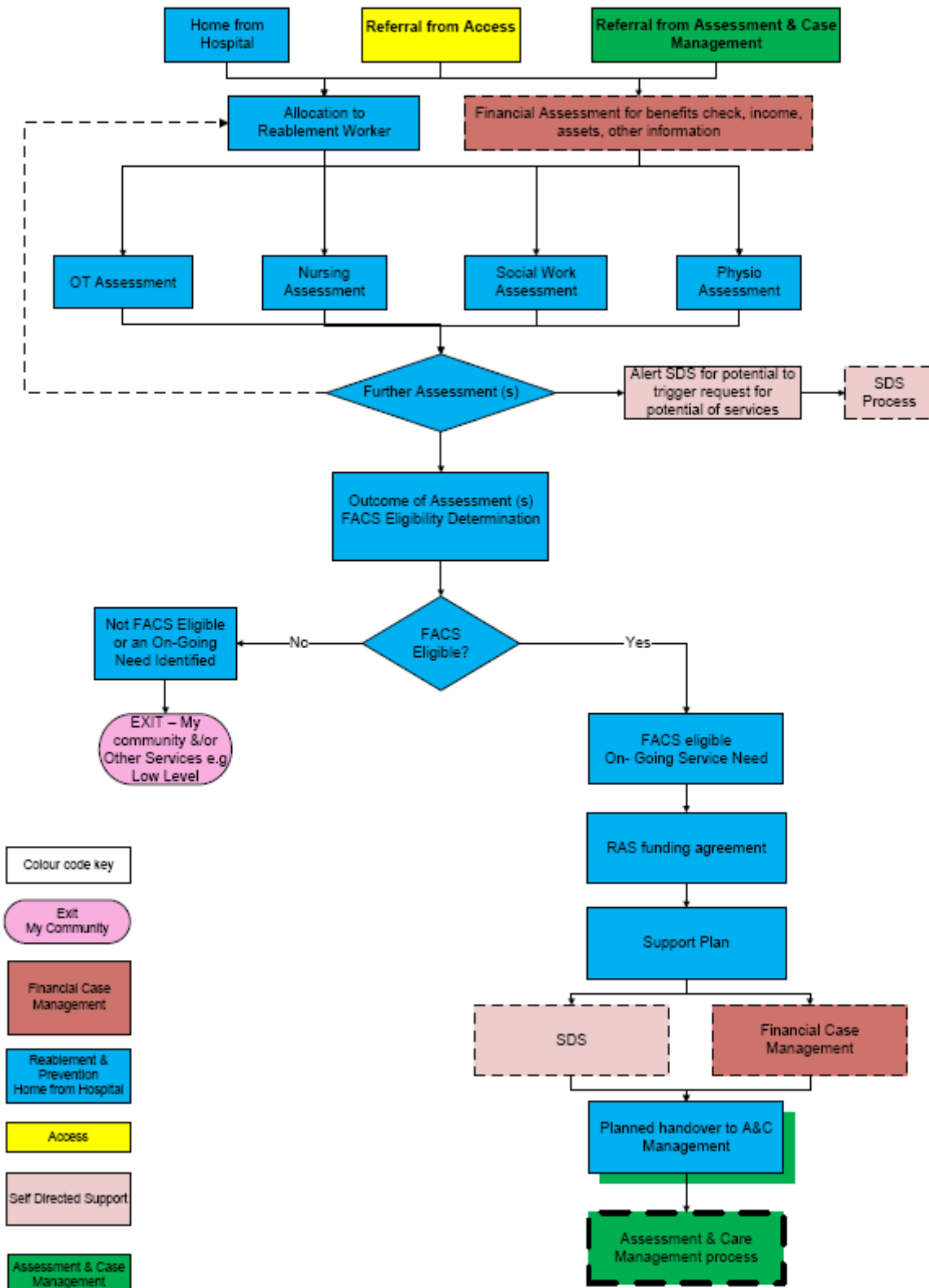


Reablement Rehabilitation & Prevention medium level process

24-01-2012

Approved: 09-05-2012

Review: 09-05-2013

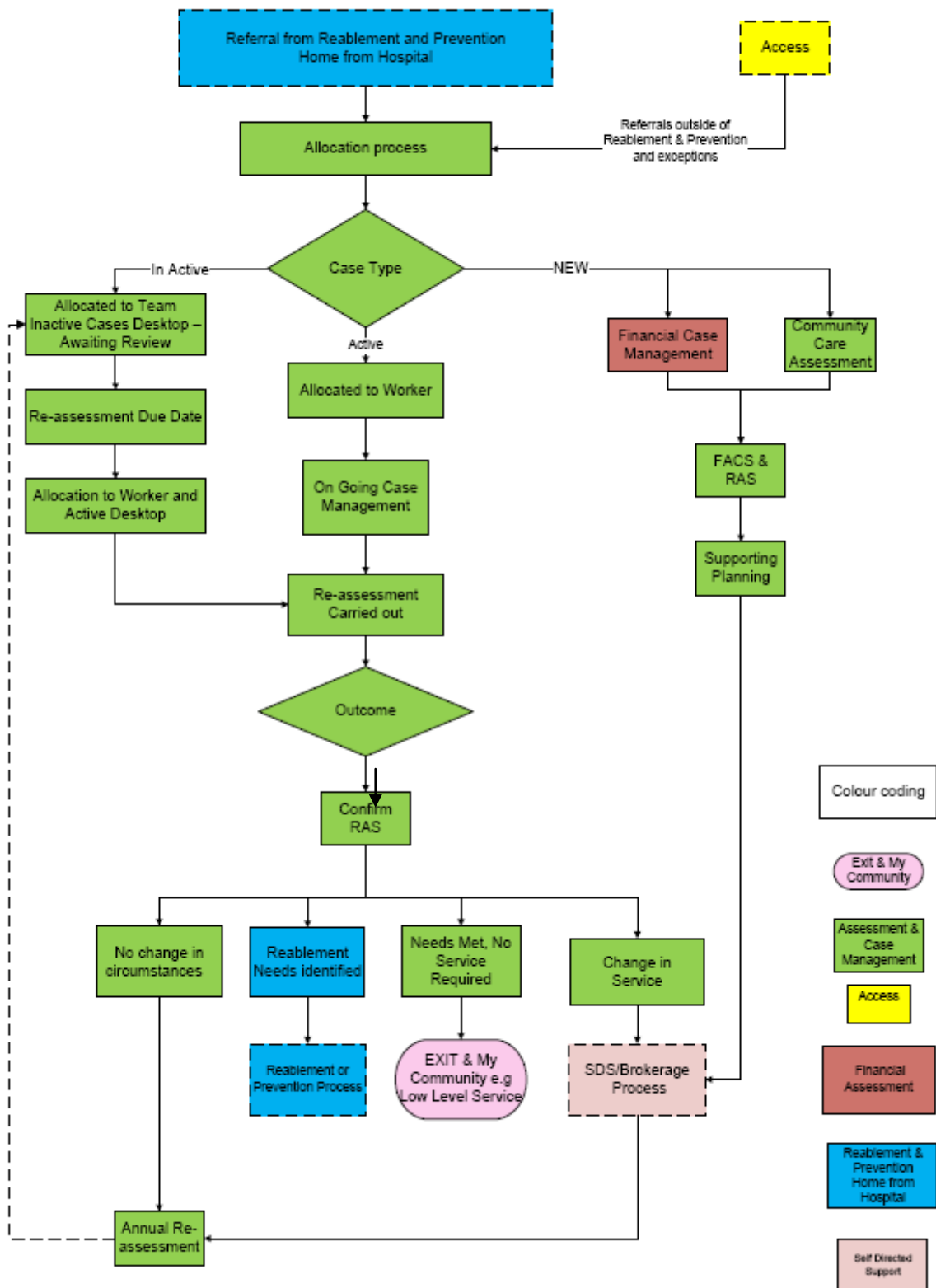


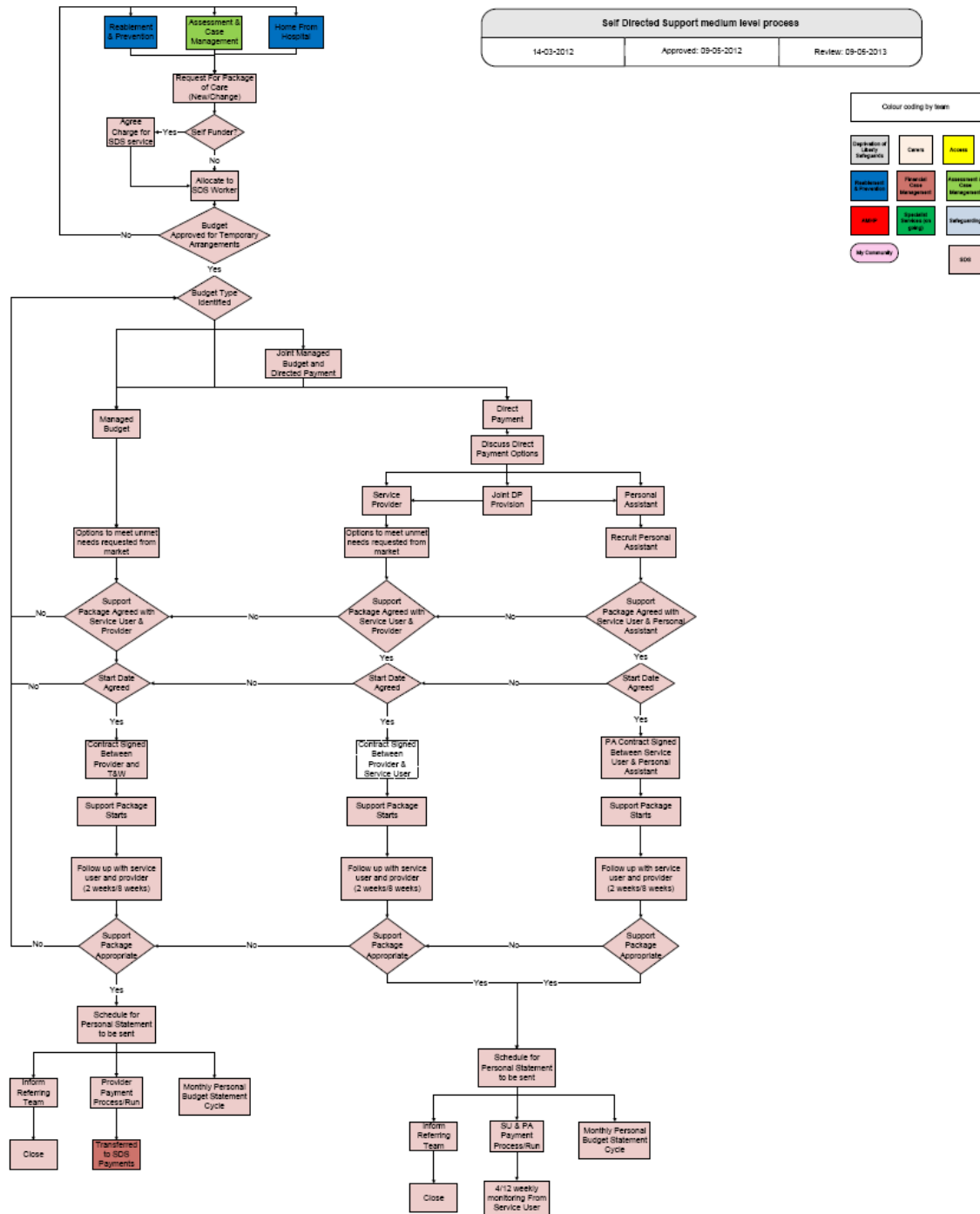
Assessment & Case Management medium level process

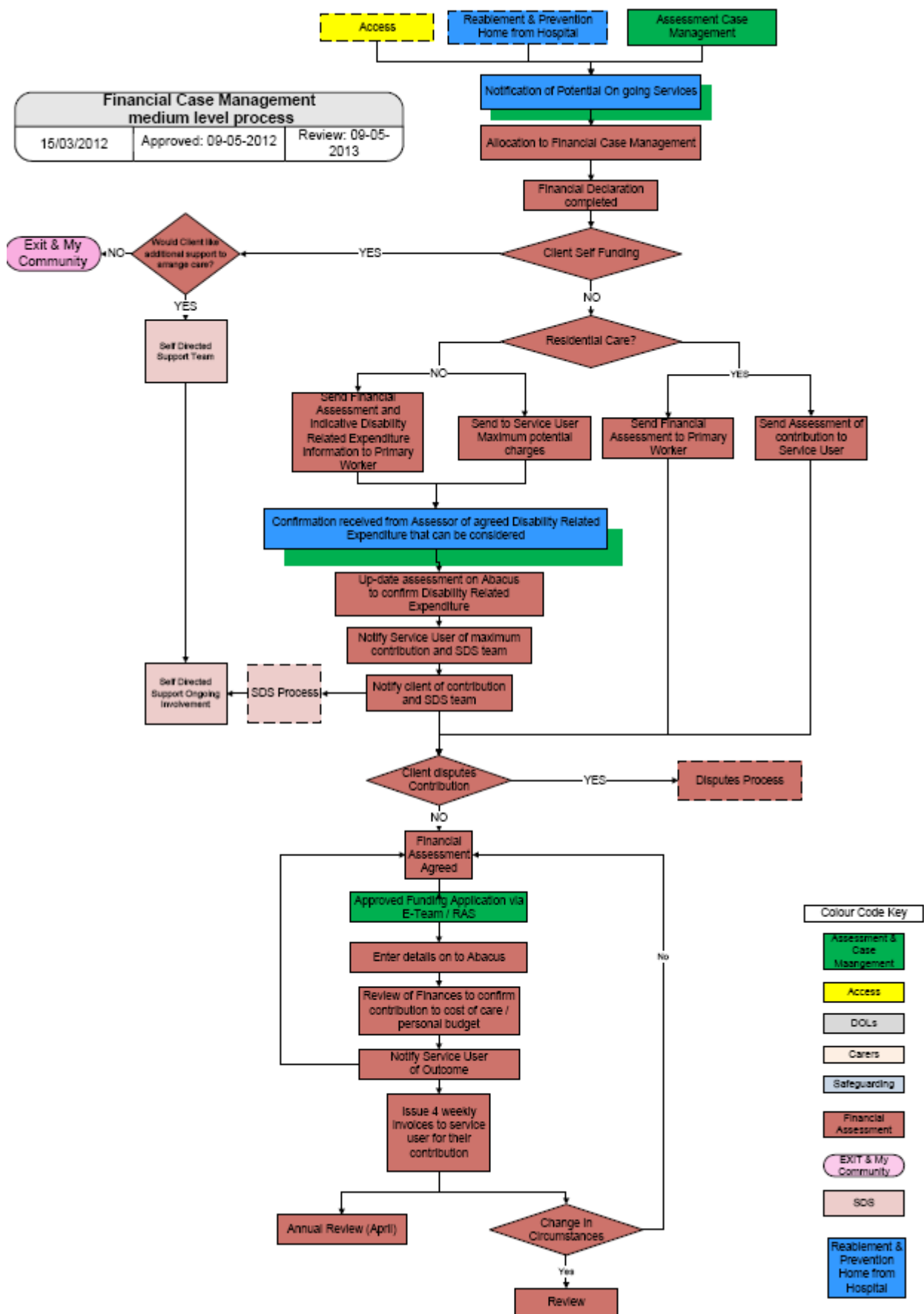
24-01-2012

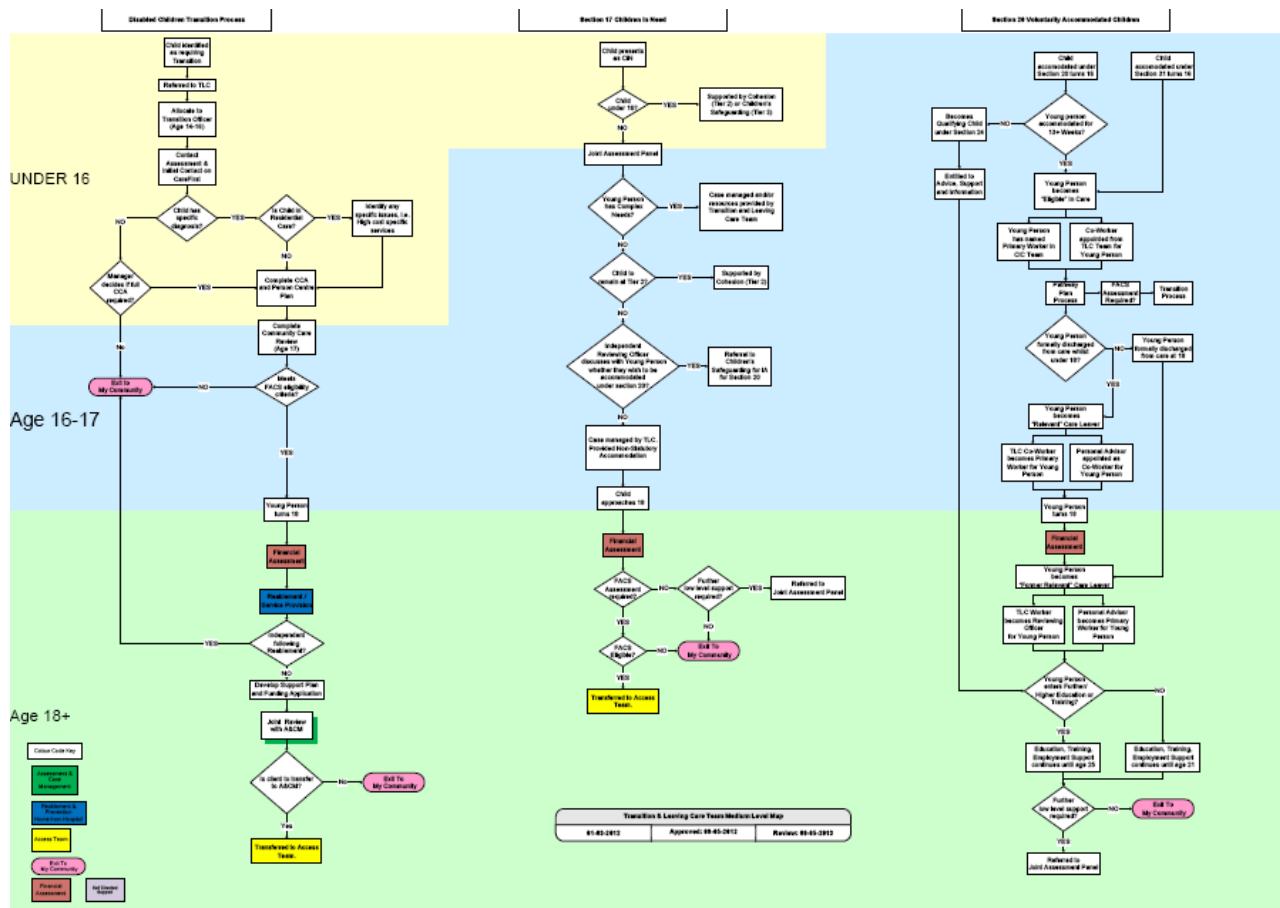
Approved: 09-05-2013

Review: 09-05-2013









Part 4 – Rules of Procedure

Section 6 – Financial Regulations

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1. Status of Financial Regulations

- 1.1 Financial Regulations are part of the Council's control environment providing a framework for managing the authority's financial affairs and contributing to good corporate governance, internal control and the management of risks.
- 1.2 The Financial Regulations apply to all officers and members of the Council and anyone acting on behalf of the Council. They also apply to any partnerships or bodies that the Council is a member of and for which the Council is the accountable body¹.
- 1.3 It is the responsibility of Assistant Directors to ensure that all staff in their service areas~~delivery units~~ are aware of their responsibilities according to the Financial Regulations and comply with them.
- 1.4 Specific positions and/or officers are named in the regulations and it is their responsibility to ensure compliance. However, named officers can delegate their authority to another appropriate officer as long as this delegation has been recorded.
- 1.5 Where the Leader and Cabinet Executive ~~has~~have been named in Regulations it will be their responsibility to ensure compliance. The Leader and Cabinet Executive can delegate such responsibility to one of its Cabinet members as set out in the Constitution.

¹ Where the Council is not the accountable body then the lead Council officer is responsible for ensuring propriety and proper processes are followed so that the Council's reputation is not at risk.

- 1.6 All members and officers have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised and provides value for money.
- 1.7 Financial Regulations are set out in self-contained sections, each covering a specific area of control. Each section provides a contact point for further information or clarification. Where appropriate the Regulations are supported by detailed procedure notes which can be accessed on the intranet, and links to these are provided in the document.
- 1.8 Any financial values are summarised in **Appendix A** to allow ease of update.
- 1.9 These Financial Regulations cover all areas of Council activity with the exception of schools which have their own set of regulations as part of the Local Management of schools (LMS) Scheme.
- 1.10 Failure to comply with Financial Regulations, or procedures issued under them, may lead to disciplinary action for employees and an investigation by the section 151. For Members any issues will be investigated by the Monitoring Officer. ~~for Members.~~

2. Responsibilities

- 2.1 Section 151 of the Local Government Act (LGA) 1972 places a duty on the Council to make arrangements for the proper administration of its financial affairs, including the appointment of a Chief Finance Officer.
- 2.2 Section 114 of the Local Government Finance Act (LGFA) 1988 requires the Chief Finance Officer to report to the Council if the authority, one of its committees, the Leader and Cabinet Executive or one of its officers:
 - Has made – or is about to make – a decision which has or would result in unlawful expenditure;
 - Has taken, or is about to take, an unlawful action which has or would result in a loss or deficiency to the authority; or
 - Is about to make an unlawful entry in the Council's accounts.

Section 114 of the LGFA 1988 also requires the Chief Finance Officer to nominate a properly qualified member of staff to deputise, should the Chief Finance Officer be unable to perform the duties under Section 114 personally.

* **The Council** – means the full Council who provide the political and strategic direction of the authority. They approve the policies of the authority, including relevant ~~those for~~ strategies ~~iesy~~ and the budget.

* **The Leader and Cabinet Executive** – means the Leader of the Council and the Cabinet members, who propose to Council policy and budget strategies.

* **Chief Finance Officer (CFO) Responsibilities (s151/s114)** – these have been allocated to the Assistant Director: Finance, Audit & Information Governance and include:

- provision of financial advice for service delivery, strategic planning and policy making across the authority;
- provision of advice on the optimum use of available resources on the management of capital and revenue budgets;
- provision of financial management information;
- preparation of statutory and other accounts, associated grant claims and supporting records;
- provision of an effective internal audit function and assistance to management in providing safe and efficient financial arrangements;
- provision of effective financial management systems and procedures
- provision of effective income collection and payments systems;

- advising on treasury, investment and cash-flow management; and
- advising on the safe custody of assets and insurance.

* **The Assistant Director Finance, Audit and IG** has delegated responsibility under the Accounts and Audit (England) Regulations 2011 to maintain an adequate and effective Internal Audit service, ~~and has direct responsibility for the operation and support of the Council's Scrutiny function. The Assistant~~ **The Assistant** Director Finance, Audit and IG has the ability to report directly, without fear or favour, to any level within the organisation or to the External Auditor.

* **Senior Management Team (SMT) (Managing ~~D~~irector, Directors and Assistant ~~D~~Managing directors)** are responsible for ensuring that Assistant Directors provide services that meet the Council's overall policy objectives. This includes ensuring compliance by Assistant Directors with the Council's governance arrangements including Financial Regulations and Contract Procedure Rules.

* **The Managing ~~D~~irector** is responsible for leading on corporate governance issues throughout the Council.

* **The Finance Managers** will act as deputy Section 151 Officer

* **Assistant Directors** are responsible for ensuring the delivery of services by their respective Delivery Units. This includes ensuring compliance by ~~_~~ Delivery Managers with Financial Regulations and Contract Procedure Rules within their service areas.

* **Delivery Managers²** are responsible for the day to day provision of services and the management of the associated budget. This includes ensuring that all staff comply with Financial Regulations and Contract Procedure Rules in performance of their duties.

2.3 Financial Training

The Chief Financial Officer ~~will provide detailed financial training to the Cabinet Lead member for Resources and should ensure that general financial training is available to the members of the~~ Leader and Cabinet Executive and ~~SeniorCorporate~~ Management Team ~~to aid have the financial capabilities or facilitate~~ the development of specific skills to enable their roles to be carried out effectively.

The CFO should through senior finance staff ~~seek to~~ identify ~~core~~ financial competencies for managers and members and ~~make provide adequate~~ financial training ~~available~~ to enable them to undertake their roles effectively and understand the financial requirements of the Constitution and associated financial policies and procedures ~~recognising resource constraints on both finance staff and service staff and members.~~

3. Financial Planning

3.1 Introduction

The Council is responsible for approving the budget, various plans and policies, which will be proposed by the Leader and Cabinet Executive. This will include the policy framework, the budget (including the capital programme) and the Council Plan. See Budget and Policy Framework Procedure Rules within the Constitution.

3.2 Financial Forecasting

The Chief Finance Officer shall, within the general direction of the Leader and Cabinet, Executive produce forecasts of financial resources and ~~advise~~ **advises** upon the financial and economic implications of medium and long term service development plans and programmes and budget

² Delivery Managers' also includes ~~Group M~~anagers and/or team leaders with budget and staff responsibilities.

strategies. In exercising this duty he/she shall be mindful of the Accounts and Audit (England) Regulations 2011, the Code of Practice on a Prudential Approach to Local Government Commitments and current accepted local government accounting codes and will review levels of reserves and balances and ensure that a robust budget process has been undertaken. The Chief Finance Officer is responsible for the Council's arrangements for under and overspendings to be carried forward to the following year.

- 3.3 The forecasts will indicate the likely changes to the Council's budget for the specified period both in terms of commitments arising out of statutory variations and Council policy and also the likely variations to funding from central or local sources.
- 3.4 The Leader and Cabinet Executive, having considered the forecasts and options for the specified period shall, propose the overall budget strategy to the Council for approval after the consultation process as outlined in the Budget and Policy Framework Procedures Rules within the Constitution.
- 3.5 All matters relating to the financial administration of the authority shall be kept under review by the members of the Leader and Cabinet Executive responsible for resources.
- 3.6 The full Council is also responsible for approving procedures and for agreeing variations to approved budgets, plans and strategies forming the policy framework.

CONTACT: CFO – Assistant Director – Finance, Audit & Information Governance

4. Accounting Systems, Financial Records and Returns

- 4.1 Proper accounting records are one of the ways in which the Council discharges its responsibility for stewardship of public resources. The Council has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to internal and external audit. This provides assurance that the accounts are properly prepared and proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the authority's resources.
- 4.2 The Chief Finance Officer should ensure that there is a proper retention policy for financial documents. The periods for which documents are to be retained is specified in the retention of records procedure note (including the Destruction and Retention Schedule).
- 4.3 The CFO is responsible for determining the accounting systems and procedures adopted by the Council. No variations shall be made to accounting records and procedures without the written agreement of the CFO. In ~~particular~~ Assistant ~~particular Assistant~~ Directors should confer with the CFO before introducing or amending any books, forms, records, administrative procedures or computerised systems used in conjunction with accounting for cash, income, expenditure, stores and financial transactions generally.
- 4.4 Assistant Directors must maintain through their officers full and accurate records as agreed with the CFO to ensure the availability of all financial, costing and statistical and other information as may be required to fully and accurately maintain the accounts of the Council, and report on its finances. This includes the correct coding of expenditure in line with the CIPFA standard classifications. All accounting records will be maintained in accordance with current CIPFA Codes of Practice,
- 4.5 Assistant Directors are responsible for ensuring the completion and submission of Grant applications and financial returns. The Chief Finance Officer/Managing ~~Director~~ Director & ~~IG~~ Assurance Manager are entitled to such explanations or information as may be required prior to signing and forwarding to the relevant government department or agency. No bid for external funding shall be submitted without approval from the relevant Senior Management Team (SMT) ~~Priority~~ lead and relevant Finance Manager.

- 4.6 Assistant Directors are responsible for ensuring adequate records, financial and otherwise, have been maintained for all externally funded schemes subject to audit by the European Commission or grant awarding bodies

CONTACT: Corporate & Customer Finance Manager

5. Financial Management and Control – Revenue

- 5.1 The Council is responsible for setting and monitoring compliance with the authority's overall framework of accountability and control via the scrutiny and audit committee processes set out in the constitution. This section of the regulations deals with the preparation and approval of budgets, budgetary control and variations from budget provision. It applies to all areas of the Council's activities except schools. No expenditure is to be incurred or reduction in income authorised unless covered by these regulations.

5.2 Preparation and Approval of Budget

- 5.2.1 The Council will approve the overall spending plans of the Council.
- 5.2.2 The ~~form of~~ revenue estimates shall be determined by the CFO in consultation with Assistant Directors within the general guidelines of the Leader and Cabinet Executive and relevant professional requirements. Estimates shall be prepared annually before the start of the financial year and revised, if the CFO considers appropriate, during the course of the year.
- 5.2.3 Prior to the commencement of each financial year each Service Delivery Unit should prepare a Service Delivery Plan setting out the Service Delivery Unit's aims and objectives, ~~and expenditure and income projections within corporately agreed allocations of resources. These should be agreed with Senior Management Team (SMT).~~
- 5.2.4 Once the council's budget for the year has been approved the Assistant Directors and Delivery Managers can authorise expenditure within the limits agreed subject to the separate rules on virement.
- 5.2.5 The Delivery Managers must exercise appropriate financial control including monitoring income and expenditure on a regular basis.

5.3 Budgetary Control (see also para 4.4 above)

- 5.3.1 The corporate finance information system determined by the CFO is the Council's prime accounting record. It provides the mechanism for Assistant Directors and Delivery Managers to monitor and control budgets.
- 5.3.2 Assistant Directors and Delivery Managers are required to monitor their budgets regularly during the year and take immediate action as necessary. If it is considered that a particular budget head requires increasing, virement must be sought before any overspending occurs (see Virement section). Under no circumstances should expenditure be incurred without appropriate provision being put in place first.
- 5.3.3 Regular financial updates will be taken to the Leader and Cabinet Executive.
- 5.3.4 Generally all Council budgets are prepared on a cash limited (outturn) price base. This means that no supplementary estimates will be provided for inflation increases once budgets have been approved, except in exceptional circumstances.
- 5.3.5 Unavoidable cost increase, e.g. public utilities, increments etc, for which insufficient allowance has been made at budget time will need to be met by equivalent reductions elsewhere.
- 5.3.6 All reports to Senior Management Team (SMT) or Members must be cleared by finance staff for ~~financial implications~~ financial implications and should be made available to those staff in reasonable

time before due for submission It must be recognised that Finance staff may have several reports to prepare comments for as well as other time critical commitments so report authors should agree with the relevant finance officer when the report will be made available in advance.

- 5.3.7 No Assistant Director or Delivery Manager should plan to overspend his/her budget. All expenditure plans should be consistent with Service Delivery Plans. Potential overspends on particular budget heads will have been addressed during the year and, in some cases, virement will have been exercised.

5.4 Supplementary Estimates

- 5.4.1 The Council sets budgets for gross expenditure and income in the context of a cash limit. Therefore it is important that any additional commitments not covered in Service Delivery Unit budgets, (including where the net budget requirement of the Council is not increased), are funded by savings elsewhere or additional grant funding identified in advance of incurring the expenditure and do not increase the net budget requirement of the Council (see Virement section). In exceptional circumstances this may not be possible and if this is the case, approval should be sought from the Council for additional funding.

5.5 Grants

- 5.5.1 All grant bids must be approved by the relevant SMT **Priority** lead and a Finance Manager prior to submission.
- 5.5.2 Acceptance of grant terms must also be approved by the relevant Assistant Director and a Finance Manager.
- 5.5.3 All grant claims must be certified by a Finance Manager subject to the conditions of the grant awarding body.

5.6 Virement

- 5.6.1 Virement between budget heads is an integral and important feature of budgetary control. It provides Senior Managers with the flexibility to adapt expenditure patterns which they consider appropriate in meeting changing locally determined service needs and objectives consistent with Council policy. The ability to exercise virement applies to all controllable budgets.
- 5.6.2 Virement may be necessary for several reasons. For example:
- unforeseen cost increases,
 - demand for a particular service, in line with existing policies, exceeding estimates,
 - a local requirement to provide a different service from that anticipated at budget time for a particular client or to meet a particular situation, or
 - utilising efficiency or other savings.
- 5.6.3 Except where allowed under the scheme of virement only the Council can approve changes to the budget it has previously agreed.
- 5.6.4 Assistant Directors, in consultation with the relevant Finance Manager, shall have the authority to make virements **within** each approved service delivery unit budget provided:
- It is within the overall policy framework;
 - It does not involve an increasing commitment in future years, which cannot be contained within existing approved budget allocations.

5.6.5 The CFO, in consultation with the relevant Finance Manager and relevant Assistant Directors, shall have the authority to make virements **between** service delivery units provided:

- The amount does not exceed £50,000 (**LIMIT G**)
- It is within the overall policy framework
- It does not involve an increasing commitment in future years, which cannot be contained within existing approved budget allocations.

For amounts over £50,000 Assistant Directors and the Chief Finance Officer, shall have the authority to make virements **between** service delivery units with Leader and Cabinet Executive approval provided that

- It is within the policy framework
- It does not involve an increasing commitment in future years, which cannot be contained within existing approved budget allocations.
- The amount does not exceed £250,000

For amounts above £250,000s approval by full Council is required.

5.6.6 All virement decisions must be notified to the relevant Finance Manager (and the financial information system updated) before expenditure is incurred.

CONTACT: Corporate & Customer Finance Manager

5.7 Reserves & Balances and the Robustness of Estimates

5.7.1 The budget report will contain a comment by the CFO (Chief Finance Officer) on the robustness of the estimates and the adequacy of reserves, in accordance with the requirements of the Local Government Act 2003 and CIPFA guidance. The CFO must also be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.

5.7.2 Specifically, the budget report will include a statement on the adequacy of general reserves and provisions for the forthcoming year, linked to the medium term financial strategy.

5.7.3 An annual review of earmarked reserves will be undertaken as part of the budget preparation process and a statement will be presented to Council alongside the budget report.

5.7.4 The level and purpose of reserves and balances held must be clearly defined and justified by Assistant Directors. Further regular reviews should be undertaken to ensure continuing relevance and adequacy.

5.7.5 There is no statutory minimum level of reserves required. This will be a matter of local judgement determined by the CFO but following relevant national guidance.

CONTACT: Corporate & Customer Finance Manager

6. Financial Management – Capital

6.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the authority, such as land, buildings and major items of plant and equipment or vehicles. Capital assets shape the way services are delivered for the long-term and create financial commitments for the future in the form of financing costs and revenue running costs.

6.2 The Council will comply with the requirements of CIPFA's Prudential Code for Capital Finance in Local Authorities and will set and monitor a range of Prudential Indicators accordingly to ensure that borrowing is affordable, prudent and sustainable.

- 6.3 The Council will determine the capital programme for the Authority in line with overall Corporate Priorities, the Council's Asset Management Plan, Capital Strategy and availability of funding.
- 6.4 The capital programme shall focus on the medium term service & financial planning period but reflect the total cost and phasing of each approved scheme along with the proposed source(s) of funding.
- 6.5 The capital programme will demonstrate:
- the original and revised total estimated cost of each scheme
 - actual expenditure to the end of the previous financial year
 - forecast phased expenditure for the current and subsequent years
 - the revenue budget implications of the proposed programme
- 6.6 The CFO shall determine the method of funding for each capital scheme, having consulted with the relevant Assistant Director and working within the context of the various capital resources available. All proposed investments should be subject to an appropriate level of analysis/appraisal by the relevant service area before commitment.
- 6.7 The CFO shall ensure that an effective monitoring system is in place during the year to control capital expenditure. Assistant Directors will be responsible for notifying the CFO if it seems likely that there will be a significant variation in spending on a scheme. Variations may be permitted only if they can be accommodated by virement within the total capital resources available.
- 6.8 Variations, subject to the following limits, can be approved by those designated below if there is no significant impact on the delivery of individual elements of the capital programme and/or on the overall capital strategy.
- (a) Up to £50,000 (~~LIMIT G~~) – CFO in consultation with the relevant Assistant Director
- (b) Over £50,000 up to £250,000 (**LIMIT K**) – Leader and Cabinet Executive approval required
- (c) Over £250,000 (**LIMIT R**) – the Council.
- 6.9 Any capital expenditure over £50,000 even if entirely covered by additional external funding but outside the approved capital programme, must be approved by Council.

CONTACT: Corporate Finance Manager

7. Taxation and Leasing

Taxation

- 7.1 Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers and members to be aware of their roles and responsibilities.
- 7.2 It is the responsibility of Assistant Directors to ensure compliance with all tax regulations relating to their Delivery Units. This will include Income Tax, National Insurance, V.A.T. and tax accounted for under C.I.S. If in doubt, Assistant Directors should consult with the CFO. Delivery Units will be liable for any costs, including any penalties and interest charged for incorrect tax treatment.
- 7.3 Detailed guidance on taxation issues is incorporated within specific procedure notes.

Leasing

- 7.4 Leasing is a method of financing the acquisition of certain types of capital assets and allows the cost to be spread over several financial years through annual rentals. It is a specialised area of finance with

complex legal and financial agreements. Leasing arrangements may only therefore, be entered into by the CFO or his designated officer. Normal contract procedures should be followed in relation to leasing arrangements. [See Part 4, Section 7, Contracts Procedure Rules]

7.5 Detailed guidance on leasing issues are incorporated within specific procedure notes on the Intranet.

CONTACT: Corporate Finance Manager

8. Controlled Stationery and Authorised Signatories

8.1 All cheques and other controlled stationery, including receipt books, invoices, and Electronic Fund Transfer (E.F.T.) forms may only be ordered by the CFO or an authorised representative who shall make proper arrangements for their safekeeping.

8.2 Senior Management Team (SMT) ~~are~~ is responsible for maintaining a listing of authorised signatories in the form prescribed by the CFO.

8.3 Only authorised signatories may commit the Council to expenditure, including electronically, in line with relevant procedure notes by:

- Authorising Orders
- Certifying expenses claims
- Authorising petty cash purchase
- Certifying timesheets and overtime claims
- Signing and awarding contracts (see also Section 7, Contract Procedure Rules)
- Over certain limits mMore than one officer should be involved in the authorising process.

8.4 A financial limit shall be prescribed for all officers. The CFO in consultation with the Monitoring ~~Officer~~ Officer shall be responsible for establishing a consistent framework for financial limits across the Council based on the roles and the responsibilities of officers.

8.5 Assistant Directors are responsible for informing the CFO of any changes to authorised signatories and the responsibilities of officers.

CONTACT:

For authorised signatories: Finance Officers

For controlled stationery: ~~Property & ICT Asset & Documentation Team~~administration

9. Internal Audit

9.1 The Chief Financial Officer (CFO) under section 114 of the LGFA 1988 and the Accounts and Audit (England) Regulations 2011 has a statutory responsibility for the overall financial administration of the Council's affairs. Section 6 of the Accounts and Audit (England) Regulations 2011, says that the authority "*must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.*"..The Chief Financial Officer shall, therefore, in accordance with relevant legislation arrange for a continuous and current internal audit of all areas of Council activities.

9.2 The relevant Internal Audit Standard setters for Local Government are CIPFA and they have endorsed the UK Public Sector Internal Audit Standards³. Internal Audit will operate to these Standards and any other relevant guidance. The definition of Internal Auditing within the Standards is:

³ The Public Sector Internal Audit Standards (the Standards) are based on the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework.

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Proper internal control practices are defined in the guidance on the Accounts and Audit (England) Regulations 2011 as the CIPFA publication – "Code of Practice for Internal Audit in Local Government in the United Kingdom". Internal Audit will operate to this Code and any other relevant guidance. The definition of Internal Audit within the Code is:

~~Internal Audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment⁴ by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.~~

- 9.3 As the definition outlines Internal Audit has a key role to play in independently reviewing the effectiveness of the Council's⁵ arrangements processes for corporate governance, risk management and internal control. It contributes an objective opinion to the Council's Annual Governance Statement ~~(including the Statement on Internal Control).~~
- 9.4 The existence of a continuous internal audit service does not in any way diminish the responsibility of SMT for the delivery of priorities and Assistant Directors for the management of the Delivery Units under their control and their responsibilities in respect to risk management and the systems of internal control.
- 9.5 The Audit & Information Governance (IG) Assurance Manager⁶ should ensure that Internal Audit remains independent in its planning and operation. The Audit & ~~Assurance-IG~~ Manager should be responsible for maintaining periodic audit plans which have due regard to the key priorities and associated for the key strategic risks of the authority, the objectives and risks involved for each service area in delivering their services and the requirements of the external auditor. The plan will deliver work to provide reasonable assurance to the Council based on the resources available. The Audit & ~~IG Assurance~~ Manager must report to the s151 officer or the Audit Committee if there are insufficient resources or limitations in the scope of their work to provide reasonable assurance or a service consistent with the definition of Internal Audit in paragraph 9.2.
- 9.6 It is the responsibility of Audit & ~~IG Assurance~~ to review, evaluate and report
- upon the soundness and adequacy of financial and other accounting records and the processes for governance, risk management system of internal control within the Council s to provide their assurance for the Annual Governance Statement;
 - the extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
 - fraud and other offences
 - waste ~~extravagance~~ and inefficient administration, poor value for money or other cause
 - the suitability and reliability of financial and other management data developed within the organisation.
 - The soundness and adequacy of the data quality systems operating to collect and report on performance information

⁴ ~~The control environment comprises the systems of governance, risk management and internal control.~~

⁵ Internal Audit's remit extends to the entire control environment of the Council

⁶ The Audit & IG Manager is the Council's Chief Audit Executive as defined under the Standards and is the Chief Internal Auditor as defined in CIPFA's Statement on the Role of the Chief Internal Auditor who reports to the CFO

~~• The corporate governance arrangements of the Council~~

~~• The risk management processes of the Council both at Strategic and Service Delivery level~~

9.7 The Chief Finance Officer's authorised Audit & IG Assurance representatives shall be empowered to:

- enter at all reasonable times any Council premises or land
- have access to all Council and partner records⁷, documentation and correspondence relating to any financial and/or other transactions or other business of the Council, its employees or members, as considered necessary by the CFO, Monitoring Officer or Audit & IG Assurance Manager.
- have access to records belonging to third parties such as contractors or partners when required⁸
- require and receive such explanations as are regarded necessary concerning any matter under examination from any employee, member, partner or third party.
- require any employee or member of the Council or any partner/third party to account for cash, stores or any other Council property which is under his/her control or possession on behalf of the Council.

9.8 All work carried out shall have due regard for the requirements of the access to information legislation (e.g. Data Protection Act 1998, Freedom of Information Act 2000, etc.) and the Human Rights Act 1998, together with any other relevant legislation current at the time of the audit.

9.9 ~~Directors, Delivery Managers should agree the draft report and indicate the actions they propose within one month of receipt of the draft report.~~ Assistant Directors and Delivery Managers are responsible for implementing the agreed recommendations within responding to Audit & IG Assurance reports ~~and the implementation of agreed recommendations within an appropriate timescale. Delivery Managers should indicate the actions they propose within one month of agreeing the draft report.~~

9.10 Failure to implement statutory, policy or financial regulation recommendations within the agreed timetables may be referred to the Chief Finance Officer and the appropriate members, following consultation with the appropriate Assistant Director.

9.11 Internal Audit has specific fraud related responsibilities which are set out in the corporate Anti-Fraud & Corruption Policy. ~~Within the scope of their work Internal Audit also provide advice and consultancy in respect to issues around controls and governance, based on their professional knowledge and expertise.~~

~~9.12~~ It is the duty of any Officer or Member to follow the corporate Anti-Fraud and Corruption Policy. Any officer or member who suspects that an irregularity involving cash, materials or any other property of the Council may have occurred must inform the Assistant Director or report the matter directly to the Audit & IG Assurance Manager or Section 151 Officer. Confidentiality, wherever possible, will be respected in any dealings on such ~~matters.~~

~~9.13~~ ~~The matters. The~~ Section 151 Officer shall report to the Managing ~~De~~irector, the relevant Assistant Director, Director and Cabinet⁹, if appropriate, any matter of a significant nature.

⁷ Records include business e-mail and internet records

⁸ ~~As defined in the articles of association/memorandum, SLA, grant conditions or contract~~

⁹ This should be the Cabinet or a specific Cabinet member and the Leader.

9.1~~24~~ Any decision to refer a matter as outlined in paragraph 9.1~~12~~ to the Police is to be taken by the Audit & ~~IG~~Assurance Manager after informing the Council's Section 151 Officer or their representative. Where a Member is involved the Managing ~~D~~irector, Monitoring Officer and where appropriate, the External Auditor, will be consulted. Where Police advice is sought but it is not intended that any criminal prosecution shall take place, the Audit & ~~IG~~Assurance Manager shall ensure that the anonymity of the individual(s) concerned shall be maintained at all times.

9.1~~35~~ ~~The Audit & IG Manager reports to the Audit Committee as defined in their terms of reference. This includes Internal Audit should report to a body of members~~ the following information:

- a) the Internal Audit plan and ~~Charter~~strategy;
- b) quarterly reports summarising the internal audit work undertaken and any key findings; and
- c) an Annual Report which provides Internal Audit assurance for the Annual Governance Statement.

9.1~~46~~ The Audit & ~~IG~~Assurance Manager and CFO have the authority to report, as appropriate, on any matter, without fear or favour, to all levels of the Council. This can include reporting directly to the Managing ~~D~~irector, Leader ~~or any and~~ Cabinet Executive ~~(including the~~ ~~Member~~lead Member for Governance), Chairman of the Audit Committee, ~~SMT~~, the Monitoring Officer or the Council's External Auditors.

CONTACT: Audit & ~~IG~~Assurance Manager

~~**CONTACT:** Audit & IG Assurance Manager~~

10. Public Accountability – Responsibilities

10.1 General

10.1.1 Members should ensure that they follow the Members Local Code of Conduct and have read the Members Handbook, taking any guidance into account including the declaration of any interest.

10.1.2 Employees should ensure that they follow the Employee Code of Conduct.

10.1.3 The corporate Anti-Fraud and Corruption Policy applies to all Members and Officers of the Council and they should be aware of its contents whilst representing and working for the Council.

10.1.4 An officer of the Council must not, under cover of his/her position or office of employment, accept any fee or reward, other than his/her proper remuneration without the express permission of the ~~SDM~~ ~~People Services~~Human Resources Manager/Assistant Director Customer and People Services.-

10.1.5 A member or officer must not accept any bribe or personal inducement in connection with the Council's business.

10.1.6 A member or officer must not use Council property, assets, materials or information for other than the purposes of the Council.

10.1.7 A member or officer must not subordinate his/her duty to the Council to his/her private interest or put himself/herself in a position where his/her duty and private interests conflict.

10.1.8 Employees must ensure that they declare any private interest they may have in any of the Council's activities. Such a declaration should be made where the employee could benefit in the form of a

financial or other pecuniary gain. The interest should be recorded in the Register of Interests held in Democratic Services.

10.2 The Cashing of Cheques

- 10.2.1 The cashing of cheques (whether Council or otherwise) by a member or officer is prohibited except in line with the Imprest Procedures.

10.3 Gifts

- 10.3.1 Officers and Members should follow the advice given in the guidance note on gifts and hospitality (see the Guidance Note on the Intranet). The receipt of personal gifts should be discouraged. If an officer, during the course of, or as a result of, official duties, receives or is offered any personal gift, other than one of only token value, the matter must be reported to the Assistant Director. The Assistant Director will decide if the item is to be returned, or forwarded to some charitable cause. The Assistant Director should inform the donor of what has happened to the gift, and explain the reason why gifts should not be sent in the future. A record should be made of all gifts accepted, refused and / or returned.

- 10.3.2 The SMT PA's team ~~and Directors~~ and Directors PA team must maintain a record for employees of all gifts offered, received, refused and any actions taken as outlined in the guidance.

- 10.3.3 Members should take equal care in receiving gifts whilst in office. Members Services will hold the records provided by members for all gifts offered, received, refused and any actions taken.

10.4 Hospitality and Services

- 10.4.1 Members and officers should follow the advice given in the guidance note on Gifts and Hospitality available on the Intranet. Hospitality must only be given or accepted when it is on a scale appropriate to the circumstances, reasonably incidental to the occasion, not extravagant and justifiable as in the public interest. It must be apparent that no cause could reasonably arise for adverse criticism or suggestions of improper influence by the acceptance of the hospitality. The circumstances and the type of hospitality should be agreed by the appropriate Assistant Director and a record should be kept of all hospitality offered, accepted or refused as in 10.3.2.

- 10.4.2 Members and Officers should not accept services. Any approach should be politely but firmly refused and if required an explanation made. The offer and rejection should also be recorded.

10.5 Private Work / Relations with Clients and Contractors

- 10.5.1 Officers who are, in accordance with the conditions of service and the procedure note on Business Activities and Private Work, permitted to carry out private or other paid work must not do so during Council time. Officers must declare to their Assistant Director in writing the nature and duration of such private work.

- 10.5.2 Members or Officers must not use any Council premises, resources or facilities for the execution of private work. No stationery or publicity material is to indicate that the person is a Member or Council employee nor should the address or any telephone number of the Council be stated. Members and Officers should pay due notice to the relevant section of the Local Government Act 1972.

- 10.5.3 Officers must not work for any current or prospective supplier or contractor to the Council where they have influence over the selection process or could provide information about the contract to the supplier.

- 10.5.4 Officers and Members must respect the confidentiality of information and must not use information received for personal gain.

- 10.5.5 Officers and Members should avoid any arrangements which might prevent fair competition.

CONTACT: Audit & ~~Assurance~~IG Manager

11. Purchasing Arrangements

General:

- 11.1 These Financial Regulations should be considered in conjunction with the relevant parts of Contract Procedure Rules relating to contracts. Assistant Directors must ensure that any purchasing contracts comply with Contract Procedure Rules, related guidance, statutory requirements and European directives.

Financial Thresholds & Limits

- 11.2 All contracts must adhere to the contract thresholds set out in the Contract Procedure Rules in Conducting a Purchase.

Works/Goods/Services

12. Requisitions, Authorisation, Goods Received, Payments

- 12.1 Every officer and member of the authority has a responsibility to declare any links or personal interests which they may have with purchasers or suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council. Officers should declare any such interest to their Assistant Director or relevant Director as soon as they become aware of such an interest. Members are responsible for amending their own entries in the Register of Interests held by Member Services as soon as they become aware of such an interest.
- 12.2 Official Orders are to be issued only by officers authorised by Assistant Directors. Authorised officers are responsible for authorising orders within their control and in particular for ensuring that the expenditure is necessary, legal and within the approved estimates or covered by a special financial provision.
- 12.3 The CFO should be notified of all officers authorised by Assistant Directors to authorise official orders.
- 12.4 Official orders shall be issued for all work, goods or services to be supplied to the Council; this must be in the form of an electronic order generated by the approved Corporate Procurement System, unless the Government Procurement card is used (see section 13 below). Authorising officers must be able to demonstrate that the work, goods or services are required in order to provide Council Services. Orders should not be raised for supplies of utilities, periodic payments such as rent or rates, or for purchases made through imprest accounts.
- 12.5 Telephone orders may be used in exceptional circumstances but when this happens they must be confirmed using an electronic emergency order.
- 12.6 All orders must be governed by the Authority's standard terms and conditions; these must not be varied without the prior approval of the Assistant Director: Development, Business and Housing and Legal Services~~aw, Democracy & Public Protection~~.
- 12.7 Official orders must not be raised for any personal or private purchases, nor should personal or private use be made of Council contracts.
- 12.8 Assistant Directors and Service Delivery Managers shall separate the responsibilities for raising requisitions, authorisation of requisitions and receipt of goods, ~~so that~~but at least 2 different officers are ~~should be~~ involved.

- 12.9 Goods and services should be checked on receipt to ensure they are in accordance with the order and a Goods Receipt Note raised on the FMS system. Discrepancies should be dealt with as agreed procedures.
- 12.10 All payments, apart from the authorised use of imprest accounts (see Financial Regulation 18), due from Service Delivery Units and chargeable against their budgets shall be made in such manner as outlined by the CFO. Apart from payments from cheque imprest accounts the normal method of payment of money due from the Council shall be by BACS or other instrument drawn on the Council's bank account by the CFO. The use of direct debit and credit shall require the prior agreement of the CFO.
- 12.11 All invoices will be received by the Purchase Ledger team unless otherwise agreed. Once received the invoices will be scanned into the system and matched to the order and goods received note, where they exist. Mismatches will be resolved as per the agreed procedures.
- 12.12 Payments to construction contractors on account of contracts shall be made only on a certificate issued by a relevant member of SMT or other officer or external consultant nominated in writing for this purpose. This certificate shall show the total amount of the contract, the value of the work executed to date, retention money, amount paid to date and the amount now certified.
- 12.13 Any interest charged to the Council in respect of late payment under the Late Payment of Commercial Debts (Interest) Act 1998 will be passed on to the Delivery Unit that ordered the goods/services.
- 12.14 The Audit & **IG Assurance** Manager and Employment Services Manager shall examine accounts to the extent considered necessary and shall be entitled to make such enquiries and to receive such explanations as may be required.
- 12.15 Detailed guidance on Requisitions, authorisation, orders, good received notes and payments can be found within specific procedure notes on the Intranet.

CONTACT: Strategic Procurement Manager or Employment Services Manager

13. Corporate Credit Cards and the Government Procurement Card (GPC)

- 13.1 Usage is restricted to the following
- Corporate Credit Cards: The Leader and Directors have corporate credit cards. The CFO also has a card which can be used by other Council officers following strict guidance and authorisation procedures.
 - Government Procurement-Cards – as part of the process operated by Purchase Ledger and the Corporate Procurement Unit
- 13.2 Corporate Credit Cards: there are strict guidelines and procedures associated with the use of corporate credit cards which clearly state card holder responsibilities and allowed expenditure. The cardholder is responsible to account for all expenditure that is incurred on their card. Expenditure must be for business purposes only and VAT receipts must be provided for each transaction. There are set limits for expenditure against the Corporate Credit Card Account which must not be exceeded. The CFO will approve any additional cardholders.
- 13.3 GPC – the GPC process is in place to enable purchases by telephone, face-to-face or via the internet to streamline the procurement of low value, high volume transactions. Users will be authorised by their Delivery Manager and the process controlled by the GPC coordinator in the Corporate Procurement Team. Each card will have set limits for expenditure which must not be exceeded. Each user receives specific guidance on usage and their responsibilities. The GPC process negates the need for a traditional order; instead the user maintains a monthly log of expenditure, which is validated against the statement issued by the supplying bank. The cardholder is responsible for all expenditure on their card,

which is set out in an acceptable use policy. The account will be settled by Direct Debit on a monthly basis.

CONTACT:

Corporate Finance for further advice and guidance on the Corporate Credit Cards

Corporate Procurement for further advice on the Government Procurement Cards

14. Cash Income and Debtors

- 14.1 Income can be a vulnerable asset and the CFO shall ensure that effective income collection systems are in place to ensure that all of the income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services.
- 14.2 Assistant Directors and Delivery Managers in conjunction with the Finance team are responsible for ensuring that all income due to the Council is received at the right time using the correct and most cost effective procedures and the appropriate stationery. Effective action shall be taken to pursue non-payment within defined timescales.
- 14.3 Effective monitoring of outstanding debts and regular reporting of outstanding debt provision will be provided to the CFO.
- 14.4 Assistant Directors and Delivery Managers shall, wherever possible, separate the responsibility for identifying amount due and responsibility for collection as far as is practicable. They should also ensure that any un-banked income is retained securely to safeguard against loss or theft and that receipts, tickets and other records of income are held securely for an appropriate period.
- 14.5 No debit in respect of an amount due to the Council once established shall be discharged otherwise than by payment in full except where write-off has been properly authorised as below:
- 14.6 Where the amount involved is £25,000 or less (**LIMIT C**) or the debtor has been declared insolvent or bankrupt and all monies due in dividends have been received, or the debtor being a company that has ceased to trade or is insolvent the writing off of the debt can be undertaken with the agreement of the Assistant Director concerned and the CFO. The CFO has ~~the~~ the right to inspect any documentation or evidence deemed necessary. Write-offs above £25,000 must be approved by the Leader and Cabinet Member for Resources and Service Delivery. ~~Executive~~.
- 14.7 The cost of all write-offs will be borne by the Delivery Unit, which originally benefited from the credit.
- 14.8 Assistant Directors and Delivery Unit Managers shall promptly notify the CFO of any monies of £100,000 or more (**LIMIT J**) due to the council and of contracts, leases and other arrangements entered into which involve the receipt of money of this value by the Council. The CFO shall have the right to inspect any documentation or evidence deemed necessary.
- 14.9 All receipts, tickets and other acknowledgements for payments received shall be vetted by the CFO, and Internal Audit shall be satisfied as to the arrangements.
- 14.10 Each officer who receives money on behalf of the Council, or for which they are accountable to the Council, shall keep such records as from time to time be required by the CFO.
- 14.11 All money received by an officer on behalf of the Council shall be paid promptly and completely to the CFO, or as he/she may direct, to the Council's bankers. This should be preferably on the same day or if this is not possible at the earliest opportunity. In the interim the money should be kept securely. No deductions may be made from such money other than as may be approved by the CFO. When money is banked information as to the reason for its receipt, or its origin, shall be supplied.
- 14.12 Money held on behalf of the Council shall not be used to cash cheques for members, staff or third parties.

- 14.13 Assistant Directors shall review charges made for services under their control at least annually, in line with the Council's Income and Charging Policy.

CONTACT: CFO

15. Banking Arrangements

- 15.1 All arrangements with the Council's bankers must be made or approved by the Chief Finance Officer who shall be authorised to operate such bank accounts, including giro bank accounts as required.
- 15.2 Cheques drawn on the Council's banking account shall bear the facsimile signature of the Chief Finance Officer or be signed by him/her or such other identified senior officers as he/she may from time to time designate in writing.
- 15.3 ~~The CFO shall maintain a list of identified senior officers who may on his/her behalf give instructions to the Council's banker and countersign cheques. These d~~Designated CFO senior officers must countersign cheques for amounts of £50,000 or more (LIMIT GF). ~~as CFO may from time to time designate in writing.~~
- 15.4 Standing order and direct debit payments may only be established by the ~~GFO or~~CFO or such other identified senior officers as he/she may from time to time designate in writing.
- ~~15.5 The CFO shall maintain a list of identified senior officers who may on his/her behalf give instructions to the Council's banker and countersign cheques.~~

CONTACT: Corporate Finance Manager

16. Payments to Employees

- 16.1 The payment of all amounts to employees shall be the responsibility of the ~~CFO~~.CFO. Such payments will include wages, salaries, travel and subsistence and other allowances due under a contract of employment.
- 16.2 Assistant Directors shall, promptly notify the CFO in a form agreed of all matters affecting the payment to employees and in particular of:
- appointments, resignations, dismissals, suspensions, secondments and transfers;
 - absences from duty, apart from normal annual leave;
 - changes in remuneration, other than normal increments and pay awards and agreements of general application.
 - information necessary to maintain records of service for superannuation, income tax, national insurance etc.
- 16.3 Appointments shall be made only in accordance with approved structures, grades and evaluated rates of pay, unless agreed otherwise with the ~~Assistant~~ Managing ~~De~~irector or an officer nominated by him and a Finance Manager.
- 16.4 Any pay records, shall be in a form agreed by the CFO and shall be certified by or on behalf of the Assistant Director. A list of officers authorised to sign such records shall be sent to the CFO together with specimen signatures and any amendments to the list shall be notified in advance to the CFO in writing.
- 16.5 No payment shall be made to a person deemed to be an employee other than through the normal payroll procedure. Assistant Directors and Delivery Managers should give careful consideration to the employment status of individuals employed on a self employed consultant or sub-~~contract~~
basiscontract basis as these may well be employees and should be paid through the payroll.

- 16.6 There shall be frequent reconciliation of payroll expenditure against approved budgets by the Finance team. Arrangements shall be made to ensure that appropriate payroll documents are retained and stored for the defined period.

CONTACT: Employment Services Manager or ~~People Services~~ Human Resources Manager

17. Travel and Subsistence

- 17.1 Assistant Directors (or their nominated officers) are responsible for the verification of their ~~officers' travel~~ officers' travel and subsistence claims. Assistant Directors must ensure compliance with the Council's Car Allowance Regulations, Car Leasing Scheme, Car Loan Scheme and other decisions of the Council that may be deemed appropriate. Standard mileages must be used where given and subsistence only reimbursed when supported by a receipt (within the limits stated in the guidance).
- Claims from Assistant Directors must be authorised by a Director/ Managing Director,
 - Claims from Directors must be authorised by the Managing Director,
 - Claims from the Managing Director must be authorised by the Monitoring Officer or CFO.
 - Claims from Head teachers should be signed by the Assistant Director Education & Skills
- 17.2 The CFO will reimburse ~~members' claims~~ members' claims on receipt of the completed claim form certified by the Member concerned. The Monitoring Officer will ensure that claims comply with the relevant section of the ~~Members' Allowance~~ Members' Allowance Scheme.
- 17.3 All claims should be completed in full, appropriately authorised and must be submitted within three months of undertaking the journey or incurring the expenses, to qualify for reimbursement.
- 17.4 All foreign travel must be approved in advance in line with the Council's Overseas Visits procedure note.
- 17.5 Detailed guidance on Business Mileage and Expenses Reimbursement is available from Employment Services.

CONTACT: Employment Services Manager

18. Imprests

- 18.1 The CFO in consultation with appropriate Assistant Directors may make imprest advances to officers for the purposes of paying minor items of expenditure and any other items as may be approved by him/her.
- 18.2 The CFO reserves the right to withdraw imprest facilities from officers if it is deemed that they are being used inappropriately, the expenditure limit is exceeded, or the facility is rarely used.
- 18.3 The accounts should be maintained on an imprest basis using standard Council imprest stationery and recording procedures for this purpose. All officers should maintain a record of their receipts and payments in a form and manner prescribed by the CFO.
- 18.4 No income received on behalf of the Council may be paid into an imprest account but must be banked or paid into the Council as in section 15 of these regulations.
- 18.5 The imprest account should be continually kept in balance and records submitted as required by the CFO at regular intervals for examination and the reimbursement of expenditure.
- 18.6 The officer responsible for an imprest account shall, if requested, give the CFO a certificate confirming the amount held. Upon leaving the Council or at the request of the CFO the responsible officer shall repay to the Council the balance of the imprest held.

- 18.7 In no circumstances shall cheque imprest accounts be allowed to go overdrawn. The Delivery Unit concerned will be responsible for all bank charges, interest payments and administration charges if this occurs as a result of failure to submit reimbursement claims or if they are submitted too late in order that timely processing can take place.
- 18.8 Detailed guidance on Imprest and Petty Cash Accounts is incorporated within specific procedure notes which are included on the Intranet.

CONTACT: Corporate Finance Manager

19. Risk Management

- 19.1 The ~~Deputy Leader~~ ~~Cabinet Member for Governance~~ is the lead member for Governance for the Council, including on risk management, for the Council.
- 19.2 The Managing ~~D~~irector is the lead officer in respect to Governance which incorporates risk management, and is responsible for the corporate risk management processes of the Council. The Managing ~~D~~irector is responsible for the development, co-ordination and maintenance of the Council's ~~Corporate~~ Risk management strategy processes which form part of the Service Planning process. However it is the responsibility of all employees and members to ensure that the Council's risks are properly managed.
- 19.3 SMT will:
- (a) regularly review the Council's strategic risks
 - (b) report to at least annually to the Cabinet on an and by exception basis when significant risk management issues arise changes occur
 - (c) keep the ~~Deputy Leader~~ ~~lead Cabinet member for Governance~~ updated on their reviews of the strategic risks
 - (d) regularly annually review the risk management processes as part of service planning strategy
 - (e) include a summary of the risk management activities in the Annual Governance Statement
approve an annual report on the Council's risk management activities
- 19.4 The Leader and Cabinet Executive will:
- (a) receive the exception reports on significant risk management issues arising during the year at least annually a report on the Council's key strategic risks and by exception when there are significant changes
 - ~~(b) annually review and approve the risk management strategy~~
 - (c) agree the Annual Governance Statement including the summary of risk management activities, approve an annual report on the Council's risk management activities
- 19.5 The Audit & ~~IG~~Assurance Manager will keep the Audit Committee informed of any issues arising from the risk management activities of the Council and exception reports presented to Cabinet, the reviews of the Council's strategic risks, the annual review of the risk management strategy and the annual report on the Council's risk management activities. This will enable the Audit Committee to independently review the ~~Leader and Cabinet Executive's and~~ Council's risk management processes as set out in their terms of reference.
- 19.6 ~~SMT Directors~~ are responsible for the implementation of the Corporate Risk Management processes strategy within the services, projects and priorities that they lead.
- 19.7 ~~Assistant Directors are responsible for implementation of the Corporate Risk Management strategy within their service delivery units.~~ Assistant Directors are also responsible for ensuring that a proper risk assessment is undertaken for all new activities, projects, changes to services or partnership

arrangements and that where required controls are implemented or revised to manage these new/revised risks.

- 19.8 Each Assistant Director submitting a report to the Leader and Cabinet Executive, the Council or one of the Council's committees must ensure that any opportunities or risks arising from the proposed action or decision are clearly included in the impact assessment contained in the report.

CONTACT: Audit & ~~IG~~Assurance Manager

20. Insurance

- 20.1 The CFO will be responsible for the Council's insurance. Only the officer identified by the CFO may obtain insurance cover on behalf of the Council.
- 20.2 Assistant Directors are responsible for ensuring that all new activities or assets that may introduce an insurable risk to the Council are notified to the Insurance Manager.
- 20.3 Each year Assistant Directors must check that the risk-financing strategies in place are sufficient for their risk exposures and notify any changes required to the Insurance Manager.
- 20.4 As soon as officers are aware of any loss, liability or damage-causing event that may give rise to a claim of any kind against the Council they must notify the Insurance Manager who will take the appropriate action to safeguard the Council's position.
- 20.5 Appropriate officers will co-operate at all times with the investigations of the Insurance Manager into any claims and will supply all information upon request. It is imperative that officers comply with the timescales for investigating claims. Failure could directly affect the authority's ability to defend a claim or could result in financial penalties being imposed on the authority/Delivery Unit.
- 20.6 The appropriate officer will make an annual declaration of any claims or events likely to give rise to a claim not yet reported to the CFO.
- 20.7 It is the responsibility of the Delivery Manager to ensure that all third parties using the Council's buildings are appropriately insured and that Contractors employed by the Council hold appropriate and valid insurance.

CONTACT: Insurance Manager

21. Security and Control of Assets

21.1 Stocks and Stores

- 21.1.1 Assistant Directors are responsible for determining an efficient stock holding policy to ensure stock levels are not in excess of normal requirements.
- 21.1.2 The Assistant Director shall supply the CFO with such information relating to stores as may be required for the accounting, costing and financial records of the Council.
- 21.1.3 Assistant Directors shall ensure periodic test examinations of stocks and shall ensure that all stocks are checked at least twice a year, and that a return of stocks in hand at the 31st March is certified.
- 21.1.4 After each stock check a return should be completed indicating any differences between actual and recorded stock. Where, after thorough investigation, differences cannot be reconciled, then the necessary adjustment should be made to the stores accounts. Adjustments to the accounts should be clearly identified and appropriately authorised. Copies of all adjustments should be available for inspection by Audit & ~~Assurance~~ Services. If the adjustments account exceeds £10,000 (LIMIT B) in

any year, the CFO shall report the circumstances to the lead member on the Cabinet responsible Resources and Service Delivery~~for Governance~~, together with explanations for the surplus/deficit.

- 21.1.5 Assistant Directors should ensure that any material surpluses or obsolete stock are disposed of in line with agreed Council procedure. All disposals should be recorded and the records should be available for inspection.

21.2 Inventories

- 21.2.1 Inventories shall be maintained by all Delivery Units of all Council assets, including ICT (see 21.3.2.2). The CFO shall define the extent to which the assets of the Council shall be recorded and the form in which inventories shall be kept.

- 21.2.2 A corporate inventory for all ICT assets shall be maintained by the Assistant Director Customer and People ~~Services~~ and Services and as such all items will be clearly identified and labelled. Delivery Managers should not arrange relocation or disposal without appropriate notification to the Assistant Director Customer and People Services.

- 21.2.3 All leased equipment should be clearly identified and labelled. The labelling should indicate that the item should not be sold (as it does not belong to the authority).

- 21.2.4 The Council's assets shall not be removed from Council premises except in accordance with the ordinary course of the Council's business unless specifically approved by the Assistant Director. Council property shall only be used for the Council's purposes unless specific instructions are issued by the appropriate Assistant Director. The Assistant Director shall be responsible for ensuring that any such agreements are recorded. Attractive and portable items such as computers, cameras, TVs, video recorders and playback/recording equipment should be identified with security markings as belonging to the Council.

- 21.2.5 All disposals will be in line with agreed Council procedures and E.U. directives. In addition, special procedures are in place to deal with the disposal of leased equipment – any queries should be referred to the Finance Manager (Capital and Treasury).

- 21.2.6 Delivery Managers are responsible for carrying out an inventory check at least once a year and ensuring that all items are accounted for. All discrepancies must be reported to their Finance Manager.

- 21.2.7 Detailed guidance on Inventories and Disposal of Assets is incorporated within specific procedure notes which are included on the Intranet.

21.3 Land and Buildings

- 21.3.1 The Assistant Director Development, Business & Housing shall be responsible for the Asset Management Plan and maintain or make arrangements for the maintenance of a terrier of all properties owned or rented by the Council.

- 21.3.2 The terrier should record:

- the date of acquisition or appropriation
- Council authority
- the holding Board
- purpose for which held
- location, extent and plan reference
- purchasing details
- particulars of nature of interest and rent payable
- particulars of tenancies granted

21.4 Information

21.4.1 The CFO is the Council's designated Senior Information Risk Owner and is responsible for ensuring that there is a proper information governance framework in place.

21.4.2 The SIRO is responsible for approving all Information Sharing agreements.

21.4.3 SMT is responsible for ensuring compliance with the Council's Information Governance framework.

21.4.4 Assistant Director's are the owners of the information¹⁰ within their service areas.

~~SMT are responsible for the security of all information within their service area. Information can be stored on computers, transmitted across networks including the Internet, printed out or written down on paper and spoken in conversation.~~

21.4.52 SMT must ensure compliance with the Council's Corporate Information Security Policy to ensure:

- Confidentiality of information
- Integrity of information
- Availability of information
- Proper retention of information
- All software installed is and used is properly licensed and appropriate for business use and is properly licensed.

21.4.63 Assistant Directors SMT must ensure that appropriate Data Protection registrations are in place under the Data Protection Act for their are in place to cover the use of information within their service areas. This includes compliance with the regulation of information relating to individuals¹¹.

~~The Data Protection Act 1998 makes provision for the regulation of information relating to individuals, including obtaining, holding, use or disclosure of such information.~~

CONTACTS

Stocks and Stores, Appropriate Finance Manager ~~CFO~~

Inventories, Audit & IG Assurance Manager

Land and Buildings, Assistant Director Customer and People Services

Information, CFO

22. Treasury Management

22.1 The Chief Finance Officer shall arrange all borrowing of monies, and make all arrangements concerning the investment or utilisation of capital monies or other funds.

22.2 In exercising the function, the Chief Finance Officer should comply with the contents of CIPFA's 'Code for Treasury Management in Local Authorities'.

22.3 The Council shall adopt a Treasury Policy Statement and an annual Treasury Management Strategy. The responsibility for their implementation and monitoring will be delegated to the Leader and Cabinet Executive.

¹⁰ Information can be stored on computers, transmitted across networks including the internet, printed out or written down or spoken in conversation

¹¹ This includes obtaining, holding, using and the disclosure of individual's information.

- 22.4 The Chief Finance Officer shall report (at least half yearly) to the Leader and Cabinet Executive on the activities of the Treasury Management function and on the use of delegated Treasury Management powers.
- 22.5 The Audit Committee through their terms of reference (rather than the Budget & Finance Scrutiny Committee) will scrutinise the Councils Treasury management arrangements as set out in best practice guidance. The Chief Finance officer will provide appropriate information to enable them to fulfil this role.

CONTACT: Corporate Finance Manager

23. Unofficial and Voluntary Funds

- 23.1 An unofficial or voluntary fund is defined as any fund, other than an official fund for the Council, which is controlled wholly or in part by an officer by reason of his or her employment by the Council.
- 23.2 Staff should seek approval from the appropriate Assistant Director before establishing an unofficial fund.
- 23.3 The Assistant Director shall maintain a register of all such funds. The register will include the following details for each fund:
- The name of the 'Responsible Officer', as defined in the procedure notes on Voluntary and Unofficial Funds, responsible for the day to day running of the fund;
 - The accounting period (which should generally be 1st April to 31st March);
 - Bank account details; and
 - Cheque signatories.
- 23.4 Assistant Directors shall ensure that all such funds are audited by suitably qualified auditors and are submitted within 6 months of the end of the accounting period to the Council and any other parties (i.e. clients, sponsors, charitable bodies) with an interest in the fund.
- 23.5 The CFO reserves the right to inspect all documentation relating to unofficial funds and seeks such explanations that are necessary to ensure they are being appropriately managed.

CONTACT: Corporate Finance Manager

APPENDIX A

Financial Limits

As financial limits require amending from time to time the limits itemised in the various regulations are referenced to this appendix. When amendments are actioned they will take the place of the amounts currently included in the detailed regulations.

Limit Reference	£
A	5,000
B	10,000
C	25,000
D	5,001 to 10,000
E	10,001 to 24,999
F	25,000 or over
G	50,000
H	75,000
J	100,000
K	250,000
L	500,000
M	Over 100,000
N	200,000
P	Over 200,000
Q	100,000 to 250,000
R	Over 250,000
S	EU Threshold (currently 156,442)
T	EU Threshold (currently 3,927,260)

AUDIT COMMITTEE

Terms of Reference

The Committee has the responsibility on behalf of the Council for the overseeing of the Council's audit, financial processes, governance (including risk management) and financial audit processes and risk management.

Delegated matters (i.e. Matters which can be decided (resolved))

Internal Audit

1. The approval (but not direction) of, and monitoring of progress against, the internal audit strategy and plan.
2. Review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
3. To be able to call senior officers and appropriate members to account for relevant issues within the remit of the Committee – governance (including information governance), internal audit, risk management, statement of accounts and external audit.
4. The Committee will not receive detailed information on investigations relating to individuals. The general governance principles and control issues may be discussed, in confidential session if applicable, at an appropriate time, to protect the identity of individuals and so as not to prejudice any action being taken by the Council.

External Audit

5. Review and agree the External Auditors annual plan, including the annual audit fee and receive regular update reports on progress.
6. To consider the reports of external auditor.
7. Meet privately with the external auditor once a year, if required.
8. Ensure that there are effective relationships between external and internal audit that the value of the combined internal and external audit process is maximised.

Risk Management

~~Recognising that Risk Management is a Cabinet function, the Committee should:-~~

- ~~9. Seek assurances that the authority's risk management arrangements are effective and operating within Council policy and review the Annual Risk Management report to Council.~~
- ~~10. Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.~~

Governance

- ~~9+4.~~ Consider the effectiveness of the Council's governance processes and their compliance with legislation and best practice including:
 - ~~a) the Council's Code of Corporate Governance;~~
 - ~~b) the Council's information security framework;~~
 - ~~c) the management of opportunities and risks; and~~
 - ~~d) other corporate governance arrangements.~~
- ~~10.~~ Be responsible for the review and approval of the authority's Annual Governance Statement ensuring that it properly reflects the governance, control and risk environment and any actions

required to improve it. Following approval, it should accompany ~~recommend its inclusion in~~ the Accounts.

- ~~12. Consider the effectiveness of the control environment including reviewing the Council's Code of Corporate Governance and other corporate governance arrangements to ensure compliance with best practice.~~

Treasury Management

113. To review and monitor the Council's Treasury Management arrangements including Treasury policies, procedures and the management of the associated risks and make recommendations to the Cabinet as appropriate.

Statement of Accounts

124. Review and approve the Statement of Accounts, external auditor's opinion and reports on them to members and monitor management action in response to the issues raised by external audit.

Fraud & Corruption

135. To approve the Anti-Fraud and Corruption Policy and to recommend its for adoption by the Council, and to monitor its operation. The policy will be reviewed it at least once every two years.
146. To approve the Speak Up Policy ('*whistle blowing*') and to recommend its for adoption by the Council, and to monitor its operation. This policy will be reviewed at least once every two years.

Complaints

Recognising that Complaints/Compliments are a Cabinet function, the Committee should:-

157. Review the Annual Complaints Report and seek assurances that the Council is improving in response to complaints raised.

General

168. The meetings will follow the principles of scrutiny, i.e. no party whip will be applied and a constructive, evidence based approach will be used.
179. To ensure that adequate training is received by the members of the committee on the areas covered by the se terms of reference. ~~1—16 above.~~
1820. To ensure that any sensitive or confidential information obtained as a result of membership of the Committee is treated as confidential.
1924. Annually review their effectiveness and their terms of reference.

Article 1– The Leader and Cabinet

Explanatory Comment

The Leader of the Council is responsible for appointing the Cabinet. However, whilst the Leader, as Senior Executive Member may discharge any functions which are the responsibility of the Leader and Cabinet Executive the Cabinet is at the heart of the day-to-day decision-making process. It also has a key role in proposing the policy framework and budget to the Council.

7.01 Role

The Leader and Cabinet Executive will lead the implementation of Council policy within the Council's budget and policy framework. In doing this the Leader and Cabinet Executive will carry out all of the local authority's functions which are not the responsibility of any other part of the local authority, whether by law or under this Constitution.

7.02 Appointment and Composition

The Cabinet will consist of the Leader of the Council together with such additional Councillors, at least 2 but not more than 9, as the Leader shall determine.

7.03 Leader

The Leader will be a Councillor elected to the position of Leader by the Council at its Annual Meeting following an ordinary election of Councillors or at a subsequent meeting of the Council if the Council fails to elect the Leader at the Annual Meeting. The Leader will hold office until the day of the post-election annual meeting which follows his election unless:

(a) he/she resigns from the office; or

~~(b) he/she is suspended from being a Councillor of this Council under **Part III of the Local Government Act 2000** (although he/she may resume office at the end of the period of suspension); or~~

~~(b)(e)~~ he/she is no longer a Councillor of this Council; or

~~(c)(d)~~ he/she is removed from office by resolution of the Council following a written notice of no confidence on at least 10 working days notice and signed by at least 25% of all Councillors. If a motion of no confidence is passed, the Leader shall immediately cease to act as Leader.

~~(d)(e)~~ he/she is removed from office by resolution of the Council in the event of a change in political control of the Council

In the event that the Leader no longer holds office as described above, the Deputy Leader will carry out the role and duties of Leader until such time as the Council elects a Councillor to the position of Leader.

If for any reason the Leader is unable to act or the office of Leader is vacant and the Deputy Leader is unable to act or the office of Deputy Leader is vacant, the Cabinet must act in the executive leader's place or must arrange for a member of the Cabinet to act in his/her place.

7.04 Deputy Leader

The Leader will appoint one of the members of the Cabinet to act as his/her Deputy. The Deputy Leader must act in the place of the Leader if the Leader is for any reason unable to act or the office of Leader is vacant.

The Deputy Leader will hold office until the end of the term of office of the Leader unless:

- (a) he/she resigns as Deputy Leader or ceases to be a member of the authority;
- (b) the Leader removes the Deputy Leader from Office

If a vacancy occurs in the office of Deputy Leader, the Leader must appoint another person in his/her place. The appointment will take effect when the Leader provides written confirmation of the appointment to the Assistant Director: Law, Democracy & Public Protection.

7.05 Other Cabinet members

The Leader will appoint all Cabinet members and will provide notification of those appointments to the Assistant Director: Law, Democracy & Public Protection in writing on or before the date of the Annual Council Meeting They will hold office until:

- (a) they resign from office; or

~~(b) they are suspended from being Councillors of this Council under Part III of the Local Government Act 2000 (although they may resume office at the end of the period of suspension); or~~

- ~~(b)(e)~~ they are no longer Councillors of this Council; or

~~(c)(d)~~ they are removed from office by the Leader who must give written notice of any removal to the proper officer. The removal will take effect immediately upon receipt of notice by the Assistant Director: Law, Democracy & Public Protection, or

~~(d)(e)~~ they are removed from office, either individually or collectively, by resolution of the Council following a written notice of no confidence of at least 10 working days notice and signed by at least 25% of all Councillors. If a motion of no confidence is passed the Cabinet member(s) shall immediately cease to act.

~~(e)(f)~~ the Council removes them from office, either individually or collectively, but only in the event of a change in political control of the Council.

~~(f)(g)~~ In the event that a vacancy arises the Leader will appoint another Councillor as a replacement. The replacement will take effect upon the Leader providing notification of the appointment in writing to the Assistant Director: Law, Democracy & Public Protection.

~~(g)(h)~~ Any changes to the composition of the Cabinet shall be reported for information to the next meeting of Council.

7.06 Proceedings of the Cabinet

Proceedings of the Cabinet shall take place in accordance with the Cabinet Procedure Decision Rules set out in Part 4 of this Constitution.

7.07 Responsibility for functions

The Leader may determine which Cabinet functions shall be allocated to individual members of the Cabinet and those which shall be reserved to the Cabinet. These responsibilities may be amended by the Leader on written notice to the Assistant Director: Law, Democracy & Public Protection.

The Leader will determine a list setting out those Cabinet functions which are the responsibility of the Cabinet and which individual members of the Cabinet, officers or joint arrangements are responsible for the exercise of particular Executive functions.

Article 9 The Standards Committee and The Audit Committee

Explanatory Comment

The Standards Committee has an important role in ensuring and promoting good ethical conduct of Councillors and officers. The Audit Committee has an important role in overseeing financial processes, audit and risk management. They both support good governance in the public sector, with particular reference to local government.

~~(Section 53-55 and Sections 81(5), Local Government Act 2000)~~

(CIPFA Position Statement –“Audit Committee Principles in Local Government”)

9.01 Standards Committee

The full Council will establish a Standards Committee.

9.02 Composition

Political Balance

The Standards Committee will be politically balanced as per the political balance rules in **section 15 of the Local Government & Housing Act 1989.**

- (a) **Membership:** The Standards Committee will be composed of:-
 - ~~seveneight~~ Councillors, excluding the Leader and only one of whom may be a member of the Cabinet;
 - ~~four persons who are not Councillors or Officers of the Council or any other body having a Standards Committee (independent members);~~
 - ~~at least three parish council representatives (who are not members of the Council)~~
 - ~~(b) Independent Members — Independent members will be appointed in accordance with guidance issued. Independent members will be entitled to vote at meetings;~~
 - ~~(c) Chairing the Committee — The Chairman must be an Independent Member of the Committee and should either have previous knowledge or have received training on standards, regulation and ethical issues.~~
- (d) **Quorum** – The quorum for a meeting of the Standards Committee shall be three ~~which must include one of the independent members.~~
- (e) **Training** – ~~In addition to the Chairman's training outlined above,~~ All members of the Committee should be properly trained to fulfil their role, including awareness of standards, ethics and governance.
- (f) **Sub-committees** –

HEARINGS SUB COMMITTEE

1. To consider complaints referred to them by the Monitoring Officer to decide if the complaint should be referred for investigation.
2. To consider investigation reports in respect of Code of Conduct complaints that are referred to them by the Monitoring Officer.

3. To report its findings to the Borough Council, Town or Parish Council, as appropriate for information.

4. Where a breach is found, to make decisions about sanctions including:-

4.1. To make recommendations to the relevant Group Leader regarding future membership of committees and sub committees;

4.2. To make recommendation to Council regarding the removal of a non aligned member from membership of committee and sub-committees;

4.3. To make recommendations to the Leader of the Council regarding the removal of a member from Cabinet, or the removal of portfolio responsibilities;

4.4. To instruct the Monitoring Officer to arrange training for a Borough Council member;

4.5. To remove a member from all outside appointments to which he/ she has been appointed or nominated by the Council; and

4.6. To withdraw facilities provided to the member or exclude the member from defined premises (except as necessary for the member to attend formally constituted council meetings).

5. To consider applications for dispensations where:-

5.1. The dispensation is in the interests of persons living in the Borough of Telford & Wrekin area; or

5.2. It is otherwise appropriate to grant a dispensation.

~~(i) Terms of Reference of the Referrals Sub-Committee~~

~~As approved by the Standards Committee~~

~~1. Terms of Reference~~

~~a. The Referrals Sub-Committee is established to receive allegations that a member of the Authority has failed, or may have failed, to comply with the Authority's Code of Conduct.~~

~~b. Upon receipt of each allegation and any accompanying report by the Monitoring Officer, the Sub-Committee shall make an initial assessment of the allegation and shall then do one of the following:~~

~~i. refer the allegation to the Monitoring Officer, with an instruction that he/she arrange a formal investigation of the allegation, or directing that he/she arrange training, conciliation or such appropriate alternative steps as permitted by Regulations;~~

~~ii. refer the allegation to the Standards Board for England;~~

~~iii. decide that no action should be taken in respect of the allegation; or~~

~~iv. where the allegation is in respect of a person who is no longer a member of the Authority, but is a member of another relevant authority (as defined in Section 49 of the Local Government Act 2000), refer the allegation to the Monitoring Officer of that other relevant authority;~~

~~and shall instruct the Monitoring Officer to take reasonable steps to notify the person making the allegation and the member concerned of that decision.~~

- ~~e. Upon completion of an investigation by the Monitoring Officer, the Sub-Committee shall be responsible for determining whether:

 - ~~i. it accepts the Monitoring Officer's finding of no failure to observe the Code of Conduct;~~
 - ~~ii. the matter should be referred for consideration at a hearing before the Hearings Sub-Committee of the Standards Committee; or~~
 - ~~iii. the matter should be referred to the Adjudication Panel for determination.~~~~
- ~~d. Where the Sub-Committee resolves to do any of the actions set out in Paragraph 1(b) or 2(c) above, the Sub-Committee shall state its reasons for that decision.~~
- ~~e. The Sub-Committee shall consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer and may direct the Authority that the post shall not be considered to be a politically restricted post and that the post be removed from the list maintained by the Authority under Section 2(2) of that Act.~~
- ~~f. The Sub-Committee shall, upon the application of any person or otherwise, consider whether a post should be included in the list maintained by the Authority under Section 2(2) of the 1989 Act, and may direct the Authority to include a post in that list.~~

~~2. Composition of the Referrals Sub-Committee~~

~~The Referrals Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee (and one of whom shall chair the Sub-Committee), and at least 2 elected members of the Authority. When the Referrals Sub-Committee considers a matter relating to the conduct of a person in his/her capacity as a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative.~~

~~3. Quorum~~

~~The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering a matter relating to the conduct of a member as Parish or Town Councillor.~~

~~(ii) Terms of Reference of the Review Sub-Committee~~

~~As approved by the Standards Committee~~

~~1. Terms of Reference~~

- ~~a. The Review Sub-Committee is established to review, upon the request of a person who has made an allegation that a member of the Authority has failed, or may have failed, to comply with the Authority's Code of Conduct, a decision of the Referrals Sub-Committee that no action be taken in respect of that allegation.~~
- ~~b. Upon receipt of each such request and any accompanying report by the Monitoring Officer, the Sub-Committee shall review the decision of the Referrals Sub-Committee and shall then do one of the following:~~
 - ~~i. refer the allegation to the Monitoring Officer, with an instruction that he/she arrange a formal investigation of the allegation, or specifying that he/she take an alternative action as permitted by Regulations;~~
 - ~~ii. refer the allegation to the Standards Board for England;~~
 - ~~iii. decide that no action should be taken in respect of the allegation; or~~
 - ~~iv. where the allegation is in respect of a person who is no longer a member of the Authority, but is a member of another relevant authority (as defined in Section 49 of the Local Government Act 2000), refer the allegation to the Monitoring Officer of that other relevant authority;~~

~~and shall instruct the Monitoring Officer to take reasonable steps to notify the person making the allegation and the member concerned of that decision.~~
- ~~c. Where the Sub-Committee resolves to do any of the actions set out in Paragraph 1(b) above, the Sub-Committee shall state its reasons for that decision.~~

~~2. Composition of the Review Sub-Committee~~

~~The Review Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee (and one of whom shall chair the sub-committee), and at least two 2 shall be elected members of the Authority. When the Referrals Sub-Committee considers a matter relating to the conduct of a person in his/her capacity as a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative.~~

~~3. Quorum~~

~~The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering a matter relating to the conduct of a member as Parish or Town Councillor.~~

~~4. Frequency of Meetings~~

~~The Review Sub-Committee shall meet as and when required to enable it to undertake the review of any decision of the Referrals Sub-Committee within 3 months of the receipt of the request for such a review from the person who made the allegation.~~

~~(iii) Terms of Reference of the Dispensations Sub-Committee~~

~~As approved by the Standards Committee~~

~~1. Terms of Reference~~

~~The Dispensations Sub-Committee is established to determine applications from members of the authority and members of other relevant authorities for a dispensation in accordance with the provisions of the Local Government Act 2000 (as amended) and the Standards Committee (Further Provisions) (England) Regulations 2009.~~

~~2. Composition of the Dispensations Sub-Committee~~

~~The Dispensations Sub-Committee shall comprise 4 members, of whom at least 1 shall be an independent member of the Standards Committee and at least two 2 shall be elected members of the Authority. When the Dispensations Sub-Committee considers an application from a Parish or Town Councillor, the Sub-Committee shall also include a Parish or Town Council representative. The Chairman of the Dispensations Sub-Committee must be an independent member of the Standards Committee.~~

~~3. Quorum~~

~~The quorum for a meeting of the Sub-Committee shall be 3 members, with an Independent member as Chairman, and at least one elected member of the Council and at least one Parish or Town Council representative when considering an application from a Parish or Town Councillor.~~

9.03 Role and Function

1. To promote and maintain high standards of conduct by members and co-opted members of the Council.
2. To support Town and Parish Councils within the Borough to promote and maintain high standards of conduct by members and co-opted members of the Council.
3. To recommend to Council the adoption of a code dealing with the conduct that is expected of members and co-opted members of the Authority.
4. To keep the code of conduct under review and recommend changes/replacement to Council as appropriate.

5. To publicise the adoption, revision or replacement of the Council's Code of Conduct.
6. To oversee the process for the recruitment of an Independent Person (and up to 2 reserves) and make recommendations to Council for their appointment.
7. To receive quarterly reports from the Monitoring Officer about:-
 - 7.1 complaints;
 - 7.2 the progress and outcome of investigations; and
 - 7.3 the establishment and maintenance of the register of interests of members and co-opted members of the Borough and Town and Parish Councils within the Borough boundaries;
 - 7.4 dispensations granted to members and co-opted members of the Council

~~The Standards Committee will have the following roles and functions:~~

- ~~(a) promoting and maintaining high standards of conduct by Councillors, parish councillors and co-opted members, (including church and parent governor representatives;~~
- ~~(b) assisting the Councillors, parish councillors and co-opted members (including church and parent governor representatives) to observe the Members' Code of Conduct;~~
- ~~(c) advising the Council on the adoption or revision of the Members' Code of Conduct;~~
- ~~(d) monitoring the operation of the Members' Code of Conduct;~~
- ~~(e) advising, training or arranging training in relation to the Code of Conduct;~~
- ~~(f) granting dispensations to Councillors, co-opted members (including church and parent governor representatives) from requirements relating to interests set out in the Members' Code of Conduct;~~
- ~~(g) receiving allegations that a member of the Authority has failed, or may have failed, to comply with the Authority's Code of Conduct~~
- ~~(h) establish sub-committees of the standards committee to make initial assessments of complaints received by the Standards Committee alleging a breach of the Members' Code of Conduct;~~
- ~~(i) establish sub-committees to consider requests received by the Standards Committee to review decisions to take no action in relation to a complaint made to its sub-committee set out at paragraph (g) above~~
- ~~(i) dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter which is referred by a sub-committee of the Standards Committee or an ethical standards officer to the Monitoring Officer and setting up hearings sub-committees to deal with those reports as and when required~~
- ~~(k) in conjunction with the operation of the Standards Board for England, the Standards Committee will work within the existing policy and procedures for handling of issues relating to probity and matters of an ethical nature.~~

- ~~(l) consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer and may direct the Authority that the post shall not be considered to be a politically restricted post and that the post be removed from the list maintained by the Authority under Section 2(2) of that Act~~
- ~~(m) advising the Council on the appointment of independent members taking account of guidance issued by the Standards Board for England~~
- ~~(n) selecting and recruiting Parish Council representatives to serve on the Standards Committee taking account of guidance issued by the Standards Board for England~~

9.04 Audit Committee

The full Council will establish an Audit Committee.

9.05 Composition

Political Balance

The Audit Committee will be politically balanced, as per the Political Balance Rules in **section 15 of the Local Government & Housing Act 1989**.

- (a) **Membership:** The Audit Committee will be composed of:
 - six councillors, excluding the Leader and any member of the Cabinet;
 - the Leader and/or any Cabinet Member can be invited to attend by the Chairman and he/she may contribute to the debate, through the Chair, but will not be able to vote;
- (b) **Co-opted Members:** one or more persons can be co-opted to the Committee who are not councillors or officers of the Council. Co-opted members will not be entitled to vote.
- (c) **Chairing the Committee:** the Chairman will be appointed from the Council members of the Committee. They should either have previous knowledge or have received training on financial and risk management, internal control assurance, the Council's core activities, accounting issues and regulation/compliance. The Chairman will have such access to members, officers and the external auditor as is required to discharge their duties.
- (e) **Quorum:** The quorum for a meeting of the Audit Committee shall be three.
- (f) **Training:** In addition to the Chairman's training outlined above, all members of the Committee should be properly trained to fulfil their role, including awareness of governance, risk management, internal control assurance, the Council's core activities, accounting issues and regulation compliance.
- (g) Due to the training and experience required by the members of this Committee there will be no system of substitute members.

9.06 Role and Function

The Audit Committee will have the following roles and functions:

- (a) Overseeing the Council's:
 - internal audit processes
 - external audit processes

- (b) Seeking assurances that the Council's risk management processes are operating properly;
- (c) Overseeing the Council's governance processes and reviewing and approving the Annual Governance Statement; and
- (d) Contributing to the approval of the Council's accounts.

FUNCTIONS, POWERS AND DUTIES OF STANDARDS COMMITTEE

Delegated Matters (i.e. matters which can be decided (resolved))

1. To prepare Codes of Conduct for members and employees taking account of national codes and guidance.
2. To submit these Codes for approval by full Council.
3. To ensure that the Codes are understood and implemented throughout the Council and the local community.
4. To monitor the implementation of the Codes and advise Council of any changes that may be desirable.
5. To grant dispensations to councillors, ~~parish councillors~~ and co-opted members (including church and parent governor representatives) from requirements relating to interests set out in the Members' Code of Conduct.
- ~~6. To prepare an Anti-Fraud and Corruption Strategy for the Council, submit it to the Council and review it on an annual basis.~~
- ~~7. To instigate a 'whistle blowing' or Speak Up policy for the Council, and to monitor its operation~~
- ~~68. To ~~receive and~~ investigate/determine allegations of breaches of the members Code (employees to be part of the disciplinary process) in accordance with the provisions of the Localism Act 2011 ~~Government and Public Involvement in Health Act 2007~~ and associated legislation and guidance.~~
- ~~79. To consider and deal with reports relating to issues of conduct referred to the Committee by the Monitoring Officer/Finance Officer both of whom shall have a right of direct access to the Committee.~~
- ~~810. To prepare a Protocol for members/Employee relations within the Council~~
- ~~911. To arrange and/or provide training for Councillors on ethical conduct.~~
- ~~102. Annually review their effectiveness and their terms of reference.~~
- ~~13. To consider any application received from any officer of the Authority for exemption from political restriction under Sections 1 and 2 of the Local Government and Housing Act 1989 in respect of the post held by that officer~~
- ~~114. To Advise the Council on the appointment of Independent Persons taking account of the provisions of the requirements set out in the Localism Act 2011 ~~independent members taking account of guidance issued by the Standards Board for England~~~~
- ~~15. To select and recruit Parish Council representatives to serve on the Standards Committee taking account of guidance issued by the Standards Board for England~~

Part 2 – Code and Protocols

Section 1 – Members Code of Conduct

Standards of Conduct

Members (including all voting co-opted members) of Telford & Wrekin Council will at all times promote and maintain high standards of conduct when they are acting in that capacity. To do this they will:-

✓ <u>Members should serve only the public interest and should treat everyone that they deal with equally and with respect.</u> <u>Link to co-operative value of Fairness and Respect</u>	<u>Selflessness</u>
✓ <u>Members should not place themselves in a position where they either are or give the appearance that they are under any financial or other obligation to anyone that might seek to influence them in the performance of their duties as a Member.</u> ✓ <u>Members should only use the resources of the Authority in accordance with reasonable requirements set out for their use from time to time</u> ✓ <u>Members should declare their interests in accordance with the law and with the provisions of this Code of Conduct</u> ✓ <u>Members should declare gifts and hospitality that they receive in accordance with the Council's Rules on Gifts and Hospitality</u> <u>Link to co-operative value of Fairness and Respect</u>	<u>Integrity</u>
✓ <u>Members should make decisions on merit and in the public interest, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.</u> <u>Link to co-operative value of Fairness and Respect</u>	<u>Objectivity</u>
✓ <u>Members should be accountable to the public for their decisions and actions and should co-operate fully with any scrutiny appropriate to their particular role or office.</u> <u>Link to co-operative value of Ownership</u>	<u>Accountability</u>
✓ <u>Members should be as open as possible about their decisions and actions and should give reasons for their decisions and actions. They should not disclose information given to them which they can reasonably be expected to know was either exempt or confidential and is not to be disclosed to protect the wider public interest.</u> <u>Link to co-operative value of Openness and Involvement</u>	<u>Openness</u>
✓ <u>Members have a duty to declare any private interests that relate to their duties as a Member and do whatever is necessary to resolve any such conflict in a way that protects the public interest</u> <u>Link to co-operative value of Honesty</u>	<u>Honesty</u>
✓ <u>Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence</u>	<u>Leadership</u>

Disclosable Pecuniary Interests

The Monitoring Officer of Telford & Wrekin Council will maintain a Register of Disclosable Pecuniary Interests which can be found at <http://www.telford.gov.uk/councillors/name> or viewed by appointment with the Monitoring Officer by calling 01952 383200

<u>What</u>	<u>When</u>	<u>How</u>	<u>Impact on Meetings</u>
<u>Disclosable Pecuniary Interests</u>	<u>Within 28 days of election or re-election (if not already entered)</u>	<u>In writing to the Monitoring Officer detailing the existence and nature of the interest</u>	<u>Member cannot participate in or vote on the matter</u>
<u>Previously undeclared Disclosable Pecuniary Interest</u>			
<u>Outside a meeting</u>	<u>Within 28 days of the date of disclosure of a Disclosable Pecuniary Interest at a meeting</u>	<u>In writing to the Monitoring Officer detailing the existence and nature of the interest</u>	<u>Member cannot participate in or vote on the matter</u>
<u>During a meeting</u>	<u>As soon as the Member is aware that they have a Disclosable Pecuniary Interest</u>	<u>Verbally to the meeting detailing the existence and nature of the interest</u>	<u>Member cannot participate, participate further, vote or further vote on the matter</u>
<u>Sensitive Interests – ie where the Monitoring Officer agrees that the disclosure of the interest could lead the Member being subject to violence or intimidation</u>	<u>As above – depending upon the circumstances</u>	<u>As above but detailing the existence but not the nature of the interest</u>	<u>As above</u>

Dispensations

Dispensations can be granted by the Monitoring Officer (for 1 & 2) / Hearings Sub Committee (for 3 & 4), if, after considering the relevant circumstances:-

1. The number of Members precluded from transacting the business is so great that it would impede the business of the Council, committee or Executive
2. The political balance is affected to the extent that it could affect the outcome of a vote relating to the business
3. The dispensation is in the interests of persons living in the Borough of Telford & Wrekin area
4. It is otherwise appropriate to grant a dispensation

Disclosable Pecuniary Interests

Disclosable Pecuniary Interests may be amended from time to time by regulation but at 1st July 2012 they were:-

<u>Employment, office, trade or profession</u>	<u>Any employment, office, trade, profession or vocation carried out for profit or gain</u>
<u>Sponsorship</u>	<u>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a person in carrying out duties as a member, or towards the election expenses of that person</u>
<u>Contracts</u>	<u>Any contract which is made between the relevant person(or body in which the relevant person has a beneficial interest) and the relevant authority-</u> <u>(a) Under which goods or services are to be provided or works are to be executed; and</u> <u>(b) Which has not been fully discharged</u>
<u>Land</u>	<u>Any beneficial interest in land which is within the area of the relevant authority</u>
<u>Licenses</u>	<u>Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer</u>
<u>Corporate tenancies</u>	<u>Any tenancy where (to the persons knowledge)-</u> <u>(a) The landlord is the relevant authority; and</u> <u>(b) The tenant is a body in which the relevant person has a beneficial interest</u>
<u>Securities</u>	<u>Any beneficial interest in securities of a body where-</u> <u>(a) That body (to the persons knowledge) has a place of business or land in the area of the relevant authority; and</u> <u>(b) Either-</u> <u>(i) The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</u> <u>(ii) If the share capital of that body is of more than one class, the total nominal value of the shares in any one class in which the relevant person has a beneficial interest that exceeds one hundredth of the total issued share capital of that class</u>

Preamble – General Principles

~~**Selflessness** — Members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.~~

~~**Honesty and Integrity** — Members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.~~

~~**Objectivity** — Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.~~

~~**Accountability** — Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any scrutiny appropriate to their particular office.~~

Openness—Members should be as open as possible about their actions and those of their Authority, and should be prepared to give reasons for those actions.

Personal Judgement—Members may take account of the view of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for Others—Members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers, and its other employees.

Duty to Uphold the Law—Members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

Stewardship—Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law

Leadership—Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence.

Part 1—General provisions

Introduction and interpretation

1.—(1)—This Code applies to **you** as a member of an authority.

(2)—You should read this Code together with the general principles prescribed by the Secretary of State **(a)**.[†]

—(3)—It is your responsibility to comply with the provisions of this Code.

—(4)—In this Code—

—“meeting” means any meeting of—

—(a)—the authority;

—(b)—the executive of the authority

(c)—any of the authority's or its executive's committees, sub-committees, joint committees, joint sub-committees, or area committees;

—“member” includes a co-opted member and an appointed member;

(5) In relation to a parish council, references to an authority's monitoring officer and an authority's standards committee shall be read, respectively, as references to the monitoring officer and the standards committee of the district council or unitary county council which has functions in relation to the parish council for which it is responsible under section 55(12) of the Local Government Act 2000.

Scope

[†] See the Relevant Authorities (General Principles) Order 2001 (S.I. 2001/1401)

- ~~2. (1) Subject to sub-paragraphs (2) to (5), you must comply with this Code whenever you—~~
- ~~(a) conduct the business of your authority (which, in this Code, includes the business of the office to which you are elected or appointed); or~~
 - ~~(b) act, claim to act or give the impression you are acting as a representative of your authority,~~
- ~~and references to your official capacity are construed accordingly.~~
- ~~(2) Subject to sub-paragraphs (3) and (4), this Code does not have effect in relation to your conduct other than where it is in your official capacity.~~
- ~~(3) In addition to having effect in relation to conduct in your official capacity, paragraphs 3(2)(c), 5 and 6(a) also have effect, at any other time, where that conduct constitutes a criminal offence for which you have been convicted.~~
- ~~(4) Conduct to which this Code applies (whether that is conduct in your official capacity or conduct mentioned in sub-paragraph (3)) includes a criminal offence for which you are convicted (including an offence you committed before the date you took office, but for which you are convicted after that date).~~
- ~~(5) Where you act as a representative of your authority—~~
- ~~(a) on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or~~
 - ~~(b) on any other body, you must, when acting for that other body, comply with your authority's code of conduct, except insofar as it conflicts with any other lawful obligations to which that other body may be subject.~~

General obligations

~~3. (1) You must treat others with respect.~~

~~(2) You must not—~~

~~(a) do anything which may cause your Authority to breach any of the equality enactments (as defined in section 33 of the Equality Act 2006(a));~~

~~(b) bully any person;~~

~~(c) intimidate or attempt to intimidate any person who is or is likely to be—~~

~~(i) a complainant~~

~~(ii) a witness, or~~

~~(iii) involved in the administration of any investigations or proceedings, in relation to an allegation that a member (including yourself) has failed to comply with his or her authority's code of conduct; or~~

~~(d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, your authority.~~

~~(3) In relation to police authorities and the Metropolitan Police authority, for the purposes of sub-paragraph (2)(d) those who work for, or on behalf of, an authority are deemed to include a police officer.~~

~~4. You must not—~~

~~(a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where—~~

~~(i) you have the consent of a person authorised to give it;~~

~~(ii) you are required by law to do so;~~

~~(iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or~~

~~(iv) the disclosure is—~~

~~(aa) reasonable and in the public interest; and~~

~~(bb) made in good faith and in compliance with the reasonable requirements of the authority; or~~

~~(b) prevent another person from gaining access to information to which that person is entitled by law.~~

~~5. You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or authority into disrepute.~~

~~6. You—~~

- ~~(a) must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage; and~~
- ~~(b) must, when using or authorising the use by others of the resources of your authority—~~
- ~~(i) act in accordance with your authority's reasonable requirements;~~
- ~~(ii) ensure that such resources are not used improperly for political purposes (including party political purposes); and~~
- ~~(c) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986(a).²~~

~~7.—(1) When reaching decisions on any matter you must have regard to any relevant advice provided to you by—~~

- ~~—(a) your authority's chief finance officer; or~~
- ~~—(b) your authority's monitoring officer,~~

~~—where that officer is acting pursuant to his or her statutory duties.~~

~~(2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.~~

Part 2—Interests

Personal interests

~~8.—(1) You have a personal interest in any business of your authority where either—~~

- ~~(a) it relates to or is likely to affect—~~
 - ~~(i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;~~
 - ~~(ii) any body—~~
 - ~~—(aa) exercising functions of a public nature;~~
 - ~~—(bb) directed to charitable purposes; or~~
 - ~~(cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),~~
- ~~of which you are a member or in a position of general control or management;~~
- ~~(iii) any employment or business carried on by you;~~
- ~~(iv) any person or body who employs or has appointed you;~~

² ~~(a) 1986 c.10~~

- ~~(v) — any person or body, other than a relevant authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;~~
 - ~~(vi) — any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);~~
 - ~~(vii) — any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);~~
 - ~~(viii) — the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;~~
 - ~~(ix) — any land in your authority's area in which you have a beneficial interest;~~
 - ~~(x) — any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;~~
 - ~~(xi) — any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer; or~~
-
- ~~(b) — a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority —~~
 - ~~(i) — (in the case of authorities with electoral divisions or wards) other council tax payers or inhabitants of the electoral division or ward, as the case may be, affected by the decision;~~
 - ~~(ii) — (in the case of the Greater London Authority) other council tax payers, ratepayers or inhabitants of the Assembly constituency affected by the decision; or~~
 - ~~(iii) — (in all other cases) other council tax payers, ratepayers or inhabitants of your authority's area.~~
-
- ~~(2) — In sub-paragraph (1)(b), a relevant person is —~~
 - ~~(a) — a member of your family or any person with whom you have a close association; or~~
-
- ~~(b) — any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;~~
-
- ~~(c) — any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or~~
-
- ~~(d) — any body of a type described in sub-paragraph (1)(a)(i) or (ii).~~

Disclosure of personal interests

- ~~9. — (1) Subject to sub-paragraphs (2) to (7), where you have a personal interest in any business of your authority and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.~~
- ~~(2) Where you have a personal interest in any business of your authority which relates to or is likely to affect a person described in paragraph 8(1)(a)(i) or 8(1)(a)(ii)(aa), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.~~
- ~~(3) Where you have a personal interest in any business of the authority of the type mentioned in paragraph 8(1)(a)(viii), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.~~
- ~~(4) Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.~~
- ~~(5) Where you have a personal interest but, by virtue of paragraph 14, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.~~
- ~~(6) Subject to paragraph 12(1) (b), where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.~~
- ~~(7) In this paragraph, "executive decision" is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000(a).³~~

Prejudicial interest generally

- ~~10. — (1) Subject to sub-paragraph (2), where you have a personal interest in any business of your authority you also have a prejudicial interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.~~
- ~~(2) You do not have a prejudicial interest in any business of the authority where that business—~~
- ~~(a) — does not affect your financial position or the financial position of a person or body described in paragraph 8;~~
- ~~(b) — does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 8; or~~

³ ~~(a) See the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations (S.I. 2000/3272)~~

~~(c) relates to the functions of your authority in respect of—~~

- ~~(i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease~~
- ~~(ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends:~~
- ~~(iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;~~
- ~~(iv) an allowance, payment or indemnity given to members;~~
- ~~(v) any ceremonial honour given to members; and~~
- ~~(vi) setting council tax or a precept under the Local Government Finance Act 1992.~~

~~Prejudicial interests arising in relation to scrutiny~~

~~11.~~ ~~You also have a prejudicial interest in any business before a scrutiny committee of your authority (or a sub-committee of such a committee) where—~~

- ~~(a) that business relates to a decision made (whether implemented or not) or action taken by your authority's executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and~~
- ~~(b) at the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.~~

~~Effect of prejudicial interests on participation~~

~~12.~~ ~~(1) Subject to sub-paragraph (2), where you have a prejudicial interest in—any business of your authority—~~

- ~~(a) you must withdraw from the room or chamber where a meeting considering the business is being held—~~
- ~~(i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;~~
- ~~(ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;~~

~~unless you have obtained a dispensation from your authority's standards committee; and~~

- ~~(b) you must not exercise executive functions in relation to that business; and~~

~~(c) you must not seek improperly to influence a decision about that business.~~

~~(2) Where you have a prejudicial interest in any business of your authority, you may attend a meeting (including a meeting of the scrutiny committee of your authority or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.~~

Part 3 — Registration of Members' Interests

Registration of members' interests

~~13. (1) Subject to paragraph 14, you must, within 28 days of —~~

~~(a) — this Code being adopted by or applied to your authority; or~~

~~(b) — your election or appointment to office (where that is later);~~

~~register in your authority's register of members' interests (maintained under section 81(1) of the Local Government Act 2000) details of your personal interests where they fall within a category mentioned in paragraph 8(1)(a), by providing written notification to your authority's monitoring officer.~~

~~(2) Subject to paragraph 14, you must, within 28 days of becoming aware of any new personal interest or change to any personal interest registered under paragraph (1), register details of that new personal interest or change by providing written notification to your authority's monitoring officer.~~

Sensitive information

~~14. (1) Where you consider that the information relating to any of your personal interests is sensitive information, and your authority's monitoring officer agrees, you need not include that information when registering that interest, or, as the case may be, a change to that interest under paragraph 13.~~

~~(2) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph (1) is no longer sensitive information, notify your authority's monitoring officer asking that the information be included in your authority's register of members' interests.~~

~~(3) In this Code, "sensitive information" means information whose availability for inspection by the public creates, or is likely to create, a serious risk that you or a person who lives with you may be subjected to violence or intimidation.~~

Standards in Local Government		
The promotion and maintenance of high standards of conduct within the Council		
To advise the council on the adoption or revision of its Code of Conduct	Standards Committee	
To monitor and advise the council about the operation of its Code of Conduct in the light of best practice, changes in the law and all appropriate guidance	Standards Committee	
Assistance to members and co-opted members of the authority		
To ensure that all members of the Council and co-optees have access to training in all aspects of the member Code of Conduct, that this training is actively promoted, and that members are aware of the standards expected from local councillors under the Code	Standards Committee	
Other functions		
Functions relating to standards of conduct of members under any relevant provision of, or regulations made under, the Localism Act 2011	Standards Committee	
[List] other functions delegated to the Committee by the Council in accordance with The Localism Act 2011, in accordance with any associated legislation and in accordance with any regulations made under that Act	Standards Committee	

HOW DECISIONS ARE MADE

The Leader and Cabinet Executive is the part of the Council which is responsible for most operational decisions. The Leader and Cabinet Executive is made up of the Leader and up to 9 other Councillors appointed by the Leader. When major decisions (called “Key” Decisions) are to be discussed or made, at least 28 days public notice must be given. these are published in the Forward Plan in so far as they can be anticipated. A Notice of Key Decisions is published by the Council on a regular basis. This Plan must include at least those decisions which the Leader and Cabinet Executive anticipates it will have to make over the next 4 months. If the required 28 days notice for a Key Decision has not been made needs to be made which is not in the Forward Plan, there are special provisions to allow the decision to be taken. ~~exist to enable this to happen.~~

If these major decisions are to be discussed at a meeting of the Cabinet, this will be open for the public to attend except where personal or confidential matters are being discussed. The Cabinet has to make decisions which are in line with the Council’s overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

SCRUTINY

The Scrutiny Assembly and Scrutiny Committees, including a Scrutiny Management Board, support the work of the Cabinet and the Council as a whole. This allows members outside the Cabinet and citizens to have a greater say in Council matters by investigating issues of local concern. This can include questioning officers of the Council and inviting people from outside the Council to give opinions and expert advice. These lead to reports and recommendations which advise the Cabinet and the Council as a whole on its policies, budget and service delivery. The Scrutiny Committees and Scrutiny Assembly also monitor the decisions of the Cabinet. They can ‘call-in’ a decision which has been made by the Cabinet but not yet implemented. This enables them to consider whether the decision is appropriate.

They may recommend that the Cabinet reconsider the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and the development of policy.

AREA WORKING ARRANGEMENTS

In order to give citizens a greater say in local affairs, the Council may consider the introduction of area working arrangements. The Council will decide on whether to introduce these arrangements in all or parts of the Borough.

THE COUNCIL’S EMPLOYEES

The Council employees (called ‘officers’) give advice, implement decisions and manage the day-to-day delivery of its services. Some officers have a specific duty to ensure that the Council acts within the law and uses its resources wisely. A Protocol governs the relationships between officers and councillors

CITIZENS' RIGHTS

Citizens have a number of rights in their dealings with the Council. These are set out in more detail in Article 3. Some of these are legal rights, whilst others depend on the Council's own processes. The local Citizens' Advice Bureau can advise on individuals' legal rights. This and other useful links can be found on the Council's website www.telford.gov.uk.

Citizens have the right to:

- vote at local elections if they are registered;
- contact their local councillor about any matters of concern to them;
- access a copy of the Constitution;
- see agendas and reports and attend meetings of the Council and its committees except where, for example, personal or confidential matters are being discussed;
- petition to request a referendum on a mayoral form of Cabinet;
- find out, from the ~~Notice of Key Decisions Cabinet's Forward Plan~~, what major decisions are to be ~~discussed by the Cabinet or~~ decided by the Cabinet, the Leader or officers, and when;
- attend meetings of the Cabinet where decisions are being discussed or decided;
- see reports and background papers, and records of decisions made.
- complain to the Council about Council services or how they feel they have been treated by the Council;
- complain to the Ombudsman if they think the Council has not followed its procedures properly. However, they should only do this after using the Council's own complaints process. Telephone: 01952 380000;
<http://www.telford.gov.uk/Council+democracy/Customer+complaints/Complaints+comments+and+compliments.htm>
- complain to the local Standards Committee if they have evidence which they think shows that a councillor has not followed the Code of Conduct; and
- inspect the Council's accounts and make their views known to the external auditor.

Where members of the public use specific council services, for example as a parent of a school pupil, they have additional rights. These are not covered in this Constitution.

The Council welcomes participation by its citizens in its work. For further information, or if you would like to join the Telford & Wrekin Community Panel, details can be found on the Council's website at www.telford.gov.uk

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Article 1– Citizens and the Council

Explanatory Comment

This sets out what citizens can expect from the Council and what rights they have. However, with rights come responsibilities and it is also the role of the Constitution to show how the Council expects to be treated in return.

3.01 Citizens' rights

Citizens have the following rights. Their rights to information and to participate are explained in more detail in the Access to Information Rules in Part 4 of this Constitution: Citizens also have rights under the **Freedom of Information Act 2000** to make requests for information held by the Council.

- (a) **Voting and petitions.** Citizens on the electoral roll for the area have the right to vote for their local Councillor(s) and to sign a petition to request a referendum for an elected mayor form of Constitution. For a petition to be valid to require a referendum, the number of signatures to it must equate to no less than 5% of the electorate of the Borough. Citizens will have a right to vote for an elected mayor in the event of a referendum being held.
- (b) **Information.** Citizens have the right to:
 - (i) attend as observers, meetings of the Council and its committees except where confidential or exempt information is likely to be disclosed, and the meeting is therefore held in private;
 - (ii) attend as observers, meetings of the Cabinet when decisions are being considered except where confidential or exempt information is likely to be disclosed, and the meeting is therefore held in private;
 - (iii) find out from the Notice of Key Decisions Forward Plan what key decisions will be taken by the Leader, ~~—and the~~ Cabinet Executive or by an officer under delegated authority
 - (iv) inspect reports and background papers, and any records of decisions made by the Council and its committees and the Leader and Cabinet Executive; and
 - (v) inspect the Council's accounts and Audit Commission's Annual Audit and Inspection Letter and make their views known to the external auditor.
 - (vi) such other information as may be specified in the Council's Freedom of Information publication scheme
- (c) **Assembly Sessions.** The Council shall facilitate further participation by holding, as and when required, meetings of Assembly Sessions at which partner organisations may through nominated spokespersons attend and debate with elected members matters of public policy. As appropriate these Assembly Sessions may also invite for debate, reports from other public and private agencies and from the Borough's, Westminster, European and other representatives.

Citizens will have the right to express views on all aspects of local government and the Council will take steps to consult effectively, and have the right to have those views considered.

13.02 Principles of decision making

All decisions of the Council, its Committees/Boards, the Leader and Cabinet Executive and those under delegated powers shall have regard to the following principles of governance and good practice:

- consideration of all options available;
- having regard to due consultation;
- consideration of professional advice from officers;
- clarity of aims and desired outcomes;
- the action proposed must be proportionate to the desired outcome;
- having respect and regard for human rights;
- presumption for openness, transparency and accountability;
- only relevant matters taken into account;
- due weight to all material considerations (including opportunities and risks);
- proper procedures will be followed.

13.03 Types of decision

- (a) Decisions reserved to full Council – Decisions relating to the functions listed in Article 4 will be made by the full Council and not delegated.
- (b) Decisions made by Committees/Boards appointed by the Council – Power to make such decisions is delegated by the Council in accordance with Part 4 of this Constitution. (Section 101, Local Government Act 1972)
- (c) Decisions of the Leader and Cabinet Executive will comprise Key Decisions and Non-Key Decisions. "Key Decisions" relate to a Leader and Cabinet Executive decision, which is likely:
 - (1) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates;
 - or
 - (2) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Council's area.

A key decision will relate to a decision on a matter identified in the [Notice of Key Decisions Forward Plan](#), except in cases of urgency when the provisions [contained within the Policy Framework Budget Procedure Rules] will apply.

In accordance with **Section 38 of the Local Government Act 2000**, in determining the meaning of "significant" the Council shall determine thresholds above which items are significant (see Guidance Note 3) and will ensure these limits are published. Any decisions involving expenditure or saving above the published threshold for the service or function concerned will be a Key Decision. A Key Decision may not necessarily involve significant expenditure or savings but may however be significant in terms of its effect on communities in two or more wards within the Council's area.

A decision taker may only make a Key Decision in accordance with the requirements of the Cabinet Decision Procedure Rules set out in Part 4 of this Constitution.

Part 4 – Rules of Procedure

Section 1– Access to Information Procedure Rules

The requirements for access to information in respect of decision-taking by the Council are very largely set out in statute and regulations. This section provides a summary of those statutory provisions together with a more detailed statement where the Council has decided to grant rights of access over and above the statutory provision.

1. Council Functions

All decisions in respect of Council functions are regulated by **Sections 100A to 100K of the Local Government Act 1972**.

The Council has made no supplemental provisions for access to information in respect of Council functions.

2. Cabinet Functions

All decisions in respect of Cabinet functions are regulated by the **Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012**~~as amended~~ as follows:

a) Advance notice of forthcoming decisions

- i) The requirement for advance notice of forthcoming Leader and Cabinet Executive decisions apply to “Key Decisions”, which are defined by Regulation 8 to comprise any executive decision which is likely to:
 - result in significant expenditure or significant savings, or
 - be significant in terms of its effects on two or more wards or electoral divisions within the authority’s area.
- ii) The ~~Decision maker Leader~~ is required, at least ~~1028~~ working days before the ~~decision is made start of each calendar month~~, to ~~publish a document prepare a Forward Plan~~ which sets out details (as set out in Regulation ~~914~~) of ~~the key decision(s) to be taken. any matters which he/she considers are likely to be the subject of a Key Decision within the next 4 calendar months.~~
- iii) ~~The document referred to at ii) above must be made available for inspection by the public at the offices of the Council and on its website. The Leader shall instruct that the authority shall advertise annually the existence and availability of the Forward Plan~~
- iv) Where a Key Decision is required to be taken ~~for~~ which ~~at least 28 days notice~~ has not been ~~given publicised in the Forward Plan~~, the ~~Proper Officer decision-taker~~ must ~~inform give at least 5 working days notice of the proposed decision and a copy of any report to~~ the Chairman of the appropriate Scrutiny Committee ~~in writing of the details of the decision to be made and the reasons why it is~~

impracticable to give 28 days notice. Where the urgency of the decision is such that five clear days between the notice and the decision even that notice cannot be given, the decision-maker must obtain the agreement of the Chairman of the relevant Scrutiny Committee (or in their absence the Mayor or Deputy Mayor of the Council) that the decision does need to be taken as a matter of such urgency, and the reasons why it cannot be reasonably be deferred.

b) **The decision-making process**

i) Where a decision is to be made by the Cabinet (as a body):

- the agenda for the meeting and every public, and non-exempt report shall be available for inspection as soon as they are made available to members of the decision-making body, unless it discloses confidential or exempt information. At least 5 working days notice shall be given unless the meeting is convened at shorter notice or where an item is added to the agenda at shorter notice in cases of urgency in accordance with the provisions of the **Local Government Act 1972**.

- the meeting must be a public meeting, although the press and public may be excluded during consideration of any matter which would involve the disclosure of confidential or exempt information.

- If a decision is proposed to be taken in private because exempt or confidential information might be disclosed, at least 28 days notice must be given of the intention to consider that decision in private, along with a statement of reasons. Any representations received by the Cabinet about why the meeting/decision should be open to the public must be published at least 5 clear working days before the meeting, along with the Cabinet's response to any such representations.

ii) Where an individual member of the Cabinet or an officer proposes to take a Key Decision, a Decision Notice shall first be published within four working days and sent to all Members of the Council via email.

c) **Recording the Decision**

- (i) Within four working days after a Cabinet decision has been made by the Cabinet as a whole or by an individual member, or a Key Decision made by an officer, the proper officer shall make a written record of that decision. All Decision Notices with the exception of those referred to in (d) below shall be published by being made available in the Main Reception of Addenbrooke House Civic Offices, on the Council website, and sent via email to all Members of the Council.

- (ii) ~~Records of Cabinet decisions shall be available for public inspection within four working days after the decision has been taken, together with a copy of any report considered and any background papers.~~

d) **Exceptions for Exempt and Confidential Information**

In respect of (b)(i) and (ii) above the rules do not apply where the publication of a report, ~~a Decision Notice thereon~~ or background paper or attendance at a meeting would be likely to disclose exempt or confidential information, as defined in the **Local Government Act 1972, Schedule 12A (as amended)**. Such reports, ~~Decision Notices~~ or background papers shall only be sent to Members of the Council.

2. HOW ARE CABINET MEETINGS CONDUCTED?

2.1 Who presides?

The Leader will preside at any meeting of the Cabinet at which he/she is present, and in his/her absence the Deputy Leader will preside. In the absence of both the Leader and Deputy Leader the members present may appoint another member of the Cabinet to preside.

2.2 Who may attend?

Members of the public (which may include non-Cabinet members of the Council and officers at the discretion of the Cabinet) may attend all meetings of the Cabinet except when exempt or confidential information is being considered where the press and public (including non-Cabinet members of the Council), may be excluded by resolution of the Cabinet in accordance with the Access to Information Rules contained in Part 4 of this constitution.

2.3 What business?

Meetings of the Cabinet will include the following business:

- i) consideration of the minutes of the last meeting;
- ii) apologies for absence
- iii) declarations of interest, if any;
- iv) matters referred to the Cabinet (whether by a Scrutiny Committee or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Scrutiny Procedure Rules or the Policy Framework and Budget Procedure Rules set out in Part 4 of this Constitution;
- v) consideration of reports from individual members of the Cabinet;
- vi) consideration of reports from a Scrutiny Committee
- | ~~vii) Forward Plan;~~
- | viii) reports of Statutory Officers; and
- | ~~viii)~~ matters set out in the agenda for the meeting, and which shall indicate which are Key Decisions.
- | Items (iv) – (~~ix~~viii) shall require written reports except in cases of urgency where it is impractical to do so.

2.4 Consultation

All reports to the Cabinet from any member of the Cabinet or an officer on proposals relating to the policy framework and budget should contain details of the nature and extent of consultation undertaken with stakeholders and Scrutiny Committees. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

2.5 Who can put items on the Cabinet agenda?

- (a) Any member of the Cabinet may require the Proper Officer to make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration. The proper officer will comply, subject to the agreement of the Leader.
- (b) There will be a standing item on the agenda of each meeting of the Cabinet for matters referred by the Scrutiny Committees and Scrutiny Assembly. However the number of items per Cabinet meeting, will have regard to the amount of business on the agenda.
- (c) Any resolution of the Council which is required to be considered by the Cabinet will be so considered within fifteen working days of the date of the Council resolution, or at the next scheduled meeting of the Cabinet.
- (d) The Managing director, Monitoring Officer and/or the Chief Financial Officer may include an item for consideration on the agenda of a Cabinet meeting and may require the Proper Officer to call such a meeting in pursuance of their statutory duties. In other circumstances, where the Head of Paid Service or Chief Financial Officer or Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision, they may include an item on the agenda of a Cabinet meeting. If there is no meeting of the Cabinet soon enough to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be convened at which the matter will be considered.

2.6 Timescales

In considering matters in relation to budgetary issues the Leader and Cabinet Executive will have due regard to any appropriate timescale within which the budget has to be approved by the Council. By way of example the timespan required to deal with this will include consultation with partners and other external agencies plus reference to the relevant Scrutiny Committee.

2.7 Key Decisions

Key Decisions shall only be taken provided that a notice of the intention to take that key decision has been published at least 28 days beforehand. the matter in question is contained within the Forward Plan. If 28 days notice has not been given, the provisions set out at paragraph 2 (a) (iv) of Part 4 – Section 1 of this Constitution will apply. or if not in the Forward Plan, after giving five working days notice, together with a report to the Chairman of the appropriate Scrutiny Committee and with the consent of the Chairman of the relevant Scrutiny Committee.

2.8 Recording of Decisions

All decisions including Key Decisions are to be made by a simple majority of these Members of the Cabinet present and voting, except for voting on appointments where two or more persons are nominated for any position in which case if there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

Following a meeting of the Cabinet at which a report (whether oral or in writing) has been received and at which a Cabinet decision has been made or a decision of a individual Cabinet member after consideration of a report, the proper officer shall ensure that a written record will be published

Pages 9:2 to 9:6

GUIDANCE NOTE 1—DEFINITIONS OF KEY DECISION

Key decisions are:-

(a) Decisions which have a significant financial impact:

- Decisions which will result in the authority incurring expenditure, or making savings, have a significant financial impact of more than £500,000 e.g. the letting of a contract
- Involve a virement between service budgets of more than £50,000.
- Involve a virement between service budgets of between £25,000 and £50,000 where the sum is more than 20% of the budget
- Decisions to participate or lead in collaborative schemes funded (partly or wholly) from external sources, which may expose the Council to contractual risk exceeding £500,000, e.g. schemes carrying repayment penalties or schemes where the Council will carry contractual responsibility for execution of the contract.

OR

(b) Decisions which are likely to be significant in terms of their effects on communities living or working in an area comprising two or more wards in the Borough.

~~The key tests are:~~

~~Does the decision have:~~

~~— A significant impact on more than one ward?~~

- ~~— A significant impact on terms of delivery of the Council's agreed policy?~~

~~Or:~~

- ~~• Is the decision likely to be of significant public interest?~~

- if either apply then the decision is deemed to be a Key Decision.

(c) Any decision made by the Leader and Cabinet Executive in the course of developing proposals to the full Council to alter the policy framework would be a key decision.

When considering the financial limits the following guidance should be followed:-

1. Contracts of employment are to be treated as outside the scope of key decisions.
2. The aggregate value of multi-year contracts should be considered e.g. a contract for £500,000 p.a. for two years would be caught under the definition.

3. Reports allocating block capital budgets between specific schemes will be taken to Leader and Cabinet Executive and will be treated as Key Decisions. Changes to these allocations in excess of the virement limits will also be treated as Key Decisions. However the letting of individual contracts funded from these block capital approvals will not be treated as Key Decisions even if they affect more than one ward unless the total value of the contracts exceeds the approved budget for the particular schemes.
4. The letting of contacts for an individual child by Children & Young People or for a vulnerable adult by Adult Social Care in respect of personal care or “specialist placements” will not be treated as Key Decisions regardless of whether those contracts would be covered by approved budgets, due to statutory requirements to ensure that appropriate provision is made for personal social services or education. The cumulative effects of such commitments will be subject to reporting requirements to Leader and Cabinet Executive where there is a proposed overspend against budget provision for the year.
5. The nature of Treasury Management decisions is such that decisions to borrow or invest are taken in response to interest rate movements and to the daily cash flow position. These factors cannot be accurately forecast in order to comply with the timetable for key decisions and therefore must be treated as an exclusion to the definition of key decisions.
6. Please remember that Key Decisions can be taken by the Leader and Cabinet Executive or by officers under delegated powers.

Should you require any clarification relating to the interpretation of this guidance, please contact Legal Services

GUIDANCE NOTE 2 – ATTENDANCE AT CABINET MEETINGS (VOLUNTARY PROTOCOL)

- The Constitution requires that the Cabinet meet in public session when making decisions. The Cabinet is also subject to the Access to Information rules set out in the Constitution which require:-
 - that the agenda is made available for public inspection five working days prior to the date of the meeting
 - that all items of business are open to the public unless they meet the requirements of the Access to Information Act and are classified as exempt or confidential.
 - Section 152 - that meetings of the Cabinet can be attended by members of the public and any Member of Council for the public session. Members of the public will be asked to leave following agreement to the appropriate resolution to exclude the press and public (see also Part 4 – Section 4 – Cabinet Decision Procedure Rules paragraph 1.7 and Part 9 – Committee Procedure Rules paragraph 16)
- This Protocol gives additional rights over and above those contained in the Constitution.
- For each meeting of the Cabinet, the Group Leaders (or if unable to attend the Deputy Group Leaders) from all Groups will be invited to attend as a matter of course. In addition to attendance at the meeting each Group Leader (or Deputy Group Leader if substituting for the Leader) will be able to speak on any item on the agenda.
- In addition to Group Leaders (or Deputy Group Leader substituting for a Group Leader), any Councillor who has a significant ward matter on the Cabinet agenda may seek permission from the Leader, prior to the meeting, to speak when the item will be discussed. By permission of the Leader, members may be given the opportunity to speak for significant items/issues within their ward. It will be the Leader who will determine whether or not the item is significant or not. This mirrors the existing arrangements where Chairmen of Boards and Committees have allowed members not on the Board/Committee to speak on ward issues.
- On the Thursday prior to a meeting of the Cabinet, the Opposition Group Leaders (or their deputies) may request a briefing on agenda items.

GUIDANCE NOTE 3 – PUBLICATION OF AGENDAS, MINUTES AND DECISION NOTICES.

There are several elements within the Constitution where documents are required to be “published”. This Guidance Note sets out the minimum requirements in terms of publication.

- The range of documents required to be published are:
 - ~~Forward Plan~~ Notice of Key Decisions
 - Reports of Officers
 - Decision Notices/Minutes of Cabinet and Decision Notices relating to those decisions taken by Officers under delegated powers

The agendas, reports (except those that are confidential/exempt) and Decision Notice/Minutes of Cabinet and minutes of all other meetings.

- These documents will be published on the Council's web site.
- This Guidance Note is based on the principle that electronic methods will be used to the full and it will be for individual Members to regularly check their own e-mail. In particular there are only 3 working days in which to “Call In” decisions and notifying Members of the decisions quickly is key.

As a minimum requirement, a copy of these documents should be available for inspection at the Council's main office (~~AddenbrookeHouse~~ Civic Offices).

FORWARD PLAN OF KEY DECISIONS

- ~~The Constitution requires publication of a Forward Plan covering a four-month period.~~
-
- ~~The Plan is rolled forward and updated on a monthly basis. Each time the Plan is rolled forward a new fourth month will be added, and there will be additions, deletions and amendments to the other three months.~~
-
- ~~Each municipal year at the start of the cycle of meetings a public advertisement will be placed in the Shropshire Star indicating the dates on which the Forward Plan will be published, the effective date for each edition and where it can be inspected.~~
-

Public Access

- ~~Minimum requirement: To make a copy available at the main Council Offices (Civic Offices).~~
-
- ~~A copy of the Forward Plan is also available on the Council's web site.~~
-

Access for Members

- ~~Minimum requirement: An e-mail will be sent to all Members providing a link to the relevant part of the Council's web site where the Forward Plan is published.~~
-
- ~~Minimum requirement: A copy will also be made available in the Members Room.~~

Article 5 – Chairing the Council

Explanatory Comment

Council meetings will be Chaired by a member known as the Speaker and the civic/ceremonial role carried out by a member known as the Mayor.

~~Council meetings will be chaired by the Mayor~~

5.01 Title of the person chairing Council meetings

The person elected to chair meetings of the Council is referred to as “the ~~Mayor~~Speaker”.

5.02 Role and function of the ~~Mayor~~Speaker

The ~~Speaker~~Mayor and Deputy ~~Mayor~~Speaker will be elected by the Council at the Annual Council Meeting.

The ~~Mayor~~Speaker and in his or her absence, the Deputy ~~Mayor~~Speaker will have the following roles and functions:

1. to uphold and promote the purposes of the Constitution, and to interpret the Constitution when necessary;
2. to preside over meetings of the Council so that its business can be carried out efficiently and with regard to the rights of Councillors and the interests of the community;
3. to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which members are able to hold the Leader and Cabinet Executive to account;
4. to promote public involvement in the Council’s activities;

5.03 Ceremonial Role

A member will be elected as Mayor at the Annual Council meeting.

The Mayor’s role and responsibilities will also include to attend such civic and ceremonial functions that the Council and he/she determines appropriate.

Article 16 – Suspension, Interpretation and Publication of the Constitution

Explanatory Comment

This Article ensures that the articles of the Constitution may not be suspended. This provides certainty and stability to the fundamental aspects of the Council's governance. However, it does provide for rules of procedure to be suspended in certain circumstances.

16.01 **Suspension of the Constitution**

- (a) Limit to suspension. The Articles of this Constitution may not be suspended. The Rules of Procedure relating to meetings of the Council, the Cabinet, Committees and Sub-Committees may be suspended by the Council or the Cabinet to the extent permitted within the Council Procedure Rules and the Cabinet Procedure Rules contained in Part 4 and the law.
- (b) Procedure to suspend. A motion to the full Council to suspend any rules will not be moved without notice unless at least one half of the whole number of Councillors are present. The extent and duration of suspension will be proportionate to the result to be achieved, taking account of the aims of the Constitution set out in Article 1.

16.02 **Interpretation**

The ruling of the ~~Mayer-Speaker~~ as to the interpretation or application of this Constitution or as to any proceedings of the Council shall not be challenged at any meeting of the Council. Such interpretation will have regard to the aims of this Constitution contained in Article 1.

16.03 **Keeping the Constitution Up To Date**

The Council has delegated power under **Section 37 of the Local Government Act 2000** to prepare and keep up to date the Constitution to the Managing director who shall make appropriate arrangements to ensure the Constitution is kept up to date and is made available in accordance with paragraph 16.04 below.

16.04 **Publication**

<http://www.telford.gov.uk/Council+democracy/Democracy+elections/Council+Constitution.htm>

- (a) The Managing director will provide an electronic link to this Constitution on the Council's website or, on request, a printed copy, to each member of the authority upon delivery to him/her of that individual's declaration of acceptance of office on the member first being elected to the Council.
- (b) The Managing director will ensure that copies are available for inspection at Council offices, libraries and other appropriate locations, and can be purchased on payment of a reasonable fee.
- (c) The Managing director will ensure that the summary Part 1 Chapter 1 of the Constitution is made widely available within the area and is updated as necessary.

CHAPTER 2

Part 4 – Rules of Procedure

Section 1 – Council Procedure Rules

Rule

1. Annual meeting of the Council
2. Ordinary meetings
3. Extraordinary meetings
4. Assembly Session
5. Appointment of Substitute Members of Committees
6. Time and place of meetings
7. Notice of and summons to meetings
8. Chairman of meeting
9. Quorum
10. Questions by members
11. Notice of Motion
12. Motions without notice
13. Rules of debate
14. Previous decisions and motions
15. Voting
16. Minutes
17. Minutes of Boards and Committees, Boards & Commission
Reports of Cabinet and Chairmen at Council Meeting
18. Record of attendance
19. Exclusion of public
20. Members' conduct
21. Disturbance by public
22. Declaration of interest of members in contracts and other matters
23. Suspension and amendment of Council Procedure Rules
24. Alteration of Date/Time of Meeting
25. Application of Rules to Committees, Boards and Commissions
26. Interests of Officers in Contracts
27. Advice to Council by Officers

1. ANNUAL MEETING OF THE COUNCIL

1.1 Timing and business

In a year when there is an ordinary election of Councillors, the Annual Meeting will take place within 21 days of the retirement of the outgoing Councillors. In any other year, the Annual Meeting will take place in March, April or May (Local Government Act 1972, Schedule 12 paragraph 1).

The annual meeting will:

- (i) elect a person to preside if the ~~Mayer-Speaker~~ is not present;
- (ii) elect the Speaker
- (iii) elect the Deputy Speaker of the Council
- (iv) appoint the Leader if the Annual Meeting follows an ordinary election of Councillors;
- (vi) appoint a Mayor
- (vii) appoint a Deputy Mayor
- (viii) receive any declarations of interest from members
- (ix) approve the minutes of the last meeting;
- (x) receive any announcements from the Speaker, Leader, the ~~mayer-Mayor~~ and/or Head of Paid Service;
- (xii) appoint such committees and boards as the Council considers appropriate to deal with matters which are neither reserved to the Council nor are Cabinet functions (as set out in Part 3, of this Constitution), agree the size and terms of reference of these bodies and to appoint Chairmen, Vice Chairmen, Members and substitute Members for such committees and boards in accordance with political balance rules;
- (xiii) agree the scheme of delegation in accordance with the requirements of the Local Authority (Functions & Responsibilities) (England) Regulations 2000 or such part of it as the Constitution determines it is for the Council to agree (as set out in Part 3 of this Constitution);
- (xiv) receive a programme of ordinary meetings of the Council for the year; and
- (xv) consider the Leader's annual statement of policy priorities and the responses of the Leaders of the two largest opposition parties
- (xvi) consider any business set out in the notice convening the meeting

2. ORDINARY MEETINGS

2.1 Ordinary meetings of the Council will take place in accordance with the calendar of meetings. Ordinary meetings will:

- (i) elect a person to preside if the ~~Mayer-Speaker~~ and Deputy ~~Speaker~~~~Mayor~~ are not present;

- | (ii) have prayers led by the ~~Mayor~~ Speaker or a nominee
- (iii) receive apologies for absence (if any)
- (iv) deal with any business required by statute to be done before any other business
- (v) approve the minutes of the previous meeting and any outstanding from previous meetings;
- (vi) receive any declarations of interest from members;
- | (vii) receive any announcements from the Speaker, the Leader and Cabinet Members, the Mayor, or the Head of Paid Service;
- (viii) deal with any business from the previous Council meeting;
- (ix) receive reports from the Leader and Cabinet Members, and receive questions and answers on any of these reports;
- (x) receive reports from the Council's committees and receive questions and answers on any of these reports. All recommendations to Council for approval contained within such reports to be clearly identified on the agenda for the meeting;
- (xi) receive reports about and receive questions and answers on the business of external organisations;
- (xii) receive statutory reports:
- (xiii) to answer questions received from members under Rule 10 in the order in which they were received
- (xiv) consider motions from members under Rule 11 in the order in which they were received; and
- (xv) consider any other business specified in the Summons to the meeting, including consideration of proposals from the Leader and Cabinet Executive in relation to the Council's budget and policy framework and reports of the Scrutiny Committees and Scrutiny Assembly for debate.

2.2 The order of items (i), (ii), (iii) or (iv) of paragraph 2.1 shall not be varied. The order of other business may be varied:-

- | (i) at the discretion of the ~~Mayor~~ Speaker, prior to the meeting following consultation with the Leader or at the meeting
- (ii) by a resolution passed at the meeting on a motion (which need not be in writing) duly moved and seconded, and put without discussion.

3. EXTRAORDINARY MEETINGS

3.1 Calling extraordinary meetings

Those listed below may request the Assistant Director: Law, Democracy & Public Protection to call Council meetings in addition to ordinary meetings:

- (i) the Council by resolution;

- (ii) the ~~Mayer~~Speaker;
- (iii) the Monitoring Officer; and
- (iv) any five members of the Council if they have signed a requisition presented to the ~~Speaker~~Mayer and he/she has refused to call a meeting or has failed to call a meeting within five working days of the receipt of the requisition **Local Government Act 1972, Schedule 12, paragraph 3(2)**.

3.2 Business

Business conducted at an extraordinary meeting shall be restricted to a single item with no consideration of previous minutes or reports from committees.

4. **ASSEMBLY SESSION**

4.1 Calling of Debate

The Leader, after consultation with the ~~Mayer~~Speaker, may request the Assistant Director: Law, Democracy & Public Protection to call an Assembly Session as and when required.

- 4.2 The Assistant Director: Law, Democracy & Public Protection will, by letter, invite partner organisations through nominated spokespersons, to attend and debate with members of the Council, matters of public policy. The letter of invitation will set out the rules of debate applicable to Assembly Sessions.

4.3 Form of Debate

The Leader will decide the form of the debate with the aim of enabling the widest possible public involvement and publicity. This may include workshops and other events prior to or during the Assembly Sessions.

4.4 Chairing of debate

The debate will be chaired by the ~~Mayer~~Speaker.

4.5 Results of Debate

The results of the debate will be:

- (i) disseminated as widely as possible within the community and to agencies and organisations in the area; and
- (ii) considered by the Leader in proposing budget and policy framework to the Council for the coming year.

5. **APPOINTMENT OF SUBSTITUTE MEMBERS OF COMMITTEES**

5.1 Allocation

As well as allocating seats on committees, the Council may allocate seats in the same manner for substitute members, and these will be appointed at the Annual Council meeting. Subject to the requirements of Rule 5.2, substitute members may also be appointed by the relevant political group except that there should be no substitute arrangements in relation to the

following:-Standards Committee, Audit Committee, Personnel Board, and Scrutiny Committees, except in the case of Call-In Meetings. The appropriate Group Leader will be required to notify the Assistant Director: Law, Democracy & Public Protection of the appointment.

5.2 Number

For each committee where substitutes are permitted, the Council or relevant political group will appoint no more than the same number of substitutes in respect of each political group as that group holds ordinary seats on that committee.

5.3 Powers and duties

Substitute members will have all the powers and duties of any ordinary member of the committee but will not be able to exercise any special powers or duties exercisable by the person they are substituting.

5.4 Substitution

Substitute members may attend meetings in that capacity only:

- (i) to take the place of the ordinary member for whom they are the designated substitute;
- (ii) where the ordinary member will be absent for the whole of the meeting; and
- (iii) after that member notifying the Assistant Director: Law, Democracy & Public Protection one hour before the start of the meeting of the intended substitution.

6. TIME AND PLACE OF MEETINGS

The time and place of meetings will be determined by the Assistant Director: Law, Democracy & Public Protection and notified in the summons.

7. NOTICE OF AND SUMMONS TO MEETINGS

The Assistant Director: Law, Democracy & Public Protection will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear working days before a meeting, the Assistant Director: Law, Democracy & Public Protection will send a Summons signed by him or her by post to every member of the Council or leave it at their usual place of residence. The Summons will state the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by reports

8. CHAIRMAN OF MEETING

- | The person presiding at the meeting may exercise any power or duty of the ~~Mayor~~Speaker. Where these rules apply to Committee, Board and Scrutiny Committee meetings, references to the ~~Mayor~~Speaker also include the Chairman of Committees and Boards.

9. QUORUM

- | The quorum of a meeting shall be 14 members. During any meeting if the ~~Mayor~~Speaker counts the number of members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the ~~Mayor~~Speaker. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

10. QUESTIONS BY MEMBERS

10.1 On reports of the Cabinet or Committees

A member of the Council may ask the Leader or the Chairman of a Committee any question without notice upon an item of the report of the Cabinet or a Committee when that item is being received or under consideration by the Council.

10.2 Questions on notice at full Council

Subject to Rule 10.3, a member of the Council may ask:

- the ~~Mayor~~Speaker;
- any member of the Cabinet; or
- the Chairman of any Committee or Board.

At any ordinary meeting of the Council a question on any matter in relation to which the Council has powers or duties or which affects the Borough.

10.3 Question and Answer Process

- (a) There will be a maximum of 30 minutes allowed for questions and answers.
- (b) Questions will be dealt with strictly in accordance with the order in which they are received by the Assistant Director: Law, Democracy & Public Protection.
- (c) A member asking a question will refer to that question as printed and circulated rather than to read out the question.
- (d) Any question not answered within the 30 minute time limit will receive a written reply within 7 working days.
- (e) A member asking a question under Rule 10.2 may respond once without notice to the reply from the member to whom the first question was asked. The questioner's response must arise directly out of the original question or the reply. The member to whom the question was addressed shall then have the right to conclude the debate.

10.4 Notice of questions

A member may only ask a question under Rule 10.2 if either:

- (a) the question has been submitted in writing at least two working days prior to the Council meeting to the Assistant Director: Law, Democracy & Public Protection; or

(N.B. Notices of Questions should be by 5.00pm on the last day of receipt. These may be delivered by e-mail and facsimile)

- (b) the question relates to urgent matters, they have the consent of the ~~Mayor~~Speaker to whom the question is to be put and the content of the question is given to the Assistant Director: Law, Democracy & Public Protection if at all possible no later than 24 hours before the time fixed for the meeting.

10.5 Questions out of Order

The ~~Mayor~~Speaker may, in consultation with the Managing ~~director~~Director or Assistant Director: Law, Democracy & Public Protection, rule out of order questions which in his/her opinion would risk:-

- (a) defamation of any individual;
- (b) not conforming to the provisions of paragraph 10.2.

No invalid questions will be circulated.

10.6 Response

An answer may be given by the member to whom the question was asked or such other member as they may nominate.

An answer may take the form of:

- (a) a direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner and to all other Members via the Council's Intranet or e-mail within 7 working days.

10.7 Time allowed for questions

The time allowed in Council meetings for dealing with questions received under this Council's Procedure Rules shall not exceed 30 minutes. If questions remain unanswered, then written answers will be circulated within 5 working days after the meeting to the questioner and to all other Members via the Council's Intranet or e-mail.

11. NOTICE OF MOTION

11.1 Notice

Except for motions which can be moved without notice under Rule 12, written notice of every motion must be delivered to Assistant Director: Law, Democracy & Public Protection not later than 7 clear working days before the date of the meeting.

These will be available for inspection the day after the closing date for receipt.

(NB. Notices of motion should be delivered by 5.00 pm on the last day of receipt. These may be delivered by e-mail and facsimile)

11.2 Motion set out in agenda

Motions for which notice has been given will be listed on the agenda in the order in which notice was received, unless the member giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.

11.3 Scope

Motions must be about matters for which the Council has a responsibility or which affect Telford & Wrekin.

11.4 Withdrawing a motion

If a motion set out in the summons is not moved either by the member who gave notice or by some other member on that member's behalf it shall, unless postponed by consent of the Council, be treated as withdrawn and shall not be moved without fresh notice

11.5 Motions Out of Order

The ~~Mayor-Speaker~~ may in consultation with the Managing ~~director-Director~~ or Assistant Director: Law, Democracy & Public Protection, rule out of order motions which, in his/her opinion, would risk:-

- (a) defamation of any individual;
- (b) not conforming to the provisions of paragraph 11.3 or which breach Council Procedure Rules.

Such motions shall not appear on the Council agenda or be otherwise circulated.

11.6 Referring a motion

If the subject matter of any motion of which notice has been duly given comes within the province of the Leader and Cabinet Executive or any committee, board or commission, it shall, upon being moved and seconded, stand referred without discussion to the Leader and Cabinet Executive or such committee or to such other committee as the Council may determine, for discussion and report, provided that the ~~Mayor-Speaker~~ may consider it convenient and conducive to the despatch of business to allow the motion to be dealt with at the meeting at which it is brought forward.

12. MOTIONS WITHOUT NOTICE

The following motions may be moved without notice:

- (a) to appoint a Chairman of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (c) to change the order of business in the agenda; (in accordance with Rule 2.2 (ii))
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a committee or member arising from an item on the summons for the meeting;
- (f) to receive reports or adoption of recommendations of committees or officers and any resolutions following from them;
- (g) to withdraw a motion;
- (h) to extend the time limit for speeches
- (i) to amend a motion;
- (j) to proceed to the next business;
- (k) that the question be now put;
- (l) to adjourn a debate;

- (m) to adjourn a meeting;
- (n) to suspend a particular Council Procedure Rule;
- (o) to exclude the public and press in accordance with the Access to Information Rules;
- (p) to not hear further a member named under Rule 20.3 or to exclude them from the meeting under Rule 20.4; and
- (q) to give the consent of the Council where its consent is required by this Constitution.
- (r) to requisition voting by roll-call in accordance with Rule 15

13. RULES OF DEBATE

13.1 No speeches until motion seconded

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

13.2 Right to require motion in writing

Unless notice of the motion has already been given, the ~~Mayor-Speaker~~ may require it to be written down and handed to him/her before it is discussed.

13.3 Seconders' speech

When seconding a motion or amendment, a member may reserve their speech until later in the debate.

13.4 Content and length of speeches

- (a) Speeches must be directed to the question under discussion or to a personal explanation or point of order. Except as set out below no speech may exceed three minutes without the consent of the ~~Mayor-Speaker~~ or upon a passing of a motion under Rule 12(h)
- (b) the following persons may be allowed to speak for up to 5 minutes:
 - (i) The Leader or a Cabinet Member or Chairman of a Committee who is presenting a report to the Council or moving the adoption of minutes of that Committee
 - (ii) The mover of a motion.
 - (iii) A Member exercising his/her right of reply to a motion
- (c)
 - (i) At the Annual Council Meeting and at the Council meeting which determines the budget and on the occasion of the State of the Borough Debate the Leader shall be allowed 20 minutes to deliver his/her priorities speech.
 - (ii) The Leaders of the two largest opposition groups shall each be allowed 10 minutes to reply to (c) (i) above
 - (iii) The Leader or a Cabinet Member shall be allowed a further 10 minutes in total to respond to the speeches in (ii) above

13.5 When a member may speak again

A member who has spoken on a motion may not speak again whilst it is the subject of debate, except:

- (a) if the member has formally seconded a motion or amendment and reserved the right to speak later
- (b) to speak once on an amendment moved by another member;
- (c) to move a further amendment if the motion has been amended since he/she last spoke;
- (d) if his/her first speech was on an amendment moved by another member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
- (e) in exercise of a right of reply;
- (f) on a point of order; and
- (g) by way of personal explanation.

13.6 Amendments to Motions and Recommendations

- (a) An amendment to a motion must be relevant to the motion and will either be:
 - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
 - (ii) to leave out words;
 - (iii) to leave out words and insert or add others; or
 - (iv) to insert or add words.

as long as the effect of (ii) to (iv) is not to negate the motion.

- (b) Any proposed amendment to a motion or recommendation at Council shall be submitted to the Assistant Director: Law, Democracy & Public Protection by no later than 2.30 p.m. on the day of the meeting. The Assistant Director: Law, Democracy & Public Protection will ensure that Group Leaders are notified by telephone or email of any amendments received as soon as possible prior to the commencement of the Council meeting. If the meeting commences any earlier than 6.30 p.m. then the deadline shall be 4 hours before the start time shown on the summons.
- (c) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- (d) If an amendment is not carried, other amendments to the original motion may be moved.
- (e) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.
- (f) After an amendment has been carried, the ~~Mayor-Speaker~~ will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

13.7 Alteration of motion

- (a) A member may alter a motion of which he/she has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.
- (b) A member may alter a motion which he/she has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- (c) Only alterations which could be made as an amendment may be made.

13.8 Withdrawal of motion

A member may withdraw a motion which he/she has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

13.9 Right of reply

- (a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- (b) The mover of a motion may nominate another member to exercise the Right of Reply in their place.
- (c) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.
- (d) The mover of the amendment has no right of reply to the debate on his or her amendment.

13.10 Motions which may be moved during debate

When a motion is under debate, no other motion may be moved except the following procedural motions:

- (a) to withdraw a motion; (See Rule 13.8)
- (b) to amend a motion; (See Rule 13.6)
- (c) to proceed to the next business; (See Rule 13.11)
- (d) that the question be now put; (See Rule 13.11)
- (e) to adjourn a debate; (See Rule 13.11)
- (f) to adjourn a meeting; (See Rule 13.11)
- (g) to exclude the public and press in accordance with the Access to Information Rules; and
- (h) to not hear further a member named under Rule 20.3 or to exclude them from the meeting under Rule 20.4.

13.11 Closure motions

- (a) A member may move, without comment, the following motions at the end of a speech of another member:
 - (i) to proceed to the next business;
 - (ii) that the question be now put;
 - (iii) to adjourn a debate; or
 - (iv) to adjourn a meeting.
- (b) If a motion to proceed to next business is seconded and the Mayor-Speaker thinks the item has been sufficiently discussed, he or she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is seconded and the Mayor-Speaker thinks the item has been sufficiently discussed, he/she will put the procedural motion to the vote. If it is passed he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Mayor-Speaker thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, he/she will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

13.12 Point of order

A member may raise a point of order at any time. The Mayor-Speaker will hear them immediately. A point of order may only relate to an alleged breach of these Council Rules of Procedure or the law. The member must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Mayor-Speaker on the matter will be final.

13.13 Personal explanation

A member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate. The ruling of the Mayor-Speaker on the admissibility of a personal explanation will be final.

14. PREVIOUS DECISIONS AND MOTIONS

14.1 Motion to rescind a previous decision

A motion or amendment to rescind a decision made at a meeting of Council within the past six months cannot be moved unless the notice of motion is signed by at least 10 members.

14.2 Motion similar to one previously rejected

A motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past six months cannot be moved unless the notice of motion or amendment is signed by at least 10 members. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

14.3 Decision of Committee to rescind a previous decision

If a Committee decides that a decision of the Council or a Committee, made within the previous 6 months ought to be rescinded or substantially varied then that Committee, may recommend but may not resolve to the Council that the decision in question be rescinded or varied.

15. VOTING

15.1 Majority

Unless this Constitution provides otherwise, any matter will be decided by a simple majority of those members present and voting in the room at the time the question was put. (**Local Government Act 1972, Schedule 12, paragraph 39(1)**).

15.2 ~~Mayor's Speaker's~~ casting vote

If there are equal numbers of votes for and against, the ~~Mayor-Speaker~~ will have a second or casting vote. There will be no restriction on how the ~~Mayor-Speaker~~ chooses to exercise a casting vote . (Local Government Act 1972, Schedule 12, paragraph 39(2)).

15.3 Voting

The ~~Mayor-Speaker~~ will take the vote by means of an electronic voting system that will automatically record the vote and this information will be entered into the minutes. In the event of an electronic vote recording system not being used the ~~Mayor-Speaker~~ will take the vote by show of hands or if there is no dissent by affirmation at the meeting.

15.4 Recorded vote

In the event of an electronic voting system not being used the following paragraph will apply:
If 7 members present at the meeting demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

15.5 Right to require individual vote to be recorded

Where any member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting.

15.6 Voting on appointments

If there are more than two people nominated for any position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

16. MINUTES

16.1 Signing the minutes

The ~~Mayor~~ Speaker will sign the minutes of the proceedings at the next suitable meeting. The ~~Mayor~~ Speaker will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy, which shall be raised by motion. If no such question is raised, or if it is raised then as soon as it has been disposed of, the ~~Mayor~~ Speaker shall sign the minutes.

16.2 No requirement to sign minutes of previous meeting at extraordinary meeting

Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting which is not an extraordinary meeting will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of schedule 12 relating to signing of minutes.

16.3 Form of minutes

Minutes will contain all motions and amendments in the exact form and order the ~~Mayor~~ Speaker put them.

17. MINUTES OF BOARDS AND COMMITTEES AND REPORTS OF CABINET AND CHAIRMEN AT COUNCIL MEETING

17.1 The Minutes of the Scrutiny Committees and other Committees shall be submitted for adoption and information to the Council and shall distinguish between decisions made using delegated powers and those made by the appropriate body using referred powers. Decisions in the former case shall be preceded by the word 'RESOLVED' and in the latter case by the word 'RECOMMENDED'.

17.2 The person presenting the minutes shall submit the minutes of the Scrutiny Committees or Committee/Board as appropriate for approval by the Council, and shall formally move their adoption.

17.3 Reports from the Leader and Cabinet Executive containing recommendations shall be submitted for adoption by the Council, and shall formally be moved by the Leader or Cabinet Member .

17.4 Following the seconding of the motion, the number of each minute/report which contains a recommendation or recommendations, will be called out in turn by the ~~Mayor~~ Speaker. When a minute/report containing a recommendation or recommendations is called, a member may indicate that he/she wishes to speak.

17.5 A member may move an amendment, comment, question or make an observation relating to the minute/report. A member wishing to move an amendment must do so at the commencement of his/her speech.

17.6 No comment, observation or question by members on any resolved minutes shall be allowed, except by the discretion of the ~~Mayor~~ Speaker,

17.7 There shall be no amendment to resolved minutes.

17.8 At the conclusion of all questions on and debate on amendments of the Minutes of a Board, Committee or Commission or amendments to reports of the Cabinet, the ~~Mayor~~ Speaker

Speaker shall put it to the Council Meeting that the Minutes (or the Minutes as amended as the case may be) or reports shall be adopted.

17.9 Members of the Cabinet, the Chairmen of the Scrutiny Committees and other Boards or Committees having given nine working days notice to the Assistant Director: Law, Democracy & Public Protection shall bring to the attention of the Council such matters in respect of which notice has been given after which a debate may follow on matters within that report only. At the conclusion of the debate the Leader, a Cabinet Member or Chairman of the appropriate Committee shall have the right of final response.

17.10 Notwithstanding Rule 14 the Cabinet has the power to request the Council to reverse a decision within five days of that decision being made.

18. RECORD OF ATTENDANCE

All members present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting. (Local Government Act 1972, Schedule 12, paragraph (40)).

19. EXCLUSION OF PUBLIC

Members of the public and press may only be excluded either in accordance with the Access to Information Rules in Part 4 of this Constitution or Rule 21 (Disturbance by Public).

20. MEMBERS' CONDUCT

20.1 Standing to speak

When a member speaks at full Council they must stand and address the meeting through the Mayor-Speaker, except where the member or members may be physically impaired from so doing. If more than one member stands, the Mayor-Speaker will ask one to speak and the others must sit. Other members must remain seated whilst a member is speaking unless they wish to make a point of order or a point of personal explanation.

20.2 Mayor-Speaker standing

When the Mayor-Speaker indicates by standing or some other means during a debate, any member speaking at the time must stop and sit down. The meeting must be silent.

20.3 Member not to be heard further

If a member persistently disregards the ruling of the Mayor-Speaker by behaving improperly or offensively or deliberately obstructs business, the Mayor-Speaker or any other member may move that the member be not heard further. If seconded, the motion will be voted on without discussion.

20.4 Member to leave the meeting

If the member continues to behave improperly after such a Motion is carried, the Mayor-Speaker may move that either the member leaves the meeting or that the meeting is adjourned for a specified period and to a specified place. If seconded, the motion will be voted on without discussion.

20.5 General disturbance by individual member or groups of members

If there is a general disturbance making orderly business impossible, the ~~Mayor-Speaker~~ may adjourn the meeting for as long and to such place as he/she thinks necessary.

21. DISTURBANCE BY PUBLIC

21.1 Removal of member of the public

If a member of the public interrupts proceedings, the ~~Mayor-Speaker~~ will warn the person concerned. If they continue to interrupt, the ~~Mayor-Speaker~~ will order their removal from the meeting room.

21.2 Clearance of part of meeting room

If there is a general disturbance in any part of the meeting room open to the public, the ~~Mayor-Speaker~~ may call for that part to be cleared.

22. DECLARATIONS OF INTEREST OF MEMBERS

If a member of the Council has a personal interest as referred to in Part 2 of the Council's Code of Conduct for Members in any matter under consideration, then the member shall declare his or her interest and if it is considered prejudicial withdraw from the meeting until discussion of the relevant matter is concluded unless that member has obtained a dispensation from the Council's Standards Committee.

23. SUSPENSION AND AMENDMENT OF COUNCIL PROCEDURE RULES

23.1 Suspension

All of these Council Rules of Procedure except Rules 15.5, 16.2 and 18-24 may be suspended by motion on notice or without notice if at least one half of the whole number of members of the Council are present. Suspension can only be for the duration of the meeting.

23.2 Amendment

Unless it is on the recommendation of the Council Constitution Committee and five working days prior notice in writing is given to each Member of the Council of any addition, variation or revocation of those Rules of Procedure, any motion to add to, vary or revoke these Council Procedure Rules will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council.

24. ALTERATION OF DATE/TIME OF MEETING

The ~~Mayor-Speaker~~ or Deputy ~~Mayor-Speaker~~ may in any case when he/she considers it necessary following consultation with the Leader, and provided due notice can be given, alter the date or time of the meeting of the Council.

25. APPLICATION OF RULES TO COMMITTEES AND BOARDS

All of the Council Rules of Procedure apply to meetings of full Council. None of the rules apply to meetings of the Cabinet. Only Rules 5-9, 10-13, 14-16, 19-25 (but not Rule 20.1) apply to meetings of Committees and Boards.

26. INTEREST OF OFFICERS IN CONTRACTS

The Assistant Director: Law, Democracy & Public Protection shall record in a book to be kept for the purpose particulars of any notice given by an officer of the Council under **Section 117 of the Local Government Act 1972**.

27. ADVICE TO COUNCIL BY OFFICERS

| The ~~Mayor~~ Speaker may permit Officers to give advice to the Council as and when appropriate.

Part 4 – Rules of Procedure

Section 2 – Access to Information Procedure Rules

The requirements for access to information in respect of decision-taking by the Council are very largely set out in statute and regulations. This section provides a summary of those statutory provisions together with a more detailed statement where the Council has decided to grant rights of access over and above the statutory provision.

1. Council Functions

All decisions in respect of Council functions are regulated by **Sections 100A to 100K of the Local Government Act 1972**.

The Council has made no supplemental provisions for access to information in respect of Council functions.

2. Cabinet Functions

All decisions in respect of Cabinet functions are regulated by the **Local Authorities (Executive Arrangements) (Access to Information)(England) Regulations 2000**, as amended as follows:

a) Advance notice of forthcoming decisions

- i) The requirement for advance notice of forthcoming Leader and Cabinet Executive decisions apply to “Key Decisions”, which are defined by Regulation 8 to comprise any executive decision which is likely to:
 - result in significant expenditure or significant savings, or
 - be significant in terms of its effects on two or more wards or electoral divisions within the authority’s area.
- ii) The Leader is required, at least 10 working days before the start of each calendar month, to prepare a Forward Plan which sets out details (as set out in Regulation 14) of any matters which he/she considers are likely to be the subject of a Key Decision within the next 4 calendar months.
- iii) The Leader shall instruct that the authority shall advertise annually the existence and availability of the Forward Plan
- iv) Where a Key Decision is required to be taken which has not been publicised in the Forward Plan, the decision-taker must give at least 5 working days notice of the proposed decision and a copy of any report to the Chairman of the appropriate Scrutiny Committee. Where the urgency of the decision is such that even that notice cannot be given, the decision-taker must obtain the agreement of the Chairman of the Scrutiny Committee (or in their absence the ~~Mayer~~ Speaker or Deputy ~~Mayer~~ Speaker of the Council) that the decision does need to be taken as a matter of such urgency.

b) The decision-making process

- i) Where a decision is to be made by the Cabinet (as a body):

- the agenda for the meeting and every public, and non-exempt report shall be available for inspection as soon as they are made available to members of the decision-making body, unless it discloses confidential or exempt information. At least 5 working days notice shall be given unless the meeting is convened at shorter notice or where an item is added to the agenda at shorter notice in cases of urgency in accordance with the provisions of the **Local Government Act 1972**.
 - the meeting must be a public meeting, although the press and public may be excluded during consideration of any matter which would involve the disclosure of confidential or exempt information.
- ii) Where an individual member of the Cabinet or an officer proposes to take a Key Decision, a Decision Notice shall first be published within four working days and sent to all Members of the Council via email.
- c) **Recording the Decision**
- (i) Within four working days after a Cabinet decision has been made by the Cabinet as a whole or by an individual member, or a Key Decision made by an officer, the proper officer shall make a written record of that decision. All Decision Notices with the exception of those referred to in (d) below shall be published by being made available in the Main Reception of Civic Offices and sent via email to all Members of the Council.
 - (ii) Records of Cabinet decisions shall be available for public inspection within four working days after the decision has been taken, together with a copy of any report considered and any background papers.
- d) **Exceptions for Exempt and Confidential Information**

In respect of (b)(i) and (ii) above the rules do not apply where the publication of a report, a Decision Notice thereon or background paper or attendance at a meeting would be likely to disclose exempt or confidential information, as defined in the **Local Government Act 1972, Schedule 12A (as amended)**. Such reports, Decision Notices or background papers shall only be sent to Members of the Council.

Extract from Section 7 – Contract Procedure Rules

In situations where this will result in disruption and further delay, formal approval to award directly to a supplier or contractor may be obtained from the relevant Assistant Director or another Assistant Director in their absence. This authority may not be delegated.

Works, supplies or services with an estimated value which **exceeds EU limits (£156,442 for Supplies/Services or £3,927,260 for Works)** – must follow the procedures for ‘Urgent decisions outside the budget or policy framework’ contained at Appendix 5.

Note that EU Rules will still apply – but an Accelerated Procedure with compressed timescales may be justified. In these instances, please contact the Corporate Procurement Unit for guidance.

All procedures relating to the placing of orders and subsequent payment of works will be in accordance with standard procedures.

All other works requiring formal tenders are to be carried out in accordance with Contracts Procedure Rules and Financial Procedure Rules and in accordance with standard procedures.

1. Procedure for Urgent Decisions under Paragraph 4 of the Budget and Policy Framework Procedure Rules

This procedure covers decisions contrary to the policy framework and contrary to or not wholly in accordance with the budget.

Urgent decisions outside the budget or policy framework

The Leader and Cabinet Executive, and any Officers, committees of the Council, area committees or joint arrangements discharging Leader and Cabinet Executive functions may take a decision which is contrary to the Council’s policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken:

- if it is not practical to convene a quorate meeting of the full Council and
- if the Chairman of the appropriate Scrutiny Committee agrees that the decision needs to be taken as a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the Chairman of the appropriate Scrutiny Committee consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chairman of the appropriate Scrutiny Committee the consent of the **Mayor**~~Speaker~~, and in the absence of both, the Deputy **Mayor**~~Speaker~~ will be sufficient.

Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

2. External Funding

When letting a contract which is wholly funded by an external provider the contract award method of the fund provider shall take precedence over these Contract Procedure Rules, except where EU regulations shall apply. The usual requirement to retain documentation in these circumstances will be for 6 years after the contract or scheme ends, but may be more if specified by the fund provider.

3. Leasing Arrangements

Section 10 – Committee Procedure Rules

CONDUCT OF BUSINESS

1. GENERAL

Any reference to a Committee in these Committee Procedure Rules shall include Commissions and Boards.

2. APPOINTMENT OF COMMITTEES

- (1) The Council shall at the Annual Meeting appoint such Committees as it is required to appoint by or under any statute or under Council Procedure Rule 1.1(xi) and 1.2 and may at any time appoint such other Committees as are necessary to carry out the work of the Council but, subject to any statutory provision in that behalf:
 - (i) shall not appoint any member of a Committee so as to hold office later than the next Annual Meeting of the Council;
 - (ii) may at any time dissolve a Committee or alter its membership.
- (2)
 - (i) Members of the Council may notify the Managing director of their intention to form a Political Group in accordance with the Local Government (Committees and Political Groups) Regulations 1990 (as amended), and who the Leader (and Deputy Leader if any) of the Group shall be.
 - (ii) The Managing director shall calculate the number of seats on each Committee to be allocated to each of the Political Groups of which he/she has received notice and the number of seats to be allocated to Members who do not form a Political Group (if any) (non-aligned Members) and shall notify the Leader(s) of each of the Political Groups of his/her decision.
 - (iii) If the Managing director does not receive any notice relating to the formation of Political Groups then the allocation of seats on Committees and the appointment of Chairmen and Vice-Chairmen of the Committees shall be decided at the Annual Meeting of the Council.
- (3) Following the procedures mentioned in (2) above each Political Group shall nominate members of the Council to serve on Committees. Details of the nominations shall be contained in a report to be sent to each member not less than three working days before the Annual Meeting.
- (4) The Leader of any of the Political Groups or a member nominated to the Chair before the beginning of the meeting may submit a written amendment comprising a list with alternative names subject to their being before the Chair prior to the commencement of the meeting.

3. CONSTITUTION OF COMMITTEES

- (1) The Council may appoint such Committees, Boards etc. as it considers appropriate. Currently, these are:

Scrutiny Committees
Scrutiny Management Board
Standards Committee
Audit Committee
Licensing Committee

Plans Board
Appeals Committee
Personnel Board
Council Constitution Committee

- (2) The number of members specified for each Committee shall be determined at the Annual Meeting of the Council.
- (3) No member of the Council shall be Chairman of more than one Committee unless the Council shall otherwise determine.
- (4) The Mayor shall not sit on any Board or Committee of the Council during his/her year of office. The Mayor will have the right to attend any meeting and, after prior consultation with the Chairman, to speak at any meeting.

(5) The Speaker shall be invited to attend all Committee meetings in that capacity, save in that capacity the Speaker shall have no vote.

4. ELECTION OF CHAIRMEN AND VICE-CHAIRMEN OF COMMITTEES

The Council shall at its Annual Meeting elect Members of the Council to be Chairmen and Vice-Chairmen of all Committees.

5. VACANCY IN POSITION OF CHAIRMAN/VICE-CHAIRMAN OF COMMITTEE

In the event of a vacancy arising in the office of Chairman or Vice-Chairman of any Committee during the municipal year the Committee shall at its first meeting following the occurrence of the vacancy appoint a new Chairman or Vice-Chairman as the case may be.

6. VICE-CHAIRMAN OF COMMITTEE

In these Committee Procedure Rules in the absence of the Chairman the Vice-Chairman of the Committee shall preside, where reference is made to the Chairman of a Committee the Vice-Chairman of the Committee shall deputise for him/her in the carrying out of any of his/her functions if not available,

7. SPECIAL MEETINGS OF COMMITTEES

- (1) The Chairman of a Committee or the Speaker may call a special meeting of a Committee at any time. A special meeting shall also be called on the requisition of a quarter of the whole number of the Committee delivered in writing to the Assistant Director: Law, Democracy & Public Protection. The Summons to the special meeting shall set out the business to be considered and no business other than set out in the Summons shall be considered at that meeting.
- (2) Unless especially called together at the request of the ~~Mayor~~ Speaker or the Deputy ~~Mayor~~ Speaker, for the purpose of considering urgent business or for nominating members to Committees and to represent the Council on outside bodies, no Committee, ~~(other than the Licensing Committee)~~ shall hold any unscheduled meetings in the month of August with the exception of Licensing Committee and the Plans Board or in a year when Council Elections are held, between the date of the Election of Councillors and the date of the Annual Meeting of the Council.

8. ALTERATION OF DATE/TIME OF MEETINGS

The Chairman of a Committee, or the ~~Mayor-Speaker~~ or Deputy ~~Mayor-Speaker~~ may in any case when he/she considers it necessary, and provided due notice can be given, alter the date or time of the meeting of the Committee

9. ESTABLISHING TASK FORCES

Every Committee appointed by the Council may appoint or disband Task Forces for purposes specified by the Committee.

10. RESIGNATION FROM COMMITTEE

- (1) Any member of a Committee may resign his/her membership of that Committee by notice in writing signed by him/her and sent to the Managing director and the resignation shall be effective immediately such notice is received by the Managing director.
- (2) Upon receipt of such notice the Managing director shall notify the leader of the appropriate Political Group that a vacancy exists whereupon the appropriate political group, if applicable, may nominate the replacement member of the Committee by giving written notice to the Managing director. Upon receipt of the written notice the Managing director shall approve the appointment of the replacement member of the Committee.
- (3) The Managing director shall also be authorised to approve the appointment of members to newly constituted Committees in accordance with the written instructions of the appropriate political group.

11. QUORUM OF COMMITTEES

- (1) Except where authorised by statute or ordered by the Council, business shall not be transacted at a meeting of any Committee unless at least one quarter of the whole number of the Committee is present with the exception of the Standards Committee where the quorum shall be three which must include one of the independent members.
- (2) For the purposes of (1) above, the following tables show the quorums required for meetings of Committees, depending on the size:-

No. of Seats on Committee Required	Quorum
20	5
18	5
17	5
16	4
15	4
14	4
13	4
12	3
11	3
10	3
9	3
8	3
7	3

12. VOTING IN COMMITTEES

Voting at meetings of a Committee shall be by show of hands. If there is a requisition of any two members of the Committee made before the vote is taken, the voting on any question shall be by roll call and shall be recorded so as to show how each member present and voting gave his/her vote. The name of any member present and not voting shall also be recorded.

Voting on appointments shall be by an exhaustive vote method.

13. RECORDING OF VOTES

- (1) Where immediately after a vote is taken at a meeting of a relevant body any member of that body so requires, there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his/her vote for the question or against the question or whether he/she abstained from voting.

14. COUNCIL PROCEDURE RULES TO APPLY TO COMMITTEES

The Council Procedure Rule 13 headed "Rules of Debate" for Council meetings (except those parts which relate to standing and to speaking more than once) and Council Procedure Rule 22 headed "Declarations of Interest of Members in Contracts and Other Matters" shall, with any necessary modifications, apply to Committee meetings.

15. MEMBER ATTENDING MEETINGS OF A COMMITTEE OF WHICH HE/SHE IS NOT A MEMBER

Subject to Committee Procedure Rule 17, a member of the Council attending a meeting of a Committee other than as a member of the Committee has no right to speak, other than subject to the scheme for Public Speaking at Plans Board, but subject to Council Procedure Rule 22 may remain after the Board or Committee has resolved to exclude the public under Section 100A (2) or (4) of the Local Government Act 1972.

16. MOVER OF MOTION MAY ATTEND COMMITTEE

A member of the Council who has moved a motion which has been referred to any Committee shall have notice of the meeting of the Committee at which it is proposed to consider the motion. He/she shall have the right to attend the meeting and if he/she attends shall have an opportunity of explaining the motion.

17. EXEMPT PROCEEDINGS IN COMMITTEES

All agendas, reports, minutes and supporting documents of Committees shall be available for public inspection five working days before the date of the meeting except those considered in private session after a resolution has been passed under Section 100A(2) or (4) of the Local Government Act 1972.

18. PRESENTATION OF PETITIONS

- (1) A petition may be presented to a meeting of the relevant Committee by a member of the Council or a member of the public subject to four clear working days prior written notice being given to the Assistant Director: Law, Democracy & Public Protection.

- (2) There shall be no right of a petitioner to address members.
- (3) Consideration of a petition may take place at the meeting of the Committee at which the petition is presented when the subject of the petition relates to an item which is already on the agenda for that meeting, or the petition shall be received without discussion referred to the relevant Officer for report to a future meeting.

Part 7 – Definitions

Access to Information Rules – those Rules setting out the terms on which members of the public may attend Council Meetings and obtain copies of documents as detailed in Part 2, Article 3 of this Constitution

Area – the geographical area which is the administrative responsibility of the Council

Area Working – a means of engaging with the community and monitoring the local delivery of services

Authority – the local authority known as Borough of Telford and Wrekin

Cabinet Decisions – decisions of the Cabinet in accordance with the Cabinet Procedure Rules

Cabinet Member – a Councillor who is appointed by the Leader to be a member of the Cabinet

Chairman – any individual appointed to chair any Committee

Managing director – Managing director (Head of Paid Service) for the time being of the authority

Chief Finance Officer – the Officer appointed by the Authority to be Chief Finance Officer and have responsibility for those duties designated under Section 151 of the 1972 Act, Section 73 of the 1985 Act and Section 112 of the 1988 Act

Committee – any committee, sub-committee, board, sub-board or commission of the Council

Deputy Speaker – the Councillor elected by the Council to deputise for the Speaker if the Speaker is not able for whatever reason to fulfil his or her duties

Directors – such Directors as are for the time being appointed

Council – the collective term for all of the elected members of the Council

Councillor/Member – an elected member of the Council

Deputy Leader – person appointed by the Leader to deputise for the Leader

Audit Commission's Annual Audit and Inspection Letter – The Audit Commission's comments on the Council's progress and Comprehensive Area Assessment rating together with the requirements of the statutory annual audit (Code of Audit Practice 2005)

Ethical Standards Officers – officer of the Standards Board for England

Extraordinary Meeting – a Council Meeting called in accordance with the Council Procedure Rule 3. See Chapter 2, Part 4, Section 1

Head of Paid Service – the Officer appointed by the Council to undertake all duties designated under Section 4 of the 1989 Act. The Managing director is the Head of Paid Service.

Leader – the Councillor elected by the Council to be the Leader of the Council

Leader and Cabinet Executive – the Leader and the Cabinet Members together

LMS Scheme – the Local Management of Schools Scheme Monitoring Officer – the Officer appointed by the Authority to undertake all duties designated under Section 5 of the 1989 Act.

Monitoring Officer – the Assistant Director: Law, Democracy & Public Protection is the Monitoring Officer.

Officer – an employee of the Authority

Ombudsman – the Local Government Ombudsman

Proper Officer – the Officer with specific statutory responsibilities

Public Assembly Session – a meeting called by the Leader at which parties other than Councillors may participate in debate

Scrutiny Committees– scrutinise the work of the Council and relevant partner organisations

Speaker – the Councillor elected by the Council to Chair meetings of the Council

Standards Hearing - a hearing of the Standards Committee

Statutory Officers – the Head of Paid Service, Monitoring Officer, Chief Finance Officer

The 1972 Act – the Local Government Act 1972

The 1985 Act – the Local Government Act 1985

The 1988 Act – the Local Government Finance Act 1988

The 1989 Act – the Local Government and Housing Act 1989

The 2000 Act – the Local Government Act 2000

TELFORD & WREKIN COUNCIL

COUNCIL CONSTITUTION COMMITTEE – 19 FEBRUARY, 2013

REVISION OF COUNCIL CONSTITUTION

REPORT OF THE ASSISTANT DIRECTOR LAW, DEMOCRACY & PUBLIC PROTECTION

1.0 PURPOSE

- 1.1 To request the Committee to agree the proposed changes to the Constitution, as set out in the report, and recommend their approval to full Council.

2.0 RECOMMENDATIONS

That the Committee recommend to Council:

- 2.1 **The changes to Part 4 – Rules of Procedure, Section 6 of the Constitution, Financial Regulations, as shown in Appendix 1 of the report;**
- 2.2 **The changes to Audit Committee Terms of Reference as set out in Appendix 2 of the report;**
- 2.3 **The changes to the constitution reflecting the changes to the ethical framework for councillors, as shown in Appendix 3 of the report;**
- 2.4 **The changes to the constitution reflecting new regulations regarding Notices of Key Decisions shown in Appendix 4 of the report**
- 2.6 **The re-establishment of the Speaker's role and associated amendments to the Constitution as set out in paragraph 3.5 and Appendix 5 of the report**

3.0 SUMMARY

- 3.1 The changes to Article Part 4 – Rules of Procedure Section 6 – Financial Regulations (shown at B1), are required to reflect the revised organisational structures/responsibilities and job titles and to ensure continued good governance. Changes also reflect updated Public sector internal audit standards, risk management and information governance.

- 3.2 The changes to the Terms of Reference of the Audit Committee (shown at B2) reflect the changes to Governance and Risk Management and the inclusion of Information Governance.
- 3.3 The changes (shown at B3) to the constitution reflecting the revised ethical framework as originally approved by Full council in July 2013 and further details as approved by Standards Committee in September 2013.
- 3.4 The changes (shown at B4) to the constitution resulting from the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 which came in to force in September.
- 3.5 The changes (shown at B5) are for the re-establishment of the role of Speaker which was discontinued in 2011. This would enable better use of the varying skills of councillors and enable the roles of Speaker and Mayor to utilise these skills most effectively and to ensure the efficient transaction of council business. The Speaker's role would be re-established from the next Civic year and would attract a Special Responsibility Allowance of £2,616 per annum. This would be at the same level as when the role was discontinued in 2011. In order to ensure that there would be no additional cost to the council the existing Mayoral allowance would be reduced by £2,616 per annum from the next Civic year.

4.0 PREVIOUS MINUTES

5.0 OTHER INFORMATION

Equality & Diversity	The business of the Committee considers equality and diversity in an appropriate manner.
Environmental Impact	None arising directly from this report.
Legal Comment	The Local Government Act 2000 requires the Council to have a Constitution. This Committee has been established to review the Constitution and to provide advice and guidance to the Council on any proposed changes.
Links with Corporate Priorities	The Council seeks to deliver its objectives of providing leadership, accountability and high standards in local democracy.
Opportunities & Risks	The opportunities and risks associated with these proposals have been identified and assessed. Arrangements will be put in place to manage the risks

	and maximise the opportunities that have been identified.
Financial Implications	There are no financial impact implications arising from this report and any changes can be met from within existing budgets.
Ward Implications	Borough wide

6.0 **BACKGROUND PAPERS**

Council Constitution

Report prepared by Phil Griffiths (Democratic Services Manager) –
01952 383210

Scrutiny changes to the Constitution

CHAPTER 1

Part 1 – Summary and Explanation

THE COUNCIL'S CONSTITUTION

The Constitution sets out how the Council will operate, how decisions are made, and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose. The Constitution is divided into 16 articles which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate rules and protocols at the end of the document.

WHAT'S IN THE CONSTITUTION?

Article 1 of the Constitution commits the Council to exercising all its powers and duties in accordance with the law and this Constitution in pursuit of the Council's vision for

“A successful, prosperous and healthy community which offers a good quality of life for all the people of Telford & Wrekin.”.

Articles 2 – 16 explain the rights of citizens and how the key parts of the Council operate. These are:

- Members of the Council (Article 2).
- Citizens and the Council (Article 3).
- The Council meeting (Article 4).
- Chairing the Council (Article 5).
- Scrutiny of decisions (Article 6).
- The Leader and Cabinet Executive (Article 7).
- Regulatory and other committees (Article 8).
- The Standards Committee and the Audit Committee (Article 9).
- Area working arrangements (Article 10)
- Joint arrangements (Article 11).
- Officers (Article 12).
- Decision making (Article 13).
- Finance, contracts and legal matters (Article 14).
- Review and revision of the Constitution (Article 15).
- Suspension, interpretation and publication of the Constitution (Article 16).

HOW THE COUNCIL OPERATES

The Council is composed of 54 councillors elected every four years. Councillors are democratically accountable to residents of their Ward. The overriding duty of councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them.

Councillors have to agree to follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Standards Committee trains and advises them on the Code of Conduct.

All councillors meet together as the Council. Meetings of the Council take place approximately every 2 months and are open to the public unless items to be discussed are of a confidential nature. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints the Leader of the Council who decides upon the number and membership and powers of the Leader and Cabinet Executive which is the body which takes decisions about the running of the Council and the implementation of its

policies. The Council appoints the members of the Scrutiny Committees and all other committees/boards of the Council.

The Council holds the Leader & Cabinet Executive and the other Council committees and boards to account by receiving reports from them at its meetings and receiving questions and answers on these reports. Some Council meetings will include “public assembly sessions” where spokespersons of partner organisations will be invited to participate with Councillors in debates about key issues affecting the Borough. In addition, there may be an annual “State of the Borough” debate, again involving partner organisations, which will be used to inform the policy framework and budget setting.

HOW DECISIONS ARE MADE

The Leader and Cabinet Executive is the part of the Council which is responsible for most operational decisions. The Leader and Cabinet Executive is made up of the Leader and up to 9 other Councillors appointed by the Leader. When major decisions (called “Key” Decisions) are to be discussed or made, these are published in the Forward Plan in so far as they can be anticipated. This Plan must include at least those decisions which the Leader and Cabinet Executive anticipates it will have to make over the next 4 months. If a Key Decision needs to be made which is not in the Forward Plan, special provisions exist to enable this to happen.

If these major decisions are to be discussed at a meeting of the Cabinet, this will be open for the public to attend except where personal or confidential matters are being discussed. The Cabinet has to make decisions which are in line with the Council’s overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

SCRUTINY

The Scrutiny Assembly and Scrutiny Committees, including a Scrutiny Management Board, support the work of the Cabinet and the Council as a whole. This allows members outside the Cabinet and citizens to have a greater say in Council matters by investigating issues of local concern. This can include questioning officers of the Council and inviting people from outside the Council to give opinions and expert advice. These lead to reports and recommendations which advise the Cabinet and the Council as a whole on its policies, budget and service delivery. The Scrutiny Committees and Scrutiny Assembly also monitor the decisions of the Cabinet. They can ‘call-in’ a decision which has been made by the Cabinet but not yet implemented. This enables them to consider whether the decision is appropriate.

They may recommend that the Cabinet reconsider the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and the development of policy.

Scrutiny Committees also have the power to scrutinise outside bodies. The power to scrutinise NHS services has been delegated to the relevant Scrutiny Committee, including the power of referral to the Secretary of State for Health.

AREA WORKING ARRANGEMENTS

In order to give citizens a greater say in local affairs, the Council may consider the introduction of area working arrangements. The Council will decide on whether to introduce these arrangements in all or parts of the Borough.

THE COUNCIL’S EMPLOYEES

The Council employees (called ‘officers’) give advice, implement decisions and manage the day-to-day delivery of its services. Some officers have a specific duty to ensure that the

Council acts within the law and uses its resources wisely. A Protocol governs the relationships between officers and councillors

CITIZENS' RIGHTS

Citizens have a number of rights in their dealings with the Council. These are set out in more detail in Article 3. Some of these are legal rights, whilst others depend on the Council's own processes. The local Citizens' Advice Bureau can advise on individuals' legal rights. This and other useful links can be found on the Council's website www.telford.gov.uk.

Citizens have the right to:

- vote at local elections if they are registered;
- contact their local councillor about any matters of concern to them;
- access a copy of the Constitution;
- see agendas and reports and attend meetings of the Council and its committees except where, for example, personal or confidential matters are being discussed;
- petition to request a referendum on a mayoral form of Cabinet;
- find out, from the Cabinet's Forward Plan, what major decisions are to be discussed by the Cabinet or decided by the Cabinet or officers, and when;
- attend meetings of the Cabinet where decisions are being discussed or decided;
- see reports and background papers, and records of decisions made.
- complain to the Council about Council services or how they feel they have been treated by the Council;
- complain to the Ombudsman if they think the Council has not followed its procedures properly. However, they should only do this after using the Council's own complaints process. Telephone: 01952 380000;
<http://www.telford.gov.uk/Council+democracy/Customer+complaints/Complaints+comments+and+compliments.htm>
- complain to the local Standards Committee if they have evidence which they think shows that a councillor has not followed the Code of Conduct; and
- inspect the Council's accounts and make their views known to the external auditor.

Where members of the public use specific council services, for example as a parent of a school pupil, they have additional rights. These are not covered in this Constitution.

The Council welcomes participation by its citizens in its work. For further information, or if you would like to join the Telford & Wrekin Community Panel, details can be found on the Council's website at www.telford.gov.uk

Article 6 – Scrutiny Committees

SCRUTINY

Explanatory Comment

The scrutiny function is a central element to this constitution. The Scrutiny Committees and Scrutiny Assembly will meet in public to discuss and make recommendations on the development of policies and hold the Cabinet to account for their actions. They will also have a key role in considering other matters of local concern.

The guiding principle for the work of scrutiny is that it should be consensual and positive. The emphasis of the work should be on making a proactive and positive contribution to the development of policy and the discharge of the Council's functions. This is best achieved by an inclusive process covering members, partners, service users and employees.

Structure:

- Scrutiny will be undertaken by the Scrutiny Assembly, Scrutiny Management Board and Scrutiny Committees. There will be a minimum of 2 and a maximum of 6 Scrutiny Committees, including the Scrutiny Management Board.
- Group Leaders will appoint their own representatives to the Scrutiny Committees in line with political balance requirements. These representatives cannot be Cabinet Members, or the Mayor.
- All Members of the Council will automatically become members of a Scrutiny Assembly, excluding Cabinet Members or the Mayor.
- All scrutiny standing co-optees will be members of the Scrutiny Assembly.
- The Scrutiny Committees may appoint standing groups to which they can delegate areas of responsibility to scrutinise in detail.

Roles:

- The Scrutiny Committees' role is to scrutinise the work of the Council and relevant partner organisations. The Scrutiny Chairmen will liaise with the Leader and Cabinet Members. The power to scrutinise NHS organisations has been delegated by Council to the relevant Scrutiny Committee including the power of referral to the Secretary of State for Health.
- The Lead Scrutiny Member must report annually to full Council on the workings of Scrutiny in the previous municipal year and key issues for the future..
- The Scrutiny Committees and Scrutiny Assembly will conduct their proceedings in accordance with the Scrutiny Procedure Rules set out in Part 4 of this Constitution.

Other than the statutory representatives with voting rights on education matters, co-opted members of scrutiny will not have voting rights unless agreed by Full Council.

Article 8 – Regulatory and Other Committees

Explanatory Comment

Committees will need to be created to undertake non-Leader and Cabinet Executive functions under powers delegated from full Council. By way of example planning and licensing are not functions for the Leader and Cabinet Executive.

8.01 Regulatory and other committees

The following committees will be appointed by full Council. Delegated powers will be given to these committees to discharge their relevant functions.

Committees

Plans Board

Licensing Committee

Standards Committee

Audit Committee

Council Constitution Committee

Functions

- Town and Country Planning and Development Control
- Miscellaneous powers in relation to footpaths, bridleways, use and enjoyment of highways and duty to keep definitive map and statement under review.
- Tree Preservation Orders (where objections have been received)
- Protection of important hedgerows
- Licensing and Registration functions excluding those relating to social care.
- Elections.
- Health & Safety at Work.
- Health Act 2006 Part 1 Chapter 1
- The naming and status of areas and individuals.
- Power to make, amend, revoke or re-enact bye-laws.
- Power to promote or oppose local or personal Bills.
- To make payments etc in cases of maladministration.
- Licensing Act 2003
- Gambling Act 2005
- Matters relating to ethics, standards and governance.
- Matters relating to governance and overseeing the audit, risk management and financial statements processes.
- To review and recommend changes to the Constitution of the Council

Committees

Scrutiny Committees

|

Appeals Committee

Personnel Board

Functions

- To scrutinise the work of the Council, its Committees and the Cabinet
- To scrutinise the work of other organisations in accordance with national legislation and good practice
- to scrutinise NHS services including the power of referral to the Secretary of State for Health.
- To hear and determine all appeals except those which by statute require to be determined by a separate body, e.g. social services appeals
- Appointment of Directors and Statutory Officers
- Local Government Pension Scheme
- To agree at a strategic level all matters relating to the Council's employees

Footnote

- (i) General functions relating to all committees are listed above which also include Standards Committee, Audit Committee and the Scrutiny Committees.
- (ii) The following functions listed for Licensing Committee will be reserved to full Council for determination: -
 - power to make, amend, revoke or re-enact bye-laws
 - power to promote or oppose personal bills

Part 4 – Rules of Procedure

Section 2 – Access to Information Procedure Rules

The requirements for access to information in respect of decision-taking by the Council are very largely set out in statute and regulations. This section provides a summary of those statutory provisions together with a more detailed statement where the Council has decided to grant rights of access over and above the statutory provision.

1. Council Functions

All decisions in respect of Council functions are regulated by **Sections 100A to 100K of the Local Government Act 1972**.

The Council has made no supplemental provisions for access to information in respect of Council functions.

2. Cabinet Functions

All decisions in respect of Cabinet functions are regulated by the **Local Authorities (Executive Arrangements) (Access to Information)(England) Regulations 2000**, as amended as follows:

a) Advance notice of forthcoming decisions

- i) The requirement for advance notice of forthcoming Leader and Cabinet Executive decisions apply to “Key Decisions”, which are defined by Regulation 8 to comprise any executive decision which is likely to:
 - result in significant expenditure or significant savings, or
 - be significant in terms of its effects on two or more wards or electoral divisions within the authority’s area.
- ii) The Leader is required, at least 10 working days before the start of each calendar month, to prepare a Forward Plan which sets out details (as set out in Regulation 14) of any matters which he/she considers are likely to be the subject of a Key Decision within the next 4 calendar months.
- iii) The Leader shall instruct that the authority shall advertise annually the existence and availability of the Forward Plan
- iv) Where a Key Decision is required ~~but to be taken which has not been publicised in the – the 28 day timetable for notification of a key decision is impracticable, the decision can still be taken if the Proper Officer has informed the Chair of the relevant Scrutiny Committee in writing of the details of the decision to be made. If there is less than 5 clear days notice before the decision is to be taken, there is a Special Urgency provision. Such a decision can only be taken if the decision-maker has received the permission of the Chair of the relevant Scrutiny Committee. the decision-taker must give at least 5 working days notice of the proposed decision and a copy of any report to the Chairman of the appropriate Scrutiny Committee. Where the urgency of the decision is such that even that notice cannot be given, the decision-taker must obtain the agreement of the Chairman of the Scrutiny Committee (or in their absence the Mayor or Deputy Mayor of the Council) that the decision does need to be taken as a matter of such urgency.~~

Part 4 – Rules of Procedure

Section 4 – Cabinet Decision Procedure Rules

1. HOW THE CABINET OPERATES

1.1 Who may make Cabinet decisions – Schedule 1, Part 4, Local Government Act 2000

The arrangements for the discharge of Cabinet functions are set out in the Cabinet Arrangements (Article 13 and Part 3). They provide for Cabinet functions to be discharged by:

- i) the Cabinet as a whole;
- ii) an individual member of the Cabinet including the Leader;
- iii) an officer;
- iv) joint arrangements; or
- v) another local authority.

1.2 Delegation by the Leader

At the Annual Council Meeting, the Leader will present to the Council a written record of delegations made by him/her for inclusion in the Council's Scheme of Delegation. The document presented by the Leader will contain the following information about Cabinet functions in relation to the coming year:

- i) the extent of any authority delegated to Cabinet members both collectively and individually, including details of the limitation on their authority;
- ii) the nature and extent of any delegation of Cabinet functions to any other authority or any joint arrangements and the names of those Cabinet members appointed to any joint committee for the coming year; and

1.3 Sub-delegation of Cabinet functions

- (a) Where the Cabinet acting as a whole or an individual member of the Cabinet is responsible for a Cabinet function, they may delegate further to a committee exercising joint arrangements or an officer .
- (b) Even where Cabinet functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated it.

1.4 The Council's Scheme of Delegation and Cabinet functions

- (a) Subject to (b) below the Council's scheme of delegation will be subject to adoption by the Council and may only be amended by the Council. It will contain the details required in Article 7 of this Constitution.
- (b) The Leader is able to decide whether to delegate Leader and Cabinet Executive functions and may amend the scheme of delegation relating to Leader and Cabinet Executive functions at any time during the year. To do so, the Leader must give written notice to the Assistant Director: Law, Democracy & Public Protection and to the

person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body, committee or the Cabinet as a whole.

- (c) Where the Leader seeks to withdraw delegation from a joint committee, notice will be deemed to be served on that joint committee when he/she has served it on its Chairman.

1.5 Conflicts of Interest

- (a) Where the Leader has a conflict of interest this will be dealt with as set out in the Code of Conduct for Members in Part 5 of this Constitution.
- (b) If every member of the Cabinet has a conflict of interest this will be dealt with as set out in the Code of Conduct for Members in Part 5 of this Constitution.
- (c) If the exercise of a Leader and Cabinet Executive function has been delegated to an individual member of the Cabinet or an officer, and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made and otherwise as set out in the Code of Conduct for Members in Part 5 of this Constitution.

1.6 Cabinet meetings – when and where?

The Cabinet will meet at least once per month (except in July and August) at times to be agreed by the Leader or the Managing director. The Cabinet shall normally meet at Civic Offices, Telford or another location to be agreed by the Leader.

A meeting of the Cabinet shall be summoned by the Assistant Director: Law, Democracy & Public Protection who will give a minimum of five working days notice and comply with the processes contained within the Access to Information Rules.

1.7 Public or private meetings of the Cabinet?

Meetings of the Cabinet will be held in public except in so far as the matters for decision relate to issues which can be dealt with in private in accordance with the Access to Information Rules as set out in Part 4 of this Constitution.

1.8 Quorum

The quorum for a meeting of the Cabinet shall be four members of the Cabinet.

1.9 How are decisions to be taken by the Cabinet?

Cabinet decisions which have been delegated to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution.

2. HOW ARE CABINET MEETINGS CONDUCTED?

2.1 Who presides?

The Leader will preside at any meeting of the Cabinet at which he/she is present, and in his/her absence the Deputy Leader will preside. In the absence of both the Leader and Deputy Leader the members present may appoint another member of the Cabinet to preside.

2.2 Who may attend?

Members of the public (which may include non-Cabinet members of the Council and officers at the discretion of the Cabinet) may attend all meetings of the Cabinet except when exempt or confidential information is being considered where the press and public (including non-Cabinet members of the Council), may be excluded by resolution of the Cabinet in accordance with the Access to Information Rules contained in Part 4 of this constitution.

2.3 What business?

Meetings of the Cabinet will include the following business:

- i) consideration of the minutes of the last meeting;
- ii) apologies for absence
- iii) declarations of interest, if any;
- iv) matters referred to the Cabinet (whether by a Scrutiny Committee or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Scrutiny Procedure Rules or the Policy Framework and Budget Procedure Rules set out in Part 4 of this Constitution;
- v) consideration of reports from individual members of the Cabinet;
- vi) consideration of reports from a Scrutiny Committee
- vii) Forward Plan;
- viii) reports of Statutory Officers; and
- ix) matters set out in the agenda for the meeting, and which shall indicate which are Key Decisions.

Items (iv) – (ix) shall require written reports except in cases of urgency where it is impractical to do so.

2.4 Consultation

All reports to the Cabinet from any member of the Cabinet or an officer on proposals relating to the policy framework and budget should contain details of the nature and extent of consultation undertaken with stakeholders and Scrutiny Committees. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

2.5 Who can put items on the Cabinet agenda?

- (a) Any member of the Cabinet may require the Proper Officer to make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration. The proper officer will comply, subject to the agreement of the Leader.
- (b) There will be a standing item on the agenda of each meeting of the Cabinet for matters referred by the Scrutiny Committees and Scrutiny Assembly. However the number of items per Cabinet meeting, will have regard to the amount of business on the agenda.
- (c) Any resolution of the Council which is required to be considered by the Cabinet will be so considered within fifteen working days of the date of the Council resolution, or at the next scheduled meeting of the Cabinet.

- (d) The Managing director, Monitoring Officer and/or the Chief Financial Officer may include an item for consideration on the agenda of a Cabinet meeting and may require the Proper Officer to call such a meeting in pursuance of their statutory duties. In other circumstances, where the Head of Paid Service or Chief Financial Officer or Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision, they may include an item on the agenda of a Cabinet meeting. If there is no meeting of the Cabinet soon enough to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be convened at which the matter will be considered.

2.6 Timescales

In considering matters in relation to budgetary issues the Leader and Cabinet Executive will have due regard to any appropriate timescale within which the budget has to be approved by the Council. By way of example the timespan required to deal with this will include consultation with partners and other external agencies plus reference to the relevant Scrutiny Committee.

2.7 Key Decisions

Key Decisions shall only be taken provided that the matter in question- has been publicised in the Notice of Key Decisions and Private Reports/ Meetings.~~is contained within the Forward Plan, If the 28 day timetable for notification of a key decision is impracticable, the decision can still be taken if the Proper Officer has informed the Chair of the relevant Scrutiny Committee in writing of the details of the decision to be made. If there is less than 5 clear days notice before the decision is to be taken, there is a Special Urgency provision. Such a decision can only be taken if the decision-maker has received the permission of the Chair of the relevant Scrutiny Committee (or in their absence the Mayor or Deputy Mayor of the Council)~~
~~or if not in the Forward Plan, after giving five working days notice, together with a report to the Chairman of the appropriate Scrutiny Committee and with the consent of the Chairman of the relevant Scrutiny Committee.~~

2.8 Recording of Decisions

All decisions including Key Decisions are to be made by a simple majority of these Members of the Cabinet present and voting, except for voting on appointments where two or more persons are nominated for any position in which case if there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

Following a meeting of the Cabinet at which a report (whether oral or in writing) has been received and at which a Cabinet decision has been made or a decision of a individual Cabinet member after consideration of a report, the proper officer shall ensure that a written record will be published

2.9 Officer Attendance

No decision will be made by the full Cabinet unless there is present at the meeting the senior officer responsible for the service or their representative and/or the Proper Officer for recording the meeting.

A written statement of the decision taken will be produced by the proper officer four working days following the Cabinet meeting or after the individual Cabinet member instructs the officer to do so.

2.10 Urgent Decisions and Call-in

Where an urgent decision has been taken by the Cabinet this should be recorded and this decision will not be subject to call-in (see Scrutiny Procedure Rules).

Part 4 – Rules of Procedure

Section 1 – Scrutiny Procedure Rules

1.0 ARRANGEMENTS FOR SCRUTINY

1.1 There will be a Scrutiny Assembly, and a minimum of 2 and maximum of 6 Scrutiny Committees including a Scrutiny Management Board.

~~1.1.2~~ Council will delegate the Powers for Health Scrutiny and the power to refer issues to the Secretary of State to the relevant Scrutiny Committee. The procedure to agree timescales for any referral and to notify Council of the intention to refer will be set out in the Scrutiny Handbook.

~~1.21.3~~ Appointment to the Committees will be agreed at Annual Council.

~~1.31.4~~ The Scrutiny Assembly will be made up of all Members of the Council except the Leader, other Cabinet Members and the Mayor.

~~1.41.5~~ The Chairman of the Scrutiny Management Board will also be the Lead Scrutiny Member and Chairman of the Scrutiny Assembly.

~~1.51.6~~ Each Scrutiny Committee will be politically balanced.

~~1.61.7~~ The scrutiny work programme and methods of scrutiny will be determined by the Scrutiny Assembly and Scrutiny Committees.

~~1.71.8~~ Details of the scrutiny structure and procedures will be set out in the Scrutiny Handbook as may be amended from time to time.

2.0 SCRUTINY ASSEMBLY

2.1 Terms of Reference for the Scrutiny Assembly will be set out in the Scrutiny Handbook.

2.2 The Scrutiny Assembly will meet as deemed necessary for the effective execution of the scrutiny function.

3.0 SCRUTINY MANAGEMENT BOARD

3.1 The Scrutiny Management Board will co-ordinate, oversee and monitor the delivery of the Scrutiny work programme.

3.2 The Scrutiny Management Board will oversee the allocation of scrutiny officer resources to the Scrutiny Committees.

3.3 The Scrutiny Management Board will allocate Scrutiny suggestions to the relevant Scrutiny Committee and may make recommendations about priorities for the work programme and joint scrutiny of issues.

3.4 The Scrutiny Management Board will be responsible for scrutiny in relation to Leader and Cabinet Executive decisions made but not implemented as set out in **section 21(3) of the Local Government Act 2000** i.e. Call-in of decisions taken but not yet implemented.

- 3.5 The Scrutiny Management Board will receive requests from the Leader and Cabinet Executive or individual Members and/or the Full Council for reports from the Scrutiny Committee and to allocate them if appropriate to one or more Scrutiny Committees.
- 3.6 Subject to the provision of 1.1 the Scrutiny Management Board may make changes to the scrutiny structure and processes after consulting with the Scrutiny Assembly. The Scrutiny Handbook will be updated to reflect the changes. Changes will be reported back to the next full Council meeting.
- 3.7 The Role Description for the Chairman of the Scrutiny Assembly will be set out in the Scrutiny Handbook.
- 3.8 The Scrutiny Management Board may periodically review and make changes to the Policy for Co-opting Scrutiny Members.

4.0 SCRUTINY COMMITTEES

- 4.1 The Scrutiny Committees will scrutinise the work of the Council as set out by the **Local Government Act (2000)**. The Committees will:
- Review the strategies and policies of the Leader and Cabinet Executive and the Council and scrutinise any matter affecting local people;
 - Review the discharge by the Leader and Cabinet Executive of any of its functions, including comparison of performance against any appropriate targets, plans or standards;
 - Review any decisions or proposed decisions of the Council and of the Leader and Cabinet Executive;
 - Consider any matters which affect the Council or its administrative area or the inhabitants of that area and to make recommendations to the Council or the Leader and Cabinet Executive arising from that consideration;
 - Consider any matter referred to Scrutiny by the Leader and Cabinet Executive or the Council and recommend to the Leader and Cabinet Executive or the Council accordingly.
- 4.2 The Scrutiny Committees will scrutinise the work of partner organisations in accordance with national legislation and good practice.
- 4.3 The Scrutiny Committees will undertake scrutiny in accordance with statutory duties and powers, and the requirements of the Council's Constitution:
- The powers of a Scrutiny Committee in relation to Leader and Cabinet Executive decisions made but not implemented as set out in **section 21(3) of the Local Government Act 2000** i.e. Call-in of decisions taken but not yet implemented. This power will be exercised by the Scrutiny Management Board.
 - Scrutiny of the Crime and Disorder Reduction Partnership (as set out in **section 19 of the Police & Justice Act (2006)**).
 - Scrutiny of Flood and Water Management (as set out in the **Flood and Water Management Act 2010**)).
 - Consideration of ~~Social Care~~-referrals on health and social care issues from Healthwatch as set out in the regulations for the Health and

~~Social Care Act (2012) for the Local Involvement Network (LINk) (as set out in section 226 of the Local Government and Public Involvement Act (2007)).~~

- Statutory Scrutiny of Local Area Agreements (as set out in **section 21E of the Local Government Act 2000**)).
- Statutory health scrutiny function including ~~referral to the Secretary of State for Health and appointing Members and Co-optees to~~ any Joint Health Scrutiny arrangements (as set out in **Section 7 of the Health & Social Care Act (2001) and amended by the National Health Service Act (2006) the Health and Social Care Act (2012)**)).
- The powers of a Scrutiny Committee in relation to the consideration of Councillor Calls for Action in relation to the relevant Council priority as set out in **section 21A of the Local Government Act 2000 and section 19(3) of the Police & Justice Act (2006)**.
- The powers of a Scrutiny Committee in relation to petitions as set out in the **Local Democracy, Economic Development and Economic Construction Act (2009)**.
- Scrutiny of the Leader and Cabinet Executive's budget proposals as set out in the Policy Framework and Budget Procedure Rules of this Constitution.

4.4 The Scrutiny Committees will meet as required to deliver the work programme.

4.5 The Scrutiny Committees will be entitled to appoint Co-optees in accordance with legislation and the Policy for Co-opting Scrutiny Members as set out in the Scrutiny Handbook.

- The relevant Scrutiny Committee shall include in its membership the following voting representatives for education matters:
 - (a) Church of England diocese representatives (one);
 - (b) Roman Catholic diocese representative (one);
 - (c) parent governor representatives (two).
- The meaning of "education matters" in this paragraph relates wholly or in part to any education functions which are the responsibility of the Authority's Cabinet. If the Scrutiny Committee deals with other matters, these representatives shall not vote on those other matters, though they may play a full part in the work of the Committee and the Scrutiny Assembly.
- Other than statutory education co-optees, the co-optees will not have voting rights unless agreed by Full Council.

4.6 The quorum for the Scrutiny Committees shall be as set out for committees in the Council Procedure Rules of this Constitution.

4.7 Terms of Reference for the Scrutiny Committees will be set out in the Scrutiny Handbook.

4.8 The Role Description for the Scrutiny Committee Chairmen will be set out in the Scrutiny Handbook.

4.9 The protocol for Scrutiny reports will be set out in the Scrutiny Handbook.

5.0 MEMBERS AND OFFICERS GIVING ACCOUNT

5.1 Scrutiny groups may scrutinise and review decisions made or actions taken in connection with the discharge of any Cabinet and Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, they may require any member of the Cabinet, the Head of Paid Service and/or any senior officer (Service Delivery Manager, Assistant Director or Director) to attend before it to explain in relation to matters within their remit:

- i) any particular decision or series of decisions;
- ii) the extent to which the actions taken implement Council policy; and/or
- iii) the performance of the service

5.2 and it is the duty of those persons to attend if so required within 1 month of being requested.

5.3 Scrutiny Members must confine their questions to the particular issue on the agenda.

5.4 Information obtained as a Scrutiny member in the course of scrutiny reviews may be sensitive and if it is must be treated as confidential and not used for purposes other than for scrutiny.

5.5 In addition to those people referred to above the Scrutiny Assembly or Scrutiny Committee members may invite groups, organisations and individuals to address them, discuss issues of local concern and/or answer questions.

5.6 The Scrutiny Handbook sets out the protocol for Members and Officers giving account

6.0 PROTOCOL FOR THE CALL-IN OF DECISIONS (EXCEPT DECISIONS OUTSIDE THE POLICY FRAMEWORK AND BUDGET) WHICH ARE SET OUT IN THE POLICY FRAMEWORK AND BUDGET RULES

6.1 The call-in procedure allows for any member of the Council, subject to the call-in procedure rules and this protocol, to refer decisions which have been made by Leader and Cabinet Executive or delegated key decisions taken by officers, but not yet implemented, back to the appropriate decision making body for reconsideration. This is intended to be a check on the decision-making responsibilities of the Leader and Cabinet Executive and the delegated key decisions taken by officers. This also includes the statutory co-optees for decisions upon which they can vote. This protocol clarifies the call-in process and the documentation required for the process.

6.2 If call-in is triggered, the decision is effectively suspended pending reconsideration. If call-in were used too frequently it would delay the decision making process and work against the principle of speeding up decision making. The call-in procedure and protocol has therefore been carefully designed to ensure that there is an appropriate balance between effectively holding the Cabinet to account, being able to question decisions before they are implemented, and allowing effective and efficient decision making by the Leader and Cabinet Executive.

6.3 There is also reference to call-in under Budget and Policy Framework Procedure Rules.

- 6.4 This protocol will be subject to review and change by the Council Constitution Committee.
- 6.5 All decisions of the Leader and Cabinet Executive (whether taken collectively or individually) must be recorded. The record must show the reasons for the decision, details of alternative options considered, record of any conflict of interest declared, and any dispensation granted by Standards Committee, where appropriate. When a decision is made by the Leader and Cabinet Executive, or a key decision is made by an officer with delegated authority from the Leader and Cabinet Executive, or an area committee or under joint arrangements, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the Council within 4 working days of being made. Members will be sent copies of the records of all such decisions within the same timescale, by the Assistant Director: Law, Democracy & Public Protection.
- 6.6 That notice will bear the date on which it is published and will specify when the decision will come into force, and may then be implemented, on the expiry of 3 working days after the publication of the decision, unless the decision is subject to call-in.
- 6.7 The call-in procedure does not apply to:
- a) Decisions taken by the Leader and Cabinet Executive that are urgent;
 - b) Decisions of full Council;
 - c) Any decisions taken by officers that are not key decisions;
 - d) Recommendations from the Leader and Cabinet Executive to the Council;
 - e) Specific or individual Employee Relations, Disciplinary or Grievance matters;
 - a. Matters which are subject to formal or statutory appeal processes or are sub-judice;
 - f) Individual appeal cases for example, Planning, Licensing, Housing, Education;
 - g) Decisions of the Standards and Audit Committee or Regulatory Committees;
- 6.8 Any request for call-in must be made in writing to the Assistant Director: Law, Democracy & Public Protection on a "Call-in Request form" within 3 working days of the decision being published. The form must be signed by a minimum of 5 members. A faxed form or emailed form will be accepted.
- 6.9 When the Call-in has been received, the Assistant Director: Law, Democracy & Public Protection will record the time and date of receipt on the request form and will inform the decision taker. The call-in of decisions will be effected by the Chairman of the Scrutiny Management Board or, in his/her absence, by the Vice Chairman of the Scrutiny Management Board, or in their absence by the Chairman of an appropriate Scrutiny Committee, upon a request in writing from a minimum of 5 members, stipulating a draft proposal to be debated at the Scrutiny Management Board. The final wording of the proposal will be accepted from the lead call-in member up to 48 hours after receipt of the call-in form in writing via email, fax or handwritten to the Assistant Director: Law, Democracy & Public Protection. So far as education matters only are concerned this minimum number of 5 may include the statutory voting co-optees referred to in the procedure rules.

- 6.10 All call-ins will be considered by the Scrutiny Management Board. In exceptional circumstances where it is not possible to achieve a quorate meeting of the Scrutiny Management Board within the prescribed timescales, substitute members may be appointed by group leaders from the Scrutiny Assembly.
- 6.11 The Chairman of the Scrutiny Management Board will determine within 3 working days whether the call-in request is valid. The Chairman of the Scrutiny Management Board, or in his or her absence the Vice-Chairman of the Scrutiny Management Board, or in their absence a Chairman of a Scrutiny Committee, will sign the call-in request form to verify that it is valid. The members who signed the call-in request form shall be notified that the call-in has been received and will be given notice of the meeting at which the matter will be considered.
- 6.12A decision can only be called in once. If the Leader and Cabinet Executive significantly alter the decision after call-in by scrutiny, the new decision will be capable of being called-in.
- 6.13 The decision is suspended from the time of receipt of the request for call-in, pending the decision of the Scrutiny Management Board.
- 6.14 An informal meeting will be held between members supporting the call-in, the decision taker and the Assistant Director: Law, Democracy & Public Protection or his/her representative.
- 6.15 The objectives of this meeting are to clarify the points at issue and ensure that there is no confusion regarding the decision and to identify whether the concerns expressed on the call-in request form can be addressed by the decision taker in the original decision. After this meeting members supporting the call-in will be able to withdraw their support if they wish to do so in the light of further information or assurances gained at this meeting. If less than 5 signatories remain, the call-in will no longer be valid. If 5 or more signatories remain, the call-in request remains valid and the Scrutiny Management Board will meet to consider the call-in request.
- 6.16 To prevent unnecessary delay to the implementation of the decision, while the informal meeting is being arranged, the necessary arrangements to hear a call-in will also continue, as set out below.
- 6.17A member may withdraw their support for a call-in request no later than 24 hours before the start of the call-in meeting by letter, fax or e-mail to the Assistant Director: Law, Democracy & Public Protection. If after one or more members have withdrawn their support there are less than five members still in support of the call-in request the call-in will no longer be valid.
- 6.18 The papers despatched for the meeting will be the original report on which the decision was based together with a copy of the call-in request. In addition, both sides of the call-in are requested to produce basic information to enable the Scrutiny Committee to come to an informed decision. This should include:
- One side of an A4 sheet of paper setting out the main points of their argument which will be distributed to each member of the Scrutiny Management Board to use during the meeting. This will be the maximum amount of paperwork that each party will be allowed to table at the call-in meeting.
 - Any background information that supports these arguments, which could include budgetary information, statistical information, maps, consultation results or as summary of changes in legislation. This must be circulated to scrutiny members and other parties involved in the meeting at least 48 hours prior to the meeting.

6.19 The Assistant Director: Law, Democracy & Public Protection will liaise with the Chairman of the Scrutiny Management Board to determine whether a site visit should be organised prior to the call-in meeting taking place.

6.20 It is acceptable for the Scrutiny Management Board (or substitute) members to ask questions of anyone sitting at the table in the call-in meeting, including any external witnesses.

6.21 Any Scrutiny Management Board members arriving at the meeting after the lead call-in member has started their presentation will be allowed to remain in the meeting as an observer but will not be allowed to take part in the debate or the voting process. This should be made clear on the agenda for the meeting.

6.22 Proceedings at the meeting will follow the format set out below. Time limits will be strictly adhered to by the Chairman of the meeting, except in exceptional circumstances by determination of the Chairman:-

a) If having considered the proposal, the appropriate Scrutiny Management Board supports the original decision it may be implemented with immediate effect.

b) If, having considered the proposal, the Scrutiny Management Board is still concerned about the original decision, then it may refer it back to the decision maker for reconsideration, or refer the matter to full Council only if the decision is deemed to be outside the policy and budget framework. If referred to full Council, the decision is further suspended pending a meeting of full Council, which must take place within 10 working days of the decision to refer to full Council.

If referred to the Leader and Cabinet Executive the decision taker shall then reconsider amending the decision or not before adopting a final decision. If the decision has been made by an officer with delegated authority, that person shall then reconsider within 3 working days of the call-in meeting, amending the decision or not.

c) If a call-in meeting of the Scrutiny Management Board has not been held within 10 working days of a valid call-in request being received, the decision being called-in will take effect from that date.

d) Call-in of decisions outside the policy framework or budget are covered in Part 4 Rules of Procedure, Section 3 – Policy Framework and Budget Procedure Rules in this Constitution.

6.23 The Scrutiny Management Board having reviewed the decision can:

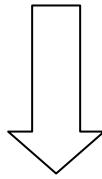
1) reject the call-in proposal and note the original decision. The decision will take effect on the date of the call-in meeting;

2) accept the proposal set out on the call-in form and refer back to the decision taker. The decision-taker shall then reconsider, amending the decision or not before adopting the final decision. If the decision has been made by an officer with delegated authority, that person shall then reconsider within a further 3 working days amending the decision or not, before adopting a final decision;

3) accept the proposal set out on the call-in form and refer the matter to full Council if the decision is deemed to be outside the policy and budget framework.

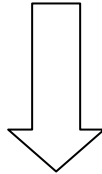
- 6.24 Whether a call-in proposal is supported or not, members may come to agreement on any comments they wish to pass to the decision taker. The Chairman will sum up and clarify any points which member wish to pass to Cabinet. These will be reported to the Cabinet by the Scrutiny Management Board.
- 6.25 If after a call-in is received the Scrutiny Management Board does not meet in the period set out above, the decision shall take effect on the expiry of 10 working days after the call-in form has been received.

SUMMARY OF TIMETABLE FOR CALL-IN DECISION MADE



4 working days

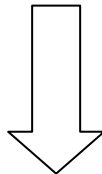
DECISION PUBLISHED



3 working days

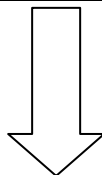
CALL-IN REQUEST DEADLINE (with at least 5 eligible signatures)

Final proposal will be accepted up to 2 working days after receipt of the call-in form. A final decision on validity of call-in within a further working day.



3 working days

**CHAIRMAN OF SCRUTINY COMMITTEE DECIDES VALID OR
INVALID**



7 working days

MEETING OF SCRUTINY COMMITTEE

To decide:

Accept proposal and refer back to decision taker (forwarding comments if members wish to)

OR Reject proposal and note Leader and Cabinet Executive decision, decision is implemented (forwarding comments if members wish to)

If the Scrutiny Committee does not meet in the period set out above, the decision shall take effect on the expiry of 10 working days after the call-in form is received.

TELFORD & WREKIN COUNCIL

15.0 NON-APPLICATION OF CALL-IN AND URGENCY

- 15.1 The call-in procedure set out above shall not apply where the decision being taken is urgent. A decision will be urgent if any delay likely to be caused by the call in process would seriously prejudice the Council's or the public interest. The record of the decision and notice by which it is made public shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chairman of the relevant Scrutiny Committee, or in his or her absence, the Chairman of the Scrutiny Management Board and in the absence of both, the Vice-Chairman of the Scrutiny Management Board, must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
- 15.2 The operation of the provisions relating to call-in and urgency shall be monitored at least annually by the Scrutiny Management Board, and a report submitted to the Council Constitution Committee with proposals for review if necessary by the Scrutiny Management Board and the Assistant Director: Law, Democracy & Public Protection.

16.0 THE PARTY WHIP

- 16.1 Scrutiny is intended to operate outside the party whip system. However, when considering any matter in respect of which a member of scrutiny is subject to a party whip the member must declare the existence of the whip and the nature of it before the commencement of the scrutiny deliberations on the matter. The Declaration, and the detail of the whipping arrangements, shall be recorded in the minutes of the meeting.
- 16.2 The expression "party whip" can be taken to mean: "Any instruction given by or on behalf of a political group to any Councillor who is a member of that group as to how that Councillor shall speak or vote on any matter before the Council or any committee or sub-committee, or the application or threat to apply any sanction by the group in respect of that Councillor should he/she speak or vote in any particular manner."

17.0 PROTOCOL FOR SCRUTINY MEMBER AND OFFICER RELATIONS

- 17.1 All officers of the Council have an equal responsibility to serve both Cabinet and Scrutiny Members. The Council has good well-established officer/member working relationships based on respect, dignity, trust and integrity. The Member/Officer Protocol contained within the Constitution supports this position and applies to all officer/member relations, whether Cabinet, Scrutiny or other. The Scrutiny protocol for Scrutiny and Officer relations set out in the Scrutiny Handbook supplements this protocol and provides clarity for officers when serving both the Cabinet and Scrutiny functions.

18.0 PUBLIC RELATIONS AND SCRUTINY

- 18.1 The protocol for public relations and scrutiny will be set out in the Scrutiny Handbook

19.0 CHANGES TO THE CONSTITUTION REGARDING SCRUTINY

- 19.1 The Scrutiny Management Board will recommend changes to the Council Constitution Committee regarding Scrutiny arrangements including Call-In. Scrutiny Assembly Members will be informed of any proposed changes.

20.0 COUNCILLOR CALL FOR ACTION

20.1 The Council will maintain a protocol for the operation of Councillor Call for Action and this will be maintained in the Scrutiny Handbook in accordance with legislation.

Consequent Changes to the Scrutiny Handbook

The detail of how the changes to the Constitution will affect Scrutiny processes and procedures and will be set out in amendments to the Scrutiny Handbook:

The Regulations following the Localism Act also give members of Overview & Scrutiny Committees additional rights to request the Executive to make available any material relating to past decisions. The requested information must be provided by no later than 10 clear days after the request is made. Confidential/Exempt information does not need to be provided by the Executive unless it relates to the Scrutiny work programme or to a decision that is being scrutinised.

If the Cabinet have taken a decision that was not treated as key, but in the opinion of Overview & Scrutiny should have been treated as a key decision, there is provision for Overview & Scrutiny to require the Cabinet to submit a report to full Council to explain why that decision was not a key decision.

If the HOSC or Joint HOSC intends to make a referral to the Secretary of State all Members of Council will be informed prior to a referral being made. Where it is possible to inform members at a meeting of Full Council this will take place. If it is not possible to inform Members at a meeting of Full Council all members will be notified, this may be by email.

The Scrutiny Handbook will also set out the arrangements to agree the timescales with local NHS organisations for the referral of any proposed change to the Secretary of State.

Telford and Wrekin Health and Wellbeing Board (HWB)

Terms of Reference

Date: February 2013

Background

The White Paper *Equity and excellence: liberating the NH*, published in 2010, set out the Government's strategy for the NHS. The consultation document, '*Local democratic legitimacy in health*', gave further information on proposals for increasing democratic legitimacy in health and included the proposed establishment of local Health and Wellbeing Boards. The *Health and Social Care Act 2012*, sets out the establishment, functions and supplementary information relating to the Boards. The legislation places a statutory responsibility on the Local Authority to take on its full statutory role from April 2013 and to have a Joint Health and Wellbeing Strategy in place. The HWB will be a formal Committee of the Council.

Important areas to be highlighted are:

- The transfer of commissioning to GPs
- The abolition of primary care trusts and strategic health authorities
- Transferring the public health budget and responsibility to local authorities
- Giving local authorities the responsibility to promote integration and partnership by working through statutory health and wellbeing boards

Aims

1. The HWB is responsible for guiding and overseeing:
 - a. The ongoing development of the joint strategic needs assessment (JSNA)
 - b. Developing a high-level joint health and wellbeing strategy (JHWBS), based upon the findings of the JSNA
 - c. The establishment of sound joint commissioning arrangements
 - d. The development of HealthWatch forum for public and patient engagement and involvement
 - e. The transfer of Public Health responsibilities and arrangements to the local authority
2. The HWB will provide a key forum for public accountability of NHS, social care for adults and children and other commissioned services that the HWB agrees are directly related to health and wellbeing in Telford and Wrekin.

3. The HWB has a duty to encourage integrated working between local health, social care and health-related commissioners.
4. The HWB will have a link to the overarching Telford and Wrekin Local Strategic Partnership but will also very much function in its own right. The HWB will work closely with the Children, Young People and Families Board, Safer Community Board, in addition to the existing adult partnership boards, in order to ensure the focus on the improved health and wellbeing outcomes for the whole population of Telford and Wrekin.

Objectives

1. To lead on the development of a Telford and Wrekin Joint Health and Wellbeing Strategy (JHWBS) for residents which drives health improvement, plans to deliver this strategy and keeps the implementation of these plans under review.
2. Through the JHWBS, to oversee a commissioning programme of service and/or pathway redesign to better meet the needs of patients and service users and to deliver improved outcomes. Successful delivery of this will be dependent on the HWB developing effective management mechanisms with both primary care and secondary care providers where relevant or appropriate.
3. To link into the Local Strategic Partnership, Strategic Boards and associated Partnership Boards, making recommendations to Full Council, NHS Commissioning Board, and the Clinical Commissioning Group Board, as appropriate.
4. To analyse the priorities for deployment of health and care resources in the area based on information collected through the JSNA and other sources.
5. To consider options and opportunities to maximise the impact of aligning the deployment of resources of the health and care agencies in the area on agreed priorities. This will include the joint commissioning of health and social care services for children, families, and adults in Telford and Wrekin, to meet identified needs and to consider any relevant plans and strategies regarding joint commissioning of health and social care services for children and adults.
6. To oversee the development of this proposed joint commissioning activity, ensuring any proposed activity is aligned with local priorities and levels of

need and is undertaken within available resources. To consider options for joint commissioning and procurement between relevant organisations to support this work.

7. To oversee all areas of health and social care commissioning activity for people of all ages, to ensure that commissioning priorities are in line with those set through analysis of the JSNA and the local JHWBS. This commissioning activity includes all local services commissioned by Telford and Wrekin CCG, Telford and Wrekin Council, Joint Commissioning CCG/Council and NHS Commissioning Board, which could include local: specialised services; secondary dental care; general dental services; GP services; general ophthalmic services; pharmaceutical services; any services for the Armed forces or Offenders; and other primary care.
8. To consider options for the development of HealthWatch and establish relevant joint working groups in order to undertake this work, ensuring that appropriate engagement and involvement with existing patient and service user involvement groups takes place.
9. To consider appropriate arrangements for the transfer of Public Health responsibilities to Telford and Wrekin Council, and to propose and consider relevant governance and organisational structures to support this work.
10. To keep under review, the financial and organisational implications of joint and integrated working across health and social care services, ensuring that performance and quality standards for health and social care services to children, families and adults are met and represent value for money across the whole system.
11. To identify and act upon changes that may be required following new guidance to establish a formal Health and Wellbeing Board.
12. To propose recommendations, as appropriate to:
 - a. Telford and Wrekin Council's Full Council
 - b. NHS Commissioning Board
 - c. Telford and Wrekin Clinical Commissioning Group Board
13. To ensure that the HWB works to promote the achievement of the objectives of the organisations represented on the Board, including the establishment of the Council's new health improvement responsibilities.

Membership

Members of the HWB will comprise representatives from the Clinical Commissioning Group, Council, Healthwatch (currently LINKS) and NHS Commissioning Board. The core members are:

- Cabinet Member responsible for wider Health services and Deputy Leader TWC (Chair HWB)
- Cabinet Member for Adult and Social Care
- Cabinet Member for Children, Young People and Families
- Cabinet Member for Leisure and Wellbeing
- Director responsible for Adult Social Care
- Director responsible for Children's Services
- Director of Public Health
- Local Area Team NHS Commissioning Board representative
- Chair of Telford and Wrekin Clinical Commissioning Group (CCG) (Vice Chair HWB)
- Non Executive Director from Clinical Commissioning Group
- Chief Operating Officer CCG
- Representative of local Healthwatch/LINKs
- Each opposition Group with 4 or more elected members shall have one place on the Health and Wellbeing Board with voting rights.
- Such other persons, or representatives of such other persons, as the Local Authority thinks appropriate

Attendance and support from such other persons, according to the agenda, including:

- Assistant Directors responsible for Commissioning (AD Care & Support for Adults plus AD Family & Cohesion for Children)
- Assistant Director: Social Care Specialist
- Director of Commissioning, CCG

This reflects the statutory minimum membership in the Health and Social Care Act.

The members of the Board will be advised and supported by officers from the local authority and CCG.

Members agree to share all relevant information and data, to allow performance, and other joint working arrangements, to be properly monitored and managed.

Disqualification for Membership

Any person who would be disqualified from being able to stand for election as a councillor will be disqualified from being a member of a committee or sub-committee of a local authority. The regulations state that these disqualifications will be retained for HWB, but the regulations will ensure the disqualifications do

not apply to HWB in so far as they cover disqualifications in respect of members of the board holding any paid employment or office in the local authority – this allows the Directors of Adult Social Services, Children’s Services and Public Health to be formal members of the HWB.

The following disqualifications will be retained for members of the HWB:

- Being the subject of a bankruptcy restrictions order or interim order
- Having been convicted in the United Kingdom, the Channel Islands or the Isle of Man of any offence and has had passed a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine

Voting Rights

All Members of the HWB will be able to vote alongside the elected representatives. This applies to any additional board members appointed in addition to the statutory membership set out in the Health and Social Care Act 2012.

Meetings

The Health and Wellbeing Board will meet bi-monthly. Dates and times of meetings will be agreed and published in advance.

Agendas and supporting papers will be issued at least five clear days before each meeting and action notes will be produced, confirmed as a true record of the meeting and signed by the Chair.

Members of the public, and press will have access to the meetings. Protocol to be developed and agreed by HWB.

Quorum

Quorum of one quarter is required, cross section of partners represented, (the minimum number of members that need to be in attendance before decisions can be taken). Business shall not be transacted at a meeting of any Council Committee unless at least one quarter of the whole number of the Committee is present.

Code of Conduct and Declaration of Interest

The HWB will adopt the Council’s code of conduct. Any interests in item(s) on the agenda should be declared at the start of the meeting.

Access to Information/Transparency Provisions

Meetings of the HWB will be held in public, although the press and public may be excluded during consideration of any matter which would involve the disclosure of confidential or exempt information.

The agenda and papers for meetings of the Board, except for any documents that may disclose confidential or exempt information, will be made available for public inspection five days before the meeting.

Reporting Mechanisms/Accountability

The HWB, as a Committee of the Council, will report to Full Council.

The HWB will regularly update the Telford and Wrekin Local Strategic Partnership with its progress and specific contributions to achieving the vision and priorities of Telford and Wrekin.

The actions of the HWB will be subject to independent scrutiny by the relevant members of the Overview and Scrutiny Committee of the Council.

The Board will review its structure, membership and activities in response to any further guidance.

Establishment of Sub-Committees

The HWB will be able to establish sub-committees and delegate functions to them.

Scrutiny

Health scrutiny function and powers will be delegated by Full Council to the relevant Scrutiny Committee and the power of referral to the Secretary of State is also delegated to this Scrutiny Committee. Scrutiny Committee will notify Full Council of an intention to refer a matter to the Secretary of State before a referral is made.

BOROUGH OF TELFORD & WREKIN**COUNCIL CONSTITUTION COMMITTEE – 19 FEBRUARY 2013****HEALTH AND WELLBEING BOARD AS A STATUTORY COMMITTEE OF THE COUNCIL
AND FUTURE HEALTH AND CARE SCRUTINY ARRANGEMENTS****REPORT OF THE ASSISTANT DIRECTOR – SOCIAL CARE SPECIALIST AND
DEMOCRATIC SERVICE MANAGER****1.0 SUMMARY**

- 1.1 This report sets out details of the regulations that apply to Health and Wellbeing Boards as a Committee of the Council from 1 April 2013, when authorities take over a number of public health functions. The Regulations have recently been published (8th February) with further practical guidance awaited. This report is subject to the guidance that will follow.
- 1.2 The Localism Act 2012 and the Health and Social Care Act 2012 have also resulted in a number of changes that affect Scrutiny. Scrutiny Management Board considered the changes to the constitution at the committee meeting on November 16th 2012. The Board agreed to recommend the changes to the Constitution following the Localism Act 2011 and agreed to delegate the changes following the Health and Social Care Act 2012 to the Statutory Scrutiny Officer in consultation with the Chair of Scrutiny Management Board.

2.0 RECOMMENDATIONS

2.1 It is recommended that Council Constitution Committee make the following recommendations to Council:

- To establish the Health and Wellbeing Board as a Committee of the Council as set out in Section 5-10 and Appendix 3 of this report.
- That delegated authority be given to the Council's Monitoring Officer and Assistant Director: Law, Democracy and Public Protection, in consultation with the Chair of the Health and Wellbeing Board and Chair of Council Constitution Committee to make any necessary amendments and recommendations following any further regulations or guidance.
- To delegate the health scrutiny power vested in Council under the Health and Social Care Act 2012 to the relevant Scrutiny Committee and agree the changes to the constitution as set out in Section 11 of this report and Appendix 1
- To make the changes to Scrutiny elements of the constitution following the Localism Act 2011 as set out in Section 11 of this report and Appendix 1.

3.0 MINUTES OF PREVIOUS MEETINGS

3.1 SMB - 21

4.0. INFORMATION

- 4.1 The Health and Social Care Act 2012 (Section 194) places a statutory responsibility on the Council to have a Health and Wellbeing Board in place from the 1 April 2013. Up until this point the Board has been meeting in shadow form but in preparation for the 1 April the Board needs to be established as a formal Committee of the Council in accordance with statutory requirements and guidance.
- 4.3 The proposed structures of Health and Wellbeing Boards do not align with the traditional local authority executive/committee structures. To deal with this the Department of Health has implemented regulations governing the operation of Health and Wellbeing Boards (as per Section 194 (12) of the Health and Social Care Act). These regulations will come into force on 1 April 2013.
- 4.3 The regulations will allow Health and Wellbeing Boards to function as a committee of the local authority. However there will be some opportunity for local determination. **A revised Terms of Reference for the HWB, covering all the key points, is attached as Appendix 3.**
- 4.4 The key points are set out below

5.0 ESTABLISHMENT OF SUB COMMITTEES AND DELEGATION

- 5.1 Unless a local authority directs otherwise, a committee can establish a subcommittee to discharge certain functions. The regulations will enable Health and Wellbeing Boards to be able to establish subcommittees and delegate functions to them. Whether or not to establish sub-committees will be a matter for local determination.

6.0 VOTING RESTRICTIONS

- 6.1 Current legislation means that any members of a committee who are not members of the local authority should be treated as non-voting members, except in relation to a specified set of committees. The regulations remove this barrier and enable local authorities to empower all key members of the board to vote alongside the elected representatives. This also applies to any additional board members appointed in addition to the statutory membership set out in the Health and Social Care Act 2012.

7.0 POLITICAL PROPORTIONALITY

- 7.1 Seats on local authority committees and sub-committees are normally allocated to reflect the prevailing political proportionality of the local authority. The Department of Health has disapplied the provisions of the existing

legislation requiring political balance in relation to Health and Wellbeing Boards so that the question of political proportionality of Health and Wellbeing Board membership is left to local determination. It is recommended that each opposition party with 4 or more elected members shall have one place on the Health and Wellbeing Board with voting rights.

8.0 DISQUALIFICATION FOR MEMBERSHIP

- 8.1 The current legislative framework states that any person who would be disqualified from being able to stand for election as a councillor shall be disqualified from being a member of a committee or sub-committee of a local authority. The regulations state that these disqualifications will be retained, but the regulations will ensure the disqualifications do not apply to Health and Wellbeing Boards in so far as they cover disqualifications in respect of members of the board:

- Holding any paid employment or office in the local authority – this in effect allows the Directors of Adult Social Services, Children’s Services and Public Health to be formal members of the Committee

- 8.2 **However, it is recommended that the following disqualifications are retained locally in respect of members of the Board:**

- Being the subject of a bankruptcy restrictions order or interim order
- Having been convicted in the United Kingdom, the Channel Islands or the Isle of Man of any offence and has had passed a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine

9.0 APPLICATION OF A CODE OF CONDUCT AND DECLARATIONS OF INTEREST

- 9.1 The Council has adopted a code of conduct. The new regulations will apply this code of conduct to members of the Health and Wellbeing Board even if they are not elected members. However, the Department of Health is exploring whether a modification is necessary in relation to Clinical Commissioning Group participation in discussions and decisions in which they could otherwise potentially be excluded. This is subject to receipt of further guidance.

10.0 APPLICATION OF TRANSPARENT PROVISIONS

- 10.1 There is a strict set of rules governing access to documents and meetings of local authority committees and sub-committees, and there are prescribed situations in which the public can be excluded from meetings and when local authorities can withhold documents from inspection. The regulations will not disapply or make any modifications to the existing provisions, which will apply to Health and Wellbeing Boards unchanged.

11.0 SCRUTINY ARRANGEMENTS

- 11.1 The Localism Act 2012 and the Health and Social Care Act 2011 have resulted in a number of changes that affect Scrutiny. The substantial changes set out below require changes in the Council's constitution.
- 11.2 Regulations following the Localism Act 2012 set out that the Executive must now give 28 "clear" days notice of an intention to hold all or part of a Cabinet meeting in private and the reasons for doing so. There is also a requirement in respect of all key decisions, to publish a notice setting out details of that proposed key decision; such a notice must be published 28 clear days before the decision is taken. There is no longer a requirement for the Council to publish a monthly Forward Plan of key decisions.
- 11.3 If the 28 day timetable for notification of a key decision is impracticable, the decision can still be taken if the Proper Officer has informed the Chair of the relevant Scrutiny Committee in writing of the details of the decision to be made. If there is less than 5 clear days notice before the decision is to be taken, there is a Special Urgency provision. Such a decision can only be taken if the decision-maker has received the permission of the Chair of the relevant Scrutiny Committee. This mirrors the previous arrangement where permission had to be sought of Scrutiny Chairs if a key decision was not in the Forward Plan or was very urgent.
- 11.4 The Health and Social Care Act 2012 has given the health scrutiny power to the Local Authority with effect from April 2013. The scope of the health scrutiny powers will be extended to include relevant health service providers – this includes providers of NHS and public health services commissioned by the NHS Commissioning Board, CCGs and local authorities, including providers in the independent and third sectors. While the Regulations relating to these aspects of the legislation have not been published the Department of Health has published its response to the consultation on Health Scrutiny Regulations. This confirmed that Council will have the power to delegate the Health Scrutiny powers to a Health Overview and Scrutiny Committee (HOSC) including the power of referral to the Secretary of State in the event of a contested substantial variation or development in service. It is recommended that CCC recommend to Council that these powers are delegated to the relevant Scrutiny Committee. The Department of Health believes that in a delegated arrangement it is right that full council should be fully sighted on how the powers for which it is accountable are being exercised. E.g. that the HOSC notify full council of an intention to refer a matter to the Secretary of State before a referral is made. The process to inform Council will be set out in the Scrutiny Handbook as described below.
- 11.5 The Department of Health has set out that the new regulations will require the formation of joint scrutiny arrangements where the an NHS organisation proposing service change consults more than one authority. As is currently set out in the Constitution the existing Joint HOSC with Shropshire and any

other Joint HOSC established will be sub groups of the Scrutiny Committee to which the Health Scrutiny power has been delegated. The Department of Health response has set out that where HOSC has been established to consider a substantial variation or development in the power of referral is vested with the Joint HOSC.

- 11.6 The consequent changes to the Constitution are shown as track changes in Appendix 1 Scrutiny Handbook are set out in Appendix 2.

12.0 EQUAL OPPORTUNITIES

- 12.1 There are no direct equal opportunity implications from this report. The Health and Wellbeing Board and Health Scrutiny Committees will consider the equal opportunity issues relevant to the Health and Wellbeing Strategy, work programme and reviews.

13.0 ENVIRONMENTAL IMPACT

- 13.1 There are no environmental implications from this report.

14.0 LEGAL COMMENT

- 14.1 The provision for Health and Wellbeing Boards has been established by the Health and Social Care Act 2012. Section 194 sets out the requirements for the constitution of the Board. Appendix 3 sets out the proposals for how the Board will be set out. The nomination for councillors on the Health and Wellbeing Board is to be made by the executive leader of the authority (section 194(3) of the Health and Social Care Act 2012).
- 14.2 Specific arrangements for the structure and powers of the Board has now been clarified in The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2012. Key provisions of the Regulations are set out in the main body of the report and at Appendix 3. However, guidance to assist with interpretation of the Regulations have yet to be released and further modifications to the arrangements as set out may need to be made at a later date. The Regulations include the following provisions:
- The Health and Wellbeing Boards to delegate the discharge of certain functions to sub-committees and/or officers or to create sub-committees to advise on their functions
 - To establish non-voting members of the Health and Wellbeing Board if considered appropriate.
 - That the rules relating to the political balance of committees as set out at Sections 15, 16 and Schedule 1 of the Local Government and Housing Act 1989 do not apply to the Health and Wellbeing Board

- 14.3 In relation to the scrutiny arrangements referred to in the report, the regulations set out in paragraph 11.2 and 11.3 are the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012/2089 which came into force on 10th September 2012.
- 14.4 The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2012 also make amendments to scrutiny arrangements for health and wellbeing matters which are set out in Part 12, Chapter 3 of the NHS Act 2006 as amended by the Health and Social Care Act 2012. If the Council chooses to continue to have this function undertaken by an overview and scrutiny committee the provisions are set out as to how this is to be done in this report, in consideration of the aforementioned new regulations (but also stating that further amendment may be required in the event of further regulations and/or guidance).
- 14.5 All of the provisions and changes proposed in this report must be compliant with the statutory provisions referred to. The most recent regulations have been published with short notice for implementation. Further regulations or guidance may mean that proposals here need to be amended. Accordingly the report contains a delegation to the Assistant Director for Law, Democracy and Public Protection in consultation with the relevant elected members to make any changes required at short notice to ensure that the council performs its functions in accordance with statutory requirements. This delegation is requested on the understanding that any changes will be reported to the appropriate committees thereafter for review.

15.0 LINKS WITH CORPORATE PRIORITIES

- 15.1 The establishment of the Health and Wellbeing Board and the work of the HOSC and Join HOSC links with the corporate priority to improve the health and wellbeing of our communities and address health inequalities.

16.0 OPPORTUNITIES AND RISKS

- 16.1 The establishment of the Health and Wellbeing Board provides an opportunity to build on the good working relationships with partner organisations in the NHS.

17.0 FINANCIAL IMPLICATIONS

- 17.1 All costs of administering Scrutiny are funded from their annual revenue budget. Any financial issues will be highlighted as part of financial monitoring as appropriate. Any specific costs associated with the establishment of the Health and Wellbeing Board can be met from within the Council's resources.

18.0 WARD IMPLICATIONS

18.0 There are no ward implications resulting from this report.

19.0 BACKGROUND PAPERS

19.0 The Health and Social Care Act 2012
The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2012
The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012/2089
National Health Service Act 2006

The formal route for approving the final recommendations is:

Council Constitution Committee – 19 Feb 2013
Council - 7 March 2013

Report prepared by: Paul Taylor, Assistant Director – Social Care Specialist
Paul.taylor@telford.gov.uk 01952 381200 and Clare Hall-Salter – Partnership and Planning Manager clare.hall-salter@telford.gov.uk 01952 382016 Fiona Bottrill
Scrutiny Group Specialist and Statutory Scrutiny Officer 01952 383113

TELFORD & WREKIN COUNCIL

PERSONNEL BOARD -19th FEBRUARY 2013

PUBLICATION OF THE COUNCIL'S PAY POLICY STATEMENT

REPORT OF ASSISTANT DIRECTOR: CUSTOMER AND PEOPLE SERVICES

1. PURPOSE

- 1.1 To agree the content of the Council's updated pay policy 2013/14, required for publication by the Localism Act 2011.

2. RECOMMENDATION

That the Personnel Board:

- 2.1 **Agrees the content of the Council's Pay Policy Statement for publication on the Council's website on 1st April 2013 and RECOMMENDS to Full Council on 7th March 2013 that the Policy be approved.**
- 2.2 **Delegates authority to the Assistant Director: Customer and People Services, in consultation with the Cabinet Member: Resources and Service Delivery, to amend the Statement as necessary in line with any national guidance that is issued following the meeting of the Board.**

3. PREVIOUS MINUTES

The Council's first Pay Policy was approved by Personnel Board on 13th February 2012 and Full Council on 1st March 2012.

4. BACKGROUND

- 4.1 The Localism Act 2011 requires local authorities to produce an annual Pay Policy Statement. The Act requires the statement to detail the Council's policies in respect of remuneration at various tiers within the Council. The Act does not apply to local authority schools.

E3

4.2 The purpose of these provisions is to provide transparency with regard to the Council's approach to setting the pay of its employees by determining:

- The methods by which pay is determined.
- The detail and level of remuneration of its most senior staff
- The Committees responsible for ensuring consistent application of the provisions set out in the Statement.

4.3 The Council's Pay Policy Statement details

- pay negotiation bodies,
- initial allocation of pay points.
- lowest paid employees and the ratio comparison with the highest paid officers.
- Senior management remuneration.
- the recruitment of chief officers
- additions to chief officers pay
- termination payments
- where accountability and responsibility lies.

5. **LEGAL**

5.1 The Pay Policy Statement has been drafted in accordance with the requirements of section 38 of the Localism Act 2011. The Act prescribes information to be included in the Statement, its manner of publication and the requirement for the Council to act in accordance with its approved Policy Statement.

6. **FINANCE**

The Pay Policy Statement identifies the Council's approach to setting the pay of its employees, including termination costs. Employee costs form part of the Council's budget, which is approved in March each year, and estimates will take into account the principles set out in the Statement. Any variations from the approved budget will be highlighted as part of regular financial monitoring reports/other relevant reports in line with Financial Regulations. The Council has a severance fund to meet the one-off costs of redundancies arising from restructures which are delivering ongoing savings. Senior Officer Remuneration is

published in the Council's Statement of Accounts in line with the requirements of the Accounts & Audit Regulations.

7. ENVIRONMENTAL

There are no environmental issues arising from this report.

8. EQUALITIES

- 8.1 Pay is a major Equalities issue and the pay statement will assist in identifying issues requiring resolution.

Report prepared by Debbie Brown, People Policy Manager – Tel: (01952) 383515

TELFORD & WREKIN COUNCIL

Pay Policy Statement – 2013/14

1. Introduction and Purpose

- 1.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘Statement’) sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.
- 1.2 The purpose of this Statement is to provide transparency about the Council’s approach to setting the pay of its employees (excluding those working in local authority schools and/or employed under the School Teachers’ Pay and Conditions Document) by identifying:
 - the methods by which salaries of all employees are determined;
 - the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation
 - the Board responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.
- 1.3 Once approved by the Council, this policy statement will come into immediate effect and will be subject to review.

2. Legislative Framework

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the equal pay requirements contained within the Equality Act, the Council is taking steps to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality-proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3. Pay Structure

- 3.1 Based on the application of the job evaluation process, the Council uses the nationally negotiated pay spine (further details can be found at www.lge.gov.uk - [Local government pay and conditions](#)) as the basis for its local grading structure. This determines the salaries of the large majority of the non school-based workforce, together with the use of other nationally-defined rates where relevant. There have been no increases in the national pay spine since April 2009.

- 3.2 The Council adheres to national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine.
- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
- 3.4 New appointments will normally be made at the minimum of the relevant grade, although this can be varied in exceptional circumstances, but having regard to the need for equal pay. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4. Senior Management Remuneration

- 4.1 For the purposes of this statement, senior management means 'chief officers' as defined within S.43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1st April 2013:
- a) Managing Director
The salary of the post is £137,000 per annum. The salary is a single 'spot' salary. There is no incremental range.
 - b) Directors
The salaries of the posts designated as Directors are £109,600 per annum. The salaries are single 'spot' salaries and have no incremental range.
 - c) Assistant Directors
The salaries of the posts designated as Assistant Directors have six incremental points ranging from £74,220 to £82,304 per annum. Incremental progression will take place on 1st April each year

5. Recruitment of Chief Officers

- 5.1 The Council's policy and procedures with regard to recruitment of chief officers is set out within the Officer Employment Procedure Rules as set out in Part 4, Section 8 of the Constitution. When recruiting to all posts the Council will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies. At this time there are no market forces supplements paid to any Chief Officers.
- 5.2 Where the Council remains unable to recruit chief officers under a contract of employment, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any chief officers engaged under such arrangements.

6. Additions to Salary of Chief Officers

- 6.1 The Council does not apply any bonuses or performance-related pay to its chief officers.
- 6.2 In addition to the basic salary set out above, details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of duties are as follows:

Post / Tier of Post	Payment Details:
Managing Director	Details of Returning Officer Fees are attached at Appendix A
Managing Director, Directors and Assistant Directors	Casual Car User Mileage Rates are attached at Appendix B
Managing Director, Directors and Assistant Directors	Personal protection of pay within defined parameters will apply where an individual is downgraded as a result of a re-structuring process for a period of up to 5 years.

7. Payments on Termination

- 7.1 The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- 7.2 Any other payments falling outside the provisions or the relevant periods of contractual notice shall, in respect of the Managing Director, Directors and Statutory Officers, be subject to a decision made by the Personnel Board which has otherwise delegated authority to approve such payments to other Chief Officers to the Managing Director.
- 7.3 The Council's policy is not to re-employ, for a period of at least 12 months after their employment with Telford & Wrekin Council ends, anyone who has been made redundant or who has left the Council in the interest of the efficiency of service where a severance payment has been made in accordance with the Council's policy under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 or under Regulation 30 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, as amended. The re-engagement of an individual on a consultancy, agency or private service provider basis is also prohibited in circumstances where this arrangement could have reasonably been foreseen at the time the individual left.
- 7.4 Flexible retirement under Regulation 18 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, as amended, will be permitted only where savings to fund the cost of such release are achieved.

8. Publication

- 8.1 Upon approval by the full Council, this statement will be published on the Council's Website. In addition, for members of the Council's Senior Management Team where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of:
- salary, fees or allowances paid to or receivable in the current and previous year;
 - any bonuses so paid or receivable in the current and previous year (nb the Council does not operate a bonus system);
 - any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - any compensation for loss of employment and any other payments connected with termination;
 - any benefits received that do not fall within the above

- 8.2 This information will be listed individually by job title where the salary is £50,000 or more. Persons whose salary is £150,000 or more will be identified by name.

9. Lowest Paid Employees

- 9.1 The lowest paid persons employed under a contract of employment with the Council are employed on full-time (37 hour per week) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1st April 2013, this is £12,312 per annum. The Council employs Apprentices who are not included within the definition of 'lowest paid employees' as they are employed under a Training Contract
- 9.2 The statutory guidance under the Localism Act 2011 recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation.
- 9.3 The pay levels within the Council as at 1st April 2013 define the multiple between the lowest paid (full time equivalent) employee and the Managing Director as 1:11 and; between the lowest paid employee and average Chief Officer as 1:7. The Council's pay multiples therefore fall well below Lord Hutton's public sector threshold set out in 9.2.
- 9.4 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

10. Accountability and Decision Making

- 10.1 In accordance with the Constitution of the Council, the Personnel Board is responsible for decision-making in relation to the recruitment, pay, terms and conditions and severance arrangements for employees of the Council.

APPENDIX A**LOCAL GOVERNMENT ACT 1972****Unitary Council – Electoral Fees**

Scale of Fees and Disbursements for Elections with effect from 1st April 2009.

PART A – RETURNING OFFICER’S FEES

Fee for conducting the election and generally performing the duties required by an enactment relating to the election or poll and including all expenses other than those specifically mentioned in Part ‘C’ below.

		£
1.	<u>Uncontested Elections</u> For each ward	134.00
2.	<u>Contested Elections</u> For each ward	234.00
3.	<u>Declaration of Results</u> To the Deputy Returning Officer in charge of counting the votes and declaring the result (or where this function is performed by the Returning Officer personally, to the Returning Officer) For each ward	99.00

Parish Councils – Electoral Fees

Scale of Fees and Disbursements for Parish Council Elections and Polls with effect from 1 April 2009. Fees for Parish Elections are paid by Parish Councils.

PART A – RETURNING OFFICER’S FEES

		£
1.	<u>Uncontested Parish Elections</u> (i) For each parish or where the parish is divided into wards, for each ward	50.00
2.	<u>Contested Parish Elections</u> (i) For each parish or where the parish is divided into wards, for each ward	100.00
3.	<u>Polls Consequent on a Parish Meeting</u> (i) Where official notice of a poll has been received but no poll is taken in consequence of the withdrawal of a candidate or otherwise	23.00

	(ii) For every poll taken for the election of the chairman of a parish meeting or for an appointment to any other office	54.00
	(iii) For every poll taken consequent on a parish meeting on any question other than as mentioned in paragraph 3(ii)	54.00
	(iv) In the case of a poll to which either paragraph 3(ii) or (iii) applies, for each additional polling station after the first	11.00
	Notes: 1. If a poll is taken on the same date in any parish on more than one question then only one fee shall be charged under paragraph 3(iii) 2. If polls are taken on the same day in any parish for the election or appointment of persons to more than one office, then separate fees shall be payable under paragraph 3(ii) for each poll 3. Where polls are taken in any parish on the same day for the election or appointment of persons to any office <u>and</u> on any other questions consequent on a parish meeting, separate fees shall be payable under paragraphs 3(ii) and (iii) but only one fee shall be payable under paragraph 3(iv) in respect of each additional polling station	

APPENDIX B

Car user Allowances

Nationally there are three bands of allowance paid to employees required to use their private vehicle for Council business. Telford & Wrekin Council does not apply the higher band. The allowances paid are the same for all employees whatever their level in the organisation.

	<u>451 - 999cc</u>	<u>1000 - 1199cc</u>
<u>Essential Users</u>		
Lump sum per annum	£846	£963
per mile first 8,500	36.9p	40.9p
per mile after 8,500	13.7p	14.4p
<u>Casual Users</u>		
per mile first 8,500	46.9p	52.2p
per mile after 8,500	13.7p	14.4p

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee held on Tuesday, 29th January 2013 at 6.00 pm in Meeting Room 7, Ground Floor, Darby House, Telford

PRESENT: Councillors R Sloan (Chair), D Davies, I T W Fletcher, S A W Reynolds, W L Tomlinson and C R Turley.

Officers: K Clarke (Assistant Director: Finance, Audit and Information Governance), J Marriott (Audit & Information Governance Manager), B Morris (Finance Manager), P Harris (Finance Service Delivery Manager), and J Clarke (Democratic Services Officer).

KPMG: H Garrett

AUC-27 MINUTES

RESOLVED – that the minutes of the meeting of the Audit Committee held on 25th September 2012 be confirmed and signed by the Chairman.

AUC-28 APOLOGIES FOR ABSENCE

Councillor A Meredith

AUC-29 DECLARATIONS OF INTEREST

None

AUC-30 KPMG ANNUAL AUDIT LETTER 2011/12

Heather Garrett gave a brief overview of the Annual Audit Letter 2011/12.

An unqualified value for money (VFM) conclusion for 2011/112 was issued on 27th September 2012.

The Authority's Whole Government Accounts (WGA) were consistent with the audited financial statements.

A slight difference had occurred to the original planned fee due to elector questions from 2009/10 and an over-run on the audit of financial statements.

A discussion took place about future challenges.

RESOLVED – that the report be noted.

AUC-31 GRANTS REPORT 2011/12

Heather Garrett gave a brief overview of the Grants Report 2011/12.

The Authority had a clean bill of health. There was only one item to bring to the attention of the Committee which was an amendment to the grant claim of £3.60.

A discussion took place including:

- Changes to grant requirements for 12/13 and 13/14 due to changes to the Housing and Council Tax Scheme and NNDR.

RESOLVED – that the report be noted.

AUC-32 ANNUAL AUDIT FEE 2012/13

There had been an amendment to the Audit Fee 2012/13 letter regarding the charge for the VFM work.

Discussions had taken place regarding the fee. It was agreed, following discussions with the Audit Commission and KPMG that the additional value for money fee should not have been charged as it had formed part of previous fees. A revised Audit Fee Letter had been produced to take into account this change and the refund of £25,000.

A discussion took place including:

- The costs associated with Elector questions and potential vexatious complaints.

RESOLVED – that the report be noted.

AUC-33 2013/14 TREASURY STRATEGY AND TREASURY UPDATE REPORT

The Finance Manager presented a report on the 2013/14 Treasury Strategy and Treasury Update for 2012/13.

This was to update the Committee on the activities during the year so far in respect to 2012/13. The Treasury Strategy for 2013/14 was due to be taken to Council with the budget papers for adoption on 7th March 2013.

The Treasury Portfolio showed an overall net indebtedness of £79.8m. Base rates had remained at 0.5% all year and were expected to continue at this rate until 2015/16 following the current indicators.

The Borrowing Strategy for 2012/13 was to use maturing investments to reduce borrowing where possible. Internal investments at the end of December 2012 were 3.9% compared to a benchmark return for the period of 0.51%.

The Treasury Management Strategy, following the guidelines and the code of practice, consulted with treasury management advisors prior to any borrowing taking place. The Council was expected to borrow up to £3.4m in 2013/14 but where possible the maturing investments would be used to reduce the level of additional borrowing in order to reduce investment exposure going forward.

A discussion took place including:

- Investment Periods
- Mature Investments
- Capital Receipts/Government Grants
- Treasury Management Training

It was suggested that a capital receipts update be brought again as an Agenda item to the September 2013 meeting.

With regard to Treasury Management Training, it was suggested that this be arranged for November 2013 prior to the January 2014 meeting.

RESOLVED – that the report be noted.

AUC-34 INTERNAL AUDIT UPDATE REPORT – QUARTERS TWO & THREE 2012/13

The Audit & Information Governance Manager presented the Internal Audit update for Quarters two and three 2012/13.

The report provided information on the work on Internal Audit from 1st July to 31st December 2012, together with an update on previous audit reports issued. This included follow ups for purchase ledger, general ledger and sales ledger audits. Audit had also continued to support the transfer of the Public Health function to the local authority ready for its implementation on 1st April 2013. A total of 31 reports were issued during the reporting period including 6 follow up reports. The report also included details of the variance in allocated time by + or – 10% which depended upon the areas of work undertaken. It was difficult to estimate the total time required, especially within new areas, but any allocations of time would be revised as appropriate. Work taking 10 days or more ie Abraham Darby new Leisure Centre and the aggro system at Arthog involved giving advice and consulting on changes in the organisation. There were currently two original amber reports that remained amber, the Abacus review and Markets and cash collection. With regard to the Abacus review, some progress had been made and a second follow up was being undertaken in order to assess the progress. The Markets were currently undergoing a re-structure and re-organisation and it was hoped that progress would be made following this.

A discussion took place including:

- Abacus Amber Report
- Markets and cash collection
- Telford town Park Visitor Centre
- Bank Contract Review
- Telford Tennis Centre

It was suggested that the Committee invite the officers concerned with the Abacus Review to report to the next meeting of the Audit Committee in March 2013.

RESOLVED – that

a) the officers concerned with the Abacus Review attend the next meeting of the Audit Committee in March 2013 but that if progress was not being made on other reports that the Audit & IG Manager have delegated authority from the Committee to invite them to the June 2013 meeting; and

b) the report be noted.

AUC-35 INTERNAL AUDIT AND INFORMATION GOVERNANCE UPDATE REPORT

The Audit & Information Governance Manager presented an update on the Annual Governance Statement 2011/12 Action Plan.

The report covered the period June to November 2012 and the Action Plan was reported to be progressing as it should.

The guidance for the transfer of Public Health to the Local Authority was still awaited.
A discussion took place including:

- Re-organisation within the Council and Member/Officer contacts

RESOLVED – that the report be noted.

AUC-36 BENCHMARKING REPORT 2012

The Audit & Information Governance Manager presented the results of the CIPFA Benchmarking Exercise for Internal Audit 2012.

Benchmarking exercises have taken place over the last 3-4 years and the Internal Audit Team generally provide a good value for money service and compared well to other unitary authorities. Results from the benchmarking exercise were used to inform future planning strategies. The cost analysis from 2011/12 show actual costs and Internal Audit compared very well to other unitary authorities except on overhead costs. The level of Audit staff had reduced as had that of other unitary authorities. There were no unqualified staff and this ensured an efficient and effective service delivery. Due to the current pressures on the budget a decision had been taken to discontinue the membership of the CIPFA Internal Audit benchmarking club saving £550 per year from the 2013/14 budget onwards. Comparisons would continue through the networking groups that Audit continued to be members of and with the Council's connections to the CIPFA Audit Panel.

RESOLVED – that the report be noted.

AUC-37 REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE 2012/13

The Audit & Information Governance Manager presented a report on the review of the effectiveness of the Audit Committee 2012/13.

It was good practice for the Council and helped to demonstrate good governance by measuring and reporting the effectiveness of the Audit Committee. It was proposed that the same survey be used as February 2012 in order that comparisons with the previous year could be made.

A copy of the survey had been circulated for comment and it was suggested that Members identify any training needs or requirements in the comments box at the end of the survey (in addition to any other comments).

The survey needed to be returned by 28th February 2013 and the results would be reported to the next meeting in March 2013.

RESOLVED – that

- a) the survey to measure the effectiveness of the Audit committee be issued as outlined in the report; and**
- b) that the results of the effectiveness survey be presented to the March 2013 Audit Committee meeting.**

The meeting ended at 7.04 p.m.

Chairman:

Date:

LICENSING COMMITTEE

Minutes of a meeting of the Licensing Committee held on Wednesday 16th January 2013 at 6.05 pm in the Wrekin Room, The Business Development Centre, Stafford Park 4, Telford

PRESENT

Councillors: C Mason (Chair), R Picken, A Mackenzie, L Murray, R Scammell, J Seymour and J Thompson.

Officers in attendance: Jonathan Eatough – Assistant Director: Law, Democracy & Public Protection, Jo Revell – Health, Safety & Resilience Manager, Ian Mercer – Public Protection Service Delivery Manager, Suzanne Fisher – Public Protection Team Leader, Ian Ross – Team Leader Places, Legal Services, Tina Street – Solicitor, Taranjit Sahota – Trainee Solicitor and Wendy Buckley - Democratic Services Support Officer.

The Chair introduced two officers from Telford & Wrekin to the Licensing Committee. Jo Revell – Health, Safety & Resilience Manager who would be taking over from Ian Mercer from the end of February and Taranjit Sahota – Trainee Solicitor.

A minutes silence was held for Councillor Duce, a Member of the Licensing Committee, who had passed away on 24th December 2012.

LC- 20 MINUTES

RESOLVED – that the minutes of the meetings of the Licensing Committee held on the 2nd October and 20th November 2012 be confirmed and signed by the Chair.

LC– 21 APOLOGIES FOR ABSENCE

Councillors T Hope and K Tomlinson.

LC- 22 DECLARATIONS OF INTEREST

None.

LC- 23 DETERMINATION OF APPLICATION FOR LAND OFF SUTTON HILL WAY, SUTTON HILL, TELFORD TO BE REGISTERED AS A VILLAGE GREEN

Councillor Mackenzie left the meeting at this point as he declared that he had attended two public meetings regarding the application for the village green in his role as ward member for Cuckoo Oak.

The Team Leader Places, Legal Services presented a summary of the report of the Assistant Director – Law, Democracy and Public Protection advising Members that an application had been received on 30th April 2009 by Mr Hoyle to register land to

the south of Sutton Hill Way, Telford as a village green. The evidence had been submitted to Members to determine whether or not the case had been proved to register the land as a village green.

Members were referred to the process which had been followed to give publicity to the application: interested parties were notified and notices had been published in the Shropshire Star on 23rd December 2010 and put up on site from 29th November 2010.

Objections were received by Telford Golf and Country Club Hotel, Homes and Communities Agency and Telford & Wrekin Council. The area of the village green was then revised by the applicant and the landowning parties withdrew their objections. Two local residents also placed objections but these too had been withdrawn so therefore the application and the evidence in support of the application was uncontested.

It was explained to Members that the authority may register land as a village green if it is satisfied, on the balance of probabilities, that a significant number of inhabitants of any locality, or of any neighbourhood within a locality, have indulged as of right in lawful sports and pastimes on the land for a period of at least 20 years and they continue to do so at the time of the application. It was also explained to Members that they should only consider the relevant evidence before making their determination. It was pointed out that a considerable amount of relevant evidence had been submitted, which had not been disputed and which related to the matters which needed to be proved before the application could be granted.

RESOLVED - that the land off Sutton Hill Way, Sutton Hill, Telford as shown on the revised plan attached to the Committee report dated 27th January 2011 be registered as a Village Green.

Councillor Mackenzie returned to the meeting room for the remaining agenda items.

LC – 24 CONSIDERATION TO LICENCE A PEUGEOT E7 AS A HACKNEY CARRIAGE VEHICLE

The Chair advised that some Members had received a letter by e-mail, concerning consideration to licence a Peugeot E7, from the Hackney Carriage Association. The letter was addressed to Kuldip Sahota, Leader of Telford & Wrekin Council and would be responded to by the Leader.

The Public Protection Team Leader summarised the report of the Service Delivery Manager Public Protection for Members to consider whether to licence a Peugeot E7 as a hackney carriage vehicle by adding it to the list of the Council's approved hackney carriage vehicles.

Members were advised that an application had been made in November 2012 from Allied Vehicles to request the vehicle be licensed as a hackney carriage. Following the procedure agreed by this Committee at the previous meeting (Minute number LC 14) Members of the 'working panel' had examined the vehicle by way of a tick box form, a copy of which was attached to the report. Later inspection visits were

carried out by a representative from Listen Not Label and Brian McMillan Public Protection Compliance Officer, and were tabled at the meeting.

After an initial debate about the evidence, the Chair moved, in accordance with Council Procedure Rule 13.11, that the meeting be adjourned in order to allow Members to inspect an E7 vehicle which was parked outside the building. The adjournment was approved, and the meeting was duly adjourned at 7pm.

The meeting reconvened at 7.10pm.

The debate about the application continued and there was some concern voiced by Members about the interior handles for passengers to exit the vehicle in the event of the driver not being able to open the doors, step height and the incline of the ramp for wheelchair access. Members debated the importance of having an under floor ramp to enter the vehicle as standard, swivel seat and hearing loop. (A release button for the doors was also suggested as a recommendation to feedback to the manufacturer for passengers to exit the vehicle). Members confirmed that the specific requirements of the under floor ramp, swivel seat and hearing loop to the E7 vehicle be included by the Public Protection Team Leader to the appropriate model before placing on the approved list of hackney carriage vehicles.

RESOLVED - that the appropriate model(s) of the Peugeot E7 vehicle be added to the approved list of licensed hackney carriage vehicles.

LC – 25 VERBAL REPORT ON A TRAINING EVENT ATTENDED BY THE CHAIR OF THE LICENSING COMMITTEE AND THE PUBLIC PROTECTION TEAM LEADER

The Public Protection Team Leader, the Licensing Committee Chair and the Licensing Technical Officer had attended a training event in Birmingham in November 2012. The Public Protection Team Leader advised that the training event provided a 'mix and match' programme to attend different training opportunities.

Members asked if there were any items of training from the event which the Licensing Committee Members would find useful. The Public Protection Team Leader advised that changes brought in by the Live Music and Police Reforms and Social Responsibility Acts and the response to the taxi reform from the Law Commission would be reported to Members during the Licensing Committee meeting to be held in March 2013.

LC – 26 VERBAL REPORT ON TAXIS LICENSED BY SHROPSHIRE COUNCIL

The Public Protection Team Leader advised Members that Shropshire Council last year refused to renew some hackney carriage proprietor's licences which were licensed as hackney carriage vehicles by Shropshire Council but which were operating as private hire vehicles in Telford & Wrekin. The proprietors appealed to Shrewsbury Magistrates Court. One proprietor took one test application to the magistrates court with the other proprietors handing in letters to abide by the one test appeal. In October 2012 the Judge concluded that Shropshire Council had taken the correct action and the appeal was dismissed. Shropshire Council agreed

to grant temporary licences to 31st March 2013 for any that were affected by the appeal so that drivers were allowed to continue working while applying to Telford & Wrekin to be licensed. The temporary licences would be hackney carriage licences In Shropshire operating as private hire in Telford & Wrekin.

RESOLVED – that the position be noted.

Meeting closed at 7.45 pm.

Chairman:

Date:

LICENSING COMMITTEE

Minutes of a meeting of the Licensing Committee held on Wednesday 23rd January 2013 at 6.10 pm in Meeting Room 5/6, AFC Telford United Learning Centre, Wellington, Telford

PRESENT

Councillors: C Mason (Chair), R Picken, A Mackenzie, L Murray, J Seymour, J Thompson, K Tomlinson and C Turley.

Officers in attendance: Jonathan Eatough – Assistant Director: Law, Democracy and Public Protection, Ian Ross – Team Leader Places, Legal Services and Wendy Buckley - Democratic Services Support Officer.

LC– 27 APOLOGIES FOR ABSENCE

Councillors T Hope and R Scammell.

LC- 28 DECLARATIONS OF INTEREST

None.

LC – 29 REVIEW OF LICENCE FEES

This matter was deferred to a further meeting.

LC- 30 DETERMINATION OF APPLICATION FOR LAND OFF STATION ROAD, NEWPORT TO BE REGISTERED AS A VILLAGE GREEN

The Team Leader Places, Legal Services presented a summary of the report of the Assistant Director – Law, Democracy and Public Protection advising Members that an application had been made to register land at Station Road, Newport as a village green under the Commons Act 2006.

Telford & Wrekin Council were the freehold owner of the site and an objection had been made by them as land-owner. It was emphasised to Members that the Licensing Committee was exercising the Council's functions as Registration Authority with reference only to relevant considerations. A significant number of representations in support of the application were received from local residents. A non-statutory public inquiry into the application took place in October 2012. Counsel, was appointed to act as inspector by the Council, as registration authority, to receive and consider evidence and submissions from local residents regarding the application and prepare a report and recommendation for the Council.

Members were reminded of Section 15(2) of the Commons Act 2006 in that the authority may register land as a village green if it is satisfied, on the balance of probabilities, that a significant number of the inhabitants of any locality, or of any neighbourhood within a locality, have indulged as of right in lawful sports and

pastimes on the land for a period of at least 20 years and they continue to do so at the time of the application.

Members were referred to the legal position and an outline of the Inspector's approach as set out in her report. The overall conclusion of the inspector on the totality of the evidence presented at the inquiry was that the Applicant had failed to prove his case and that none of the application land qualified for registration as a town or village green under section 15(2) of the Commons Act 2006. It was also not shown, in the inspector's opinion, that a significant number of inhabitants of the locality had indulged in lawful sports and pastimes as of right on the application land for at least 20 years. The inspectors recommendation was that the Registration Authority should reject the application for the reasons set out in her report, which was attached as an appendix to the main report.

Some Members mentioned that following a site visit earlier in the day and reading the inspectors report it was clear that a fair process had been followed but that the evidence in support of the application did not meet the criteria for registration of the land as a village green. Concern was shown by a Member regarding the Council's role in this application for a village green as it was thought that Telford & Wrekin Council had been extremely heavy handed with high costs involved. The Team Leader Places advised Members that they should confine their consideration to what was relevant to the determination of the village green application.

RESOLVED - that

- (a) the Inspector's report and recommendations dated 18th January 2013 were accepted.**
- (b) the land at Station Road, Newport as shown edged red on the plan attached to the application for registration as a village green received on 15th December 2011 should not be registered as a village green for the reasons set out in the Inspector's report dated 18th January 2013.**

Meeting closed at 6.35 pm.

Chairman:

Date:

PLANS BOARD

Minutes of a meeting of the Plans Board held on Wednesday, 16 January 2013 at 6.00pm in the Walker Room, Meeting Point House, Town Centre, Telford

PRESENT: Councillors J C Minor (Chairman), N A Dugmore, I T W Fletcher, R T Kiernan, J Loveridge, G C W Reynolds, S A W Reynolds and C R Turley

ALSO PRESENT: Councillor A J Eade (for planning application TWC/2012/0679)

PB-073 MINUTES

RESOLVED – that the minutes of the meeting of the Plans Board held on Wednesday, 12 December 2012 be confirmed and signed by the Chairman.

PB-074 APOLOGIES FOR ABSENCE

None.

PB-075 DECLARATIONS OF INTEREST

Cllr G C W Reynolds commented on her position as Ward Councillor with regard to planning application TWC/2012/0918 but stated that, in the circumstances, she would not be withdrawing from the meeting for that item.

PB-076 DEFERRED/WITHDRAWN APPLICATIONS

None.

PB-077 SITE VISITS

None.

PB-078 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Board and fully considered each report and the supplementary information tabled at the meeting regarding planning applications TWC/2012/0965 and TWC/2012/1000.

- (a) TWC/2012/0679 - Land at Hoo Farm Animal Kingdom, Preston Upon The Weald Moors, Telford, Shropshire, TF6 6DJ

This application for change of use of land and the erection of a temporary prefabricated building to accommodate a pre-school children's nursery was deferred at Plans Board on 12 December 2012 to allow officers to investigate alternative suitable sites which could accommodate the nursery. Prior to the meeting, Planning Officers had received evidence of the applicant's 5 year search to find suitable alternative locations within the borough. Members were advised that the Planning Officer was satisfied that there were no other suitable alternative sites currently available within the timescales needed to complete works prior to the need to vacate the existing premises. Due to the need for rural pre-school and nursery provision (which would be significantly reduced following closures at Wrockwardine and High Ercall) and in conjunction with the under provision within the Donnington area, it was considered that this application demonstrated

sufficiently exceptional circumstances to consider development in this location on a temporary basis.

Cllr A J Eade, Borough Ward Member for Church Aston & Lilleshall spoke in support of the application. He welcomed the Officer's recommendation to grant temporary planning permission following further discussions and receipt of evidence relating to the extensive search for alternative suitable premises. He pointed to the requirement for high quality nursery provision in the area and dismissed claims that sustainability would be an issue. He also commented upon the need for a five year temporary permission in order to ensure viability.

Ms P Hustwick, owner of the relocating nursery, spoke to support the application. She reminded Members that the relocation was due to the building currently occupied by the nursery being unsuitable for continued use and explained the context of the five year search for alternative premises. She noted the shortage of nursery provision in the locality and commended the quality learning experience that would be on offer at the proposed site. She advised that a five year temporary permission was required to ensure viability.

All Members welcomed the retention of the high quality nursery provision offered by ABC Nurseries and were satisfied that firm evidence had now been provided to demonstrate that there were no suitable alternative locations. The Chair raised local residents' concerns regarding overgrowth of trees in the vicinity and the Assistant Director: Planning Specialist confirmed his understanding that hedge trimming at this location was in the programme of works. Following a vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2012/0679 planning permission be granted subject to the conditions as set out in the report.

(b) TWC/2012/0892 - Woodlands Primary School, Ironbridge Road, Madeley, Telford, Shropshire, TF7 5HX

This was an application for the erection of a new 'Eco Classroom' within the 'Forest School' area of the Woodlands school grounds. Following wide-ranging local consultation with users, the proposed modular classroom had been designed to blend with the ethos of learning at the school and meet the specific needs of the learning community.

RESOLVED – that with respect to planning application TWC/2012/0892 planning permission be granted subject to the conditions as set out in the report.

(c) TWC/2012/0918 - Public open space rear of First Avenue, Ketley, Shropshire, TF2 0AJ

This was a Council application seeking planning permission to refurbish an existing ball court. The application proposed that existing recreational use would not change but fencing would be upgraded and the ground resurfaced and line-marked. Members welcomed the application. Councillor G C W Reynolds commented that repair to pathways in the vicinity would also be beneficial.

RESOLVED – that with respect to planning application TWC/2012/0918 planning permission be granted subject to the conditions as set out in the report.

- (d) TWC/2012/0932 - Open Space off Beaconsfield, Brookside, Shropshire, TF3 1LW

This was a Council application proposing the relocation and upgrading of children's play equipment. The facilities, for children aged between 2 and 12 years, directly replaced existing facilities which would be removed as part of wider regeneration proposals for Brookside Centre. Members welcomed the application.

RESOLVED – that with respect to planning application TWC/2012/0932 planning permission be granted subject to the conditions as set out in the report.

- (e) TWC/2012/0965 - Addenbrooke House, Ironmasters Way, Telford, Shropshire, TF3 4NT

This was a Council application seeking partially retrospective consent for the change of use of part of the ground floor area at Addenbrooke House, which had recently been occupied by Telford & Wrekin Council, to a café which would open independently of the Council Offices. It was also proposed that an external seating area at the premises would be created. An update report was tabled which detailed a consultation response from Lawley and Overdale Parish Council.

Members were somewhat disappointed that an element of this application was retrospective but, despite some concerns regarding sustainability at this location, all Members were generally supportive of the proposals.

RESOLVED – that with respect to planning application TWC/2012/0965 planning permission be granted subject to the conditions as set out in the report.

- (f) TWC/2012/1000 - Addenbrooke House, Ironmasters Way, Telford, Shropshire, TF3 4NT

This was a Council application which sought partially retrospective consent for the display of advertisements and erection of 3 flag poles at Addenbrooke House which had recently been occupied by Telford & Wrekin Council. The application was made partly in conjunction with planning application reference TWC/2012/0965 (above). An update report was tabled which detailed a consultation response from Lawley and Overdale Parish Council. Upon questioning, the Assistant Director: Planning Specialist clarified rules surrounding flag flying. Some concerns were raised regarding the overt colour scheme utilised by the café in the context of its surroundings but the proposals were unanimously supported.

RESOLVED – that with respect to planning application TWC/2012/1000 advertisement consent be granted subject to the conditions as set out in the report.

The meeting ended at 6.25pm

Chairman:

Date:

PLANS BOARD

Minutes of a meeting of the Plans Board held on Wednesday, 6 February 2013 at 6.00pm in the Auditorium, Abraham Darby Academy, Hill Top, Ironbridge Road, Madeley, Telford

PRESENT: Councillors J C Minor (Chairman), N A Dugmore, I T W Fletcher, R T Kiernan, J Loveridge, G C W Reynolds, S A W Reynolds and C R Turley

ALSO PRESENT: Councillor S Bentley (for planning application TWC/2012/0314), Councillor D G Davies (for planning application TWC/2011/1102), Councillor J M Seymour (for planning application TWC/2012/1018) and Councillor B J Thompson (for planning application TWC/2012/0942).

PB-079 MINUTES

RESOLVED – that the minutes of the meeting of the Plans Board held on Wednesday, 16 January 2013 be confirmed and signed by the Chairman.

PB-080 APOLOGIES FOR ABSENCE

None.

PB-081 DECLARATIONS OF INTEREST

Cllr N A Dugmore commented on his position as a Parish Councillor with regard to planning applications TWC/2012/0138 and TWC/2012/0139 but stated that, in the circumstances, he would not be withdrawing from the meeting for those items.

Cllr R T Kiernan commented on his position regarding planning application TWC/2012/1018 and stated that, in the circumstances he would withdraw from the discussion and determination of that item.

PB-082 DEFERRED/WITHDRAWN APPLICATIONS

None

PB-083 SITE VISITS

RESOLVED – that a site visit takes place at 4.30pm on Wednesday, 27 February 2013 at land adjacent to The Cleveland Arms, High Ercall, Telford, Shropshire, TF6 6AE in respect of planning application TWC/2012/0314.

PB-084 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Board and fully considered each report and the supplementary information tabled at the meeting regarding planning applications TWC/2011/1102 and TWC/2012/0320.

(a) TWC/2011/1102 - Land off Beech Road, Madeley, Telford, Shropshire

This was an outline application for part demolition of existing care village and nursery followed by construction of not more than 90 no open market residential dwellings, 3 no registered social care bungalows, a new plant nursery and cafe, including the provision of means of access. All matters other than the means of access (ie appearance, landscaping, layout and scale) were reserved matters for subsequent approval. The Gorge Parish Council had requested that this application be determined by the Plans Board. An update report was tabled at the meeting which clarified the views of Telford & Wrekin Council Social Care and explained legal revisions to the proposed Section 106 Agreement.

Councillor M Bragg, representing The Gorge Parish Council, spoke to oppose the application. Councillor Bragg noted the excellent relationship to date between the Care Village and local residents, but raised concerns in terms of scale, traffic generation and pedestrian safety, loss of Green Network and wildlife corridor, encroachment on the buffer zone for the World Heritage Site, lack of affordable housing, impact upon infrastructure (particularly sewerage and drainage) and local education provision.

Councillor D G Davies, Ward Member for Ironbridge Gorge, raised concerns regarding the protection of the World Heritage Site, road access and transport, increased traffic generation in the area, flouting of traffic restrictions along Lincoln Hill, over-development of the site and suggested that the density of dwellings be reduced.

A statement was read from Councillor G M Green, Ward Member for the adjoining Madeley Ward, which drew attention to increased traffic generation along School Road and Beech Road and asked Members to consider further Section 106 contributions for highways and traffic management.

Mr R Turner, representing local residents, noted there was no animosity towards the Care Village but stated that the application raised concerns on the grounds of scale, impact upon the World Heritage Site, traffic generation and highway safety, and the potential impact upon the Beeches Hospital.

Ms V Joynes, the applicant's agent, spoke in support of the application. She noted the comprehensive officer's report which detailed no objection in terms of the submitted traffic report and pointed to the proposed Section 106 contribution towards footpath improvements in the vicinity of the application site. She further noted that there were no objections from Severn Trent Water or from the Council's Education Service and drew attention to overall enhancement and improvement to the function and operation of the Green Network in this location.

The Planning Officer reminded Members of the Board that the application arose as a result of the applicant's response to changing central Government best practice requirements in relation to the provision of residential care and noted that discussions had been ongoing since 2005. She drew attention to elements of the report relating to affordable housing and viability, green network and open space, protection of wildlife, ecology, consultation responses including education provision,

and commented that the flouting of the Traffic Regulation Order restriction on access to properties on Lincoln Hill was a matter for the Police.

The Assistant Director: Planning Specialist advised that there was not a formal buffer to the World Heritage Site but that the design had been carefully considered with a view to protecting this important asset; the Environment Agency and Utilities were satisfied with the proposals and Highways had no objection subject to condition. He also pointed out that the proposals contributed towards local housing need.

The Legal Advisor clarified intentions with regard to the Section 106 Agreement, as set out in the update report.

During the ensuing debate, Members expressed views relating to the protection of the World Heritage Site, education provision, access, housing density and affordable housing. Members were also mindful that the development met the requirements of the National Planning Policy Framework (NPPF) and welcomed the applicant's positive approach and commitment to patient choice. It was, by a majority vote:-

RESOLVED – that with respect to planning application TWC/2011/1102 the Development Management Manager be authorised to grant planning permission subject to:-

- (A) the applicants entering into a Section 106 Agreement (with full terms to be agreed by the Development Management Manager) to include:
 - (i) Alternative affordable housing provision (to be provided prior to the occupation of any open market housing on site) in the form of at least 10 Registered Care or Supported Living Units (in addition to the 3 registered 2 bed bungalows), with requirements that:-
 - (1) Each of the 10 units should sleep at least 3 people and be capable of meeting the Social Services requirements for Registered Care/Supported Living;
 - (2) Those persons already residing at Forbes Close will have priority for the newly acquired properties and registered bungalows;
 - (3) In addition to the registered bungalows, at least 3 of the 10 units being available on site if required by existing Forbes Close residents;
 - (4) In the event that vacancies arise in any of the on site properties over time, that Telford & Wrekin Council has the opportunity to nominate an alternative resident for that vacancy from individuals known to Telford & Wrekin Council as being suitable to be nominated as a new tenant at the Property.

(5) If there are no nominations from Telford & Wrekin Council and the applicant cannot fill voids within an on site property and it is vacant for more than 6 months, then the applicant can apply to Telford & Wrekin Council for consent to let or sell the property on the open market free from the obligations and restrictions

(ii) contribution of £12,500 to fund public footpath improvements in the vicinity of the site;

(B) and further subject to the conditions set out in the report.

(b) TWC/2012/0138 - Hill Farm House, Land adjacent, Old Farm Lane, Lilleshall, Newport, Shropshire

Members considered this application for listed building consent to allow conversion to residential dwellings in conjunction with planning application reference TWC/2012/0139 (below).

RESOLVED – that with respect to planning application TWC/2012/0138 listed building consent be granted subject to the conditions set out in the report.

(c) TWC/2012/0139 - Hill Farm House, Land adjacent, Old Farm Lane, Lilleshall, Newport, Shropshire

Members considered this proposal alongside planning application reference TWC/2012/0138 (above) which sought listed building consent. This proposal comprised the conversion of barns to form 9no dwellings and erection of 12no dwellings (including 6 affordable properties) with associated garaging, parking and access. Plans Board had previously considered this application and granted planning permission by a majority vote on 3 October 2012. However, Members were now asked to consider revised drawings in respect of Barns 8 and 9 which included a modest single storey extension on the western elevation of Barn 9. The Council's Conservation Officer had confirmed that she had no objections to the alteration. Members were satisfied with the revision as displayed by the Planning Officer and the revision was unanimously supported.

RESOLVED – that with respect to planning application TWC/2012/0139 planning permission be granted subject to the applicants entering into a Section 106 Agreement in respect of the specified affordable homes being transferred to an RSL with the tenure noted above, a commuted sum of £12,600 to be payable for improvements towards the upgrading of the nearest community use recreational, the implementation of works to the car park carried out in accordance with planning application reference TWC/2012/0558, and commuted sum of £16,500 to be payable for use by the Parish Council for improvements to Lilleshall Memorial Hall and any other minor works identified within Lilleshall by the Parish Council; and further subject to the conditions set out in the report.

- (d) TWC/2012/0314 - Land adjacent to The Cleveland Arms, High Ercall, Telford, Shropshire, TF6 6AE

This was a proposal which sought planning permission for the erection of 6no dwellings with associated car parking.

RESOLVED – that determination of planning application TWC/2012/0314 be deferred to allow the Board Members to make a Site Visit.

- (e) TWC/2012/0320 - Land off Sommerfeld Road, Hadley, Telford, Shropshire

This was an outline planning application, with means of site access from Sommerfeld Road to be determined, for the erection of up to 185 dwellings (Class C3), public open space including linear park and community allotments, balancing pond and associated earthworks to facilitate surface water drainage, landscaping, car parking, and other ancillary works. Layout, scale, appearance and landscaping were reserved matters for subsequent approval. Members considered this application for reserved matters consent for residential development in conjunction with planning application reference TWC/2012/0583 (below). An update report was tabled at the meeting and the Planning Officer further updated Members regarding the proposed Section 106 contributions and the need for a further planning condition. He explained that off-site highway improvements would be subject to planning conditions and subsequent highway adoption procedures rather than including such requirements within the section 106 Agreement.

Mr M Warner, Chief Executive of the applicant company, spoke to support both applications. He explained the falling demand for bricks as a result of the downturn in the economy and the company's subsequent response which would ensure job retention at the site. He commented upon viability issues with regard to affordable housing and Section 106 contributions and asked Members to consider the submission of a financial viability appraisal after five years, rather than the three recommended by the Planning Officer.

The Planning Officer referred to the background to the applications as detailed in the reports and particularly drew Members' attention to discussion in the report regarding the provision of recreational resource, viability and affordable housing, Section 106 contributions, traffic and highways. In relation to recreation provision, he stated that the element of the application relating to allotments was being further considered and may not be developed. With regard to the review of financial viability, he stated that it was normal to seek review after two to three years and, in his opinion, the five years requested by the applicant was too long.

Members asked questions regarding contaminative sources, mineshafts, conditions regarding piling, stability for retaining walls, retention of notable heritage features and viability. Whilst some disappointment was expressed regarding the lack of affordable housing included in the proposals, Members were keen to support local industry, however the requested five year review of viability was considered to be too long. Members were also mindful of the application of the NPPF.

In response to questions, the Planning Officer advised that it was not appropriate to condition retaining walls in relation to the use of gabion baskets as the NPPF clearly placed the onus of responsibility for stability upon the developer. With regard to mineshafts, no permanent structures would be erected at the factory site in an area where known mineshafts existed. Turning to contaminated land issues, the Planning Officer advised that there was some overlap between the requirements of the Environment Agency and the Council's Land Contamination Officer, whilst the phase 1 desk study was accepted, some further work was required to satisfy the requirements of the Environment Agency. The Assistant Director: Planning Specialist noted Members' comments regarding the availability of viability studies and stated that some consideration would be given to how viability information could be shared in future without compromising commercial interests. The Development Management Manager indicated that it may be possible to share the standard template to demonstrate the type of issues considered.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2012/0320 the Development Management Manager be authorised to grant planning permission subject to:-

- (a) the applicants entering into a Section 106 Agreement to secure financial contributions consisting of £359,000 to be used for education provision, £30,000 for upgrade to off-site NEAP, £7,000 for planning/financial monitoring and £5,000 for travel plan monitoring;
- (b) the developer be required to submit a financial viability appraisal as agreed in writing by the Council prior to the third anniversary of the date of Plans Board and should the viability appraisal demonstrate that there is an uplift in land values having regard to development costs then affordable housing be provided in accordance with the approval in writing of the Council;
- (c) the Development Management Manager confirming that the distinctive block work motif associated with the factory livery at the current point of access and the Thomas Telford chimney at the site would be retained and incorporated into the landscaping scheme/public art provision;
- (d) and further subject to conditions detailed in the report except Conditions 6 and 22 are deleted and replaced by the following condition:

Condition 6: No development (excluding demolition, site clearance and site preparation) shall commence within the area marked B on the Phasing Plan Reference G3980 until the car parking, vehicle turning area, wheel wash facilities and office building as approved under planning permission TWC/2012/0583 have been constructed and are operational.
- (e) and further subject to an additional condition regarding noise attenuation.

- (f) TWC/2012/0583 - Blockleys Bricks Ltd, Sommerfeld Road, Hadley, Telford, Shropshire, TF1 5RY

Members were presented with this proposal, which would normally have been determined by Officers, as it was linked to application TWC/2012/0320 (above) for residential development. This proposal, considered in conjunction with planning application reference TWC/2012/0320, sought planning permission for the reconfiguration of an existing factory site to include provision of a new office block (Class B1), relocation of wheel wash and reconfiguration of existing roadway and parking arrangements and other ancillary works.

RESOLVED – that with respect to planning application TWC/2012/0583 planning permission be granted subject to the conditions as set out in the report.

- (g) TWC/2012/0808 - Land adjacent to Rock Cottage, 39 Mill Lane, Tibberton, Shropshire, TF10 8NL

This application for the erection of a 2 storey detached dwelling with integral single garage to side was brought to Plans Board for determination due to the previous planning history at the site.

Mr P Middleton spoke on behalf of the neighbouring resident (Green Ridges) to oppose the application. He highlighted the planning history of the site including the appeal decision in 2006, application of the NPPF, the uniqueness of the site, loss of light to the neighbouring property's living room and kitchen, access and road safety, visual impact upon the aspect of the village and subsequent fears that granting the application would set a precedent for development in the area. He concluded by inviting Members to undertake a site visit.

Mr A Williams, the Applicant's Agent, spoke in support of the application. He highlighted changes in national and local policy which superseded some local policy provisions which had been relevant at the time of previous decisions pertinent to this application and argued that, with the NPPF's presumption in favour of sustainable development, this application was now acceptable. He pointed to the location, scale and design and emphasized the general lack of objection to the proposals concluding that the main objection related to loss of private view rather than visual amenity.

The Planning Officer advised Members that whilst previous decisions were material planning considerations and there would normally be reluctance to counter them, the NPPF represented a strong change in policy direction. He noted that the site was at the edge of the village, not in open countryside, and benefitted from adequate access, parking and amenity areas. Whilst some secondary windows of the neighbouring property would be affected, the overall design was considered acceptable and compliant with current policy as detailed in the report.

Following clarification of road access to and egress from the proposed dwelling, which windows of the neighbouring property would be affected and separation

distances, the majority of Members considered that the evolution of planning policy and the weight afforded to the NPPF meant that they were not in a position to refuse the application.

RESOLVED – that with respect to planning application TWC/2012/0808 planning permission be granted subject to the conditions as set out in the report.

(h) TWC/2012/0942 - Land between 8 & 16 Hordley Road, Wellington, Telford, Shropshire

This application sought full planning permission for the erection of 4no three storey town houses.

Councillor B J Thompson, the local Ward Member, spoke on behalf of local residents who opposed the application. He raised concerns regarding safety due to the creation of an alleyway between plot 4 and the existing shop, inadequate lighting, the location of three storey dwellings against existing properties, the character of the design and movement of the bus-stop. He requested that Members considered a site visit and sought support for contributions towards the provision of a bus shelter.

Mr C Huntley, the Applicant's Agent, spoke to support the application. He noted that the site was privately owned in a sustainable location and that the development sought to improve vehicular and pedestrian safety and would also improve the area by limiting opportunities for fly tipping. He stated that the applicant would not object to a condition to introduce a scheme of lighting for the alleyway if Members were minded to approve the proposals.

The Chairman noted that a site visit had been suggested during the public opportunity to speak, but as Members were familiar with the site there was no proposer for a deferral to make a site visit.

The principle of development having already been established at the site, Members considered that the proposals would improve the area and that the design was a good fit with the existing street scene. However, some concern was expressed regarding the lack of lighting for the alleyway created within the proposals, and considered that a scheme of lighting should be conditioned to improve safety.

RESOLVED – that with respect to planning application TWC/2012/0942 planning permission be granted subject to the conditions as set out in the report and further subject to an additional condition to provide a scheme of lighting for the alleyway created between plot 4 and the existing shop.

(i) TWC/2012/1018 - Unit 2-10, Sutton Road, Admaston, Telford, Shropshire, TF5 0AY

This application sought consent for use of land adjacent to a block of shops on the junction of Station Road and Sutton Road in Admaston for staff parking and to install a pedestrian access gate. Councillor J M Seymour, Borough Ward Member, had requested that this application be determined by the Plans Board.

Councillor J M Seymour, Ward Member, welcomed the officer's recommendation and stated that following the refusal of a retrospective application in September 2011, the applicant was parking vehicles on the grassy area by the lay-by and achieving access to that land by driving over the driveway belonging to 19 Station Road. The applicant had also laid hard standing on the grassy area which belonged to the Council. Councillor Seymour considered that the use was unsuitable and hazardous and asked that bollards or other suitable protection be afforded to the owner of 19 Station Road whose circumstances required emergency access to their property.

Members sought clarification regarding enforcement action which was provided by the legal advisor. The Planning Officer utilised Googlemaps to demonstrate the application in the context of the street scene and agreed, upon the Member's request, to liaise with colleagues to consider whether bollards or other street furniture was appropriate at the site.

RESOLVED – that planning application TWC/2012/1018 be refused for the following reasons:-

- (a) The proposed development is unacceptable by virtue of the proposed location over an adopted public highway. Consequently the proposal will prejudice the safety and free flow of highway users, contrary to Wrekin Local Plan saved policy UD2, and the NPPF.
- (b) The Local Planning Authority considers proposed vehicle movements generated by the development would be likely to result in an increase in highway danger due to reduced visibility for vehicles exiting the site, exasperated by the lack of on site turning facilities. Accordingly the proposal is contrary to Policy CS15 of the Core Strategy, "saved" policy UD2 of the Wrekin Local Plan and the NPPF.
- (c) The Local Planning Authority considers that the proposed land is incidental open space which is important to its locality by virtue of the prominent position within the village. The proposal would have a detrimental impact on the character and amenity of the area. Accordingly the proposal is contrary to Saved Policies OL6 and UD2 of the Wrekin Local Plan and the NPPF.

The meeting ended at 8.14pm

Chairman:

Date:

Directions to Telford College of Arts and Technology, and Car Park / Access Plan

Deliveries ➡
Visitors ➡

Useful contacts:
Estates Manager: 01952 642476
Site Services staff: 01952 642212
Principal's PA: 01952 642222
Switch Board: 01952 642200

