



Telford & Wrekin
COUNCIL

Addenbrooke House, Ironmasters Way, TELFORD TF3 4NT

CABINET

Thursday, 8 January 2015

5.00pm

**Meeting Room G3, Ground Floor,
Addenbrooke House, Ironmasters Way,
Telford TF3 4NT**

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CABINET MEMBERS

Councillor K.S. Sahota	Leader of the Council
Councillor R.A. Overton	Deputy Leader and Cabinet Member for Public Health & Public Protection
Councillor E.A. Clare	Leisure Services & Culture
Councillor S. Davies	Neighbourhood Services, Employment & Skills
Councillor A.R.H. England	Adult Social Care
Councillor W.A.M. McClements	Finance & Enterprise
Councillor H. Rhodes	Customer Services, Libraries & Transport
Councillor C.F. Smith	Housing, Development & Borough Towns
Councillor P.R. Watling	Children, Young People & Families

Invitees*

Councillor A.J. Eade

(Conservative)

Councillor W.L. Tomlinson

(Liberal Democrat/Independent)

Terms of Reference

The Local Government Act 2000 provides that all the functions of the Authority shall be functions of the Cabinet, except where they are reserved to the Full Council by the Act, by regulations made under the Act or by legislation. The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 sets out those functions:

- (a) which **must not** be discharged by Cabinet, for example determination of planning applications; licensing and registration.
- (b) which **may be** the responsibility of the Cabinet, for example service of abatement notice for a statutory nuisance; functions relating to contaminated land.
- (c) which may not be the sole responsibility of the Cabinet, for example the Council Plan, Children & Young People's Plan and the Local Development Framework
- (d) Notwithstanding a), b) and c) above decisions of the Cabinet must fall within the overall Policy and Budgetary Framework agreed by Council.

Additional Information

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CABINET

**Meeting to be held on Thursday, 8th January 2015 at 5.00pm
in Meeting Room G3, Ground Floor, Addenbrooke House, Ironmasters Way,
Telford**

AGENDA

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	2. Apologies for Absence			
	3. Declarations of Interest			
K C	4. Financial Monitoring 2014/15	Cllr W McClements	Appendix B	9
K	5. Service & Financial Planning Strategy 2015/16 – 2017/18	Cllr W McClements	Appendix C (to follow)	
K	6. Housing Investment Programme – Business Case	Cllr S Davies Cllr W McClements	Appendix D	35
NK C	7. Council Tax Support Scheme 2015/16	Cllr W McClements	Appendix E	75
NK	8. Annual Public Health Report 2014	Cllr R Overton	Appendix F	99
K	9. Provision of Security Services (Schoolwatch) – Providing Security Patrols & Keyholding Services to Schools and other Council Owned Buildings in the Borough	Cllr W McClements	Appendix G	155

Key	
C	Items reserved for Council
K	Key Decision
NK	Non-Key Decision
Orange	Exempt items

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 11th December, 2014 at 4.00 p.m. at the AFC Telford Learning Centre, Haybridge Road, Wellington, Telford

PUBLISHED ON WEDNESDAY, 17th DECEMBER, 2014

(DEADLINE FOR CALL-IN: MONDAY 22ND DECEMBER 2014)

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

CB-60 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 13 November 2014 be confirmed and signed by the Chair.

CB-61 APOLOGIES FOR ABSENCE

Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader). (NB: the Deputy Group Leader, Cllr G.M. Green, had also had to submit her apologies)

CB-62 DECLARATIONS OF INTEREST

Councillor K Sahota declared for the purposes of transparency an interest in agenda item 5 – Wellington Town Centre Regeneration – in relation to his wife's business and took no part in the voting on this item.

CB-63 SCRUTINY REVIEW OF YOUTH UNEMPLOYMENT

Key Decision identified as **Scrutiny Review of Youth Unemployment** in the Notice of Key Decisions published on 12 November 2014.

Councillor K.R. Guy, Chair of the Children & Young People Scrutiny Committee, presented the Committee's report on Youth Unemployment in the Borough.

The Committee had decided to look at this issue in response to concerns at the higher than average rates of youth unemployment in Telford & Wrekin, and how this was affecting the life chances of young people in the Borough. Three key lines of enquiry had been undertaken:

- Investigating what barriers existed locally for young people to getting work;
- Examining whether all agencies were playing their part in supporting young people into work;

- Investigating whether there were any gaps and/or overlaps in current provision.

The Committee took evidence from the Cabinet Member, Council Officers, staff from other relevant agencies and education providers, and local business and skills leaders. Members also visited a number of Job Junctions to see them in action and to hear the views of staff and customers, and spoke to a number of the Council's apprentices who had experienced unemployment. The apprentices' contribution had been extremely valuable.

Over the period of the Review (November 2013 to September 2014) the rate of youth unemployment in the Borough had fallen faster than the national and regional average, and the Committee had concluded that the direction of travel was good in terms of the Council's response to the issue and the measures that had been taken. These included moving the Skills team to Business Support, the investment of resources in the Job Junctions, Job Box mentors and delivering the Jobs Fair at the International Centre. Although the downward trajectory of youth unemployment was encouraging, there was still a long way to go, and the Committee had put forward a number of recommendations which were set out in detail in the report. These were intended to build on the good work already achieved, with particular emphasis on ensuring that all partners and agencies work in a co-ordinated way in aligning employment opportunities and future skills with FE provision.

Councillor S Davies, Cabinet Member: Neighbourhood Services, Employment & Skills, responded to the report on behalf of the Cabinet. He thanked the Committee for the work they had done. The detailed response to each of the Scrutiny Committee's recommendations was appended to the report attached to the agenda. Nine of the thirteen recommendations had been wholly accepted, with the remaining four being partially accepted. It was noted that many of the recommendations were already in the process of being implemented under the Youth Unemployment Programme, with considerable positive progress having been made over the past 9 months. More could be done, but Government was not providing any funding to help the Council. A number of examples of this work were listed in the report.

Members welcomed the Scrutiny report, and the efforts being made by the Council to provide apprenticeships. However it was noted that Government had created an uneven playing field, with all the support for apprenticeships and getting young people into work being directed to private sector providers.

RESOLVED – that the recommendations made by the Children & Young People Scrutiny Committee be noted, and the response set out at Appendix 1 of the Cabinet Member's report be approved;

CB-64 WELLINGTON TOWN CENTRE REGENERATION

Key Decision identified as **Wellington Centre Regeneration** in the Notice of Key Decisions published on 12 November 2014.

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Development, Business & Employment, which updated Members on the proposals contained in an Action Plan for the regeneration of Wellington Town Centre, and the proposed arrangements for implementing them.

In January 2014, Wellington Town Council published a report setting out a vision for the future of Wellington Town Centre. The Town Council then approached the Borough Council to assist in the implementation of the recommendations contained in the report. This had led to the development of an Action Plan – a copy of which was appended to the report. The draft Action Plan focussed on land and activities within the Town Centre, and set out the priorities for delivery over the next two years. The main focus in the initial stages would be the delivery of key priority sites that had been vacant or required re-development (eg former Charlton Arms Hotel being converted to residential apartments and new dwellings).

Wellington Town Council was providing £25k over the next 18 months to support delivery, matched by the Borough Council in officer time. A Wellington Project Board had been established to oversee the delivery of the Action Plan, and the terms of reference for the Board were appended to the report.

In order to kick-start re-development of the sites identified within the Action Plan, as well as other stalled sites, it was proposed that £180,000 of the existing capital allocation for Housing Development Delivery be re-allocated to support delivery of projects in Wellington. On specific projects, external funding sources would also be approached to support delivery.

RESOLVED –

- (a) that the working arrangements with Wellington Town Council as set out in the report, and the proposals contained within the Wellington Town Centre Regeneration Action Plan (as shown at Appendix 1 of the report), be endorsed;**
- (b) that a funding agreement be entered into for the receipt of £10,000 in 2014/15 and £15,000 in 2015/16 from Wellington Town Council to Telford & Wrekin Council, with these sums being match funded in terms of an ‘in kind’ Officer contribution;**
- (c) that the use of £180,000 of the existing Housing Development capital allocation for tackling the Priority Sites/Areas set out in the Action Plan be approved, and that authority be delegated to the Assistant Director: Development, Business & Housing, in consultation with the Cabinet Member: Housing, Development & Borough Towns, to determine the allocation of that spend.**

(Having declared an interest in this item, Councillor K Sahota did not vote on the above resolutions)

CB-65 TRANSFER OF 0-5 CHILDREN'S PUBLIC HEALTH COMMISSIONING TO LOCAL AUTHORITIES

Key Decision identified as **Transition of 0-5 Commissioning Responsibilities** in the Notice of Key Decisions published on 12 November 2014.

Councillor R A Overton, Cabinet Member: Public Health & Public Protection, presented the report of the Assistant Director: Health, Wellbeing & Public Protection, which outlined the changes in responsibility for the commissioning of public health services for 0-5 year olds. This was the final part of the overall transfer of public health services to local government begun in 2013.

From 1 October 2015, the public health commissioning responsibilities for children 5 and under would transfer from NHS England to local authorities. The transfer encompassed the 0-5 Healthy Child Programme which included health visiting and Family Nurse Partnership services. Only the commissioning role was being transferred – health visitors would continue to be employed by the Shropshire Community Health NHS Trust.

The report set out the arrangements for the transfer of financial resources from NHS England to local authorities in 2015/16 based on the spend on 0-5 services at the point of transfer. From 2016/17 onwards, the 0-5 baseline would be added to existing local government public health grant allocations. A transition steering group had been established chaired by the Assistant Director: Health, Wellbeing & Public Protection, and work was underway with the Area team and the provider to progress the transfer and to ensure that, post transfer, 0-5 services would be fit for purpose. This collaborative approach had been well received.

In response to questions about the funding arrangements, the Director of Health, Wellbeing & Care advised that there was a potential danger of cuts in NHS funding, and that the budget available needed to match the service before moving to full commissioning from April 2016.

RESOLVED –

- (a) that the transfer of public health commissioning responsibilities for 0-5 year olds from NHS England to Local Authorities on 1 October 2015 be noted;**
- (b) that authority be delegated to the Director of Health, Wellbeing & Care, in consultation with the Director of Children & Family Services; the Cabinet Member: Public Health & Protection; and the Cabinet Member: Children, Young People & Families, to undertake the transfer of commissioning arrangements including all matters relating to any contracts and commissioning.**

CB-66 USE OF COUNCIL STREET FURNITURE AT FUTURE ELECTIONS

Key Decision identified as **Use of Council Street Furniture at Future Elections** in the Notice of Key Decisions published on 12 November 2014.

The Returning Officer/Managing Director presented a report which set out the conclusions of a review of the current policy whereby the Council allowed election posters to be attached to street furniture (principally lamp posts) provided that the posters were taken down within 14 days after the close of poll.

During the European elections earlier this year, election posters on the street furniture in a number of areas of the Borough were damaged or de-faced, some with offensive language or symbols on them. Complaints were received, and Council officers incurred time and expense taking these posters down. Complaints had also been received about the number of posters in certain parts of the Borough and the detrimental appearance they made. It was also apparent from a survey of other West Midlands Councils that Telford & Wrekin was now amongst a minority that allowed posters to be affixed to street furniture.

In the light of this, it was decided to consult with interested parties and local residents on whether election posters should be banned from Council street furniture. A list of the people consulted and the responses received were circulated as Appendices to the report. A majority of the people or organisations that responded were in support of the idea of a ban. Having taken into account the consultation responses, the Returning Officer advised that he was recommending Cabinet to agree to withdraw consent for the use of Council owned street furniture or any other means of displaying election posters on Council owned land with effect from 1 January 2015. The rationale and reasons were set out in the report.

RESOLVED –

- (a) that the Returning Officer's recommendation to ban the display of election posters on Council property at any time with effect from 1 January 2015 be agreed;**
- (b) that the existing powers to prosecute for breaches of the law be noted.**

CB-67 DRIVING DELIVERY OF THE COUNCIL'S PRIORITIES: 2014/15 6 MONTH PERFORMANCE ANALYSIS

Non-Key Decision

Councillor R A Overton, Cabinet Member: Public Health & Public Protection, presented the report of the Managing Director which gave an overview of the performance against the Council's priorities identified in the Medium Term Strategic Plan for the first 6 months of 2014/15, and an update of the strategic

risk register. There was an amendment at paragraph 4.5.3 of the report – the recycling rate had increased from 44.8% (not 40%) at year end to 51% at the end of September (an increase of **13.8%**)

Of the 33 measures that were able to be compared to 2013/14 year end performance, 64% had improved, 24% had got worse and 12% remained the same. As a 'business supporting, business winning Council', there was clear progress in driving economic and housing growth in the Borough. Linked to the growth agenda, the Council's programme to tackle youth unemployment had resulted in a fall in the youth unemployment rate from 32.1% to 20.9%. It was also supporting the development of the Borough's workforce of the future through the work with schools to raise attainment – 81% of pupils were now attending schools rated as good or outstanding.

An area of concern was the number of 16-24 year olds presenting themselves as homeless, largely as a result of the Government's welfare reforms. There remained some pressures in adult social care and tackling health inequalities. Whilst there were some areas of improvement, the number of children who were obese or overweight had increased. In terms of recycling rates, there had been an improvement following the start of the new kerbside recycling service in April. The rate was now over 50% for the first time, and resulted in an additional 1300 tonnes of waste being recycled.

The updated Strategic Risk Register was appended to the report, and set out the key risks which had been identified for 2014/15 and the mitigating actions in place to manage these risks.

RESOLVED –

- (a) that the 6 month performance for 2014/15 be noted;
- (b) that the updated Strategic Risk Register be noted and approved.

CB-68 REPRESENTATION ON OUTSIDE BODIES – MARCHES LOCAL ENTERPRISE PARTNERSHIP

Non-Key Decision

Councillor K.S. Sahota, Council Leader, presented the report of the Assistant Director: Law, Democracy & People Services, which set out the arrangements for Elected Member representation on the Marches Local Enterprise Partnership (LEP) and associated bodies.

The Marches LEP was a public/private partnership tasked with regenerating the economic vitality of the Herefordshire, Shropshire and Telford & Wrekin region. It was overseen by a Board, and it was proposed to formally confirm the Leader as the Council's representative on the LEP Board. In July 2014, Cabinet approved the establishment of a Marches LEP Joint Committee consisting of a Cabinet Member from each of the three local authorities. It was proposed to formally appoint the Leader as the Council's representative on the Joint Committee. Finally, a Committee had been established to undertake

the local decision making role in the Marches for the distribution of European Structural and Investment Funding (ESIF). Each of the local authorities in the Marches region was entitled to appoint one representative to this Committee, and it was proposed that the Cabinet Member: Finance & Enterprise be the Council's representative.

RESOLVED –

- (a) that the Council Leader be confirmed as the Council's representative on the Marches Local Enterprise Partnership Board;
- (b) that the Council Leader be appointed as the Council's representative on the Marches Joint Executive Committee, and that Leader be delegated to appoint a Deputy who can represent the Council in his absence;
- (c) that the Cabinet Member: Finance & Enterprise be appointed as the Council's representative on the Marches European Structural & Investment Funding Committee for a three year period with delegated authority to make decisions as appropriate on behalf of the Council within the context of EU/national regulation of ESIF Committees.

CB-69 EXCLUSION OF PUBLIC AND PRESS

RESOLVED – that the public and press be excluded from the meeting for the following item of business on the grounds that it may involve the disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

CB-70 PROPERTY INVESTMENT PORTFOLIO - INVESTMENT

Key Decision identified as **Property Investment Portfolio - Investment** in the Notice of Key Decisions published on 20 November 2014. In accordance with the Regulations, the relevant Scrutiny Chair had agreed to the decision to be taken in private session with less than 28 days notice, as the decision was urgent and could not reasonably be deferred.

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the report of the Assistant Director: Development, Business & Employment, which sought approval for short term borrowing to support the ongoing rationalisation of the Property Investment Portfolio (PIP).

The PIP comprised a range of industrial, retail and office premises and played a vital role in accommodating local businesses as well as providing revenue income to support the delivery of Council services.

The report provided details of recent investments and acquisitions to the PIP, which would result in a capital shortfall pending the disposal of further assets. It was therefore proposed to access short-term borrowing to fund the shortfall. The report also referred to a review of the investment strategy for the PIP and possible changes in how it was funded.

RESOLVED -

- (a) that authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the Cabinet Member for Resources & Service Delivery, to undertake the acquisition and disposal of PIP assets as outlined in the report;
- (b) To RECOMMEND to COUNCIL that the PIP be granted approval to short term prudential borrowing to fund commercial investments outlined within the report;
- (c) To RECOMMEND to COUNCIL that necessary changes to the capital programme and revenue budget to facilitate the ongoing rationalisation of the PIP, as outlined in the report, be approved;
- (d) that authority be delegated to the Assistant Director: Law, Democracy & People Services to seal or sign any documents required to give effect to the recommendations contained in this report.

The meeting ended at 4.54 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & People Services
Date: 17 December 2014

Signed:

Date:

TELFORD & WREKIN COUNCIL

**CABINET – 8 JANUARY 2015
COUNCIL – 22 JANUARY 2015**

2014/15 FINANCIAL MONITORING REPORT

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

LEAD CABINET MEMBER: CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2014/15 Revenue

The net outturn position for the Council's 2014/15 General Fund revenue budget is currently projected to be within budget. This is a significant improvement on the position previously reported to Cabinet which is a reflection of proactive financial management by Senior Managers and Cabinet Members. We now expect to be £2.8m underspent at year end (compared to £0.3m overspent in the last report). It is proposed that additional funding for two priorities is met from this underspend: £0.260m Community Pride Fund; £0.750m Capacity Fund; which will take the underspend to £1.8m. This together with the unused element of the budget contingency (currently £3m) will be used to support the 2015/16 budget strategy and the delivery of future savings. In total therefore around £4.8m one-off resources (prior to debt write-offs e.g. arising from bankruptcy/liquidation of debtors) are currently projected to be available at year end to support future budget strategies which places the Council in as good a position as possible to meet the financial challenges which lie ahead.

The overall position includes full use of both the Safeguarding and Adult Social Services draw-down budgets and assumes that Transforming Telford Ltd. is closed this year and releases £0.73m of revenue balances.

Given the future financial outlook of very significant further government grant cuts and some medium term inflationary pressures, it is important to sustain this position as far as possible.

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

- Net in year savings across all Services totalling just over £6m which are contributing significantly to the Council's overall position. This position includes many one-off benefits for example arising from active treasury management, totalling £1.5m which have arisen from reviewing the Council's MRP policy relating to "government supported" debt in the same way as was agreed for all prudential debt as part of the budget strategy for 2014/15. Also included is the budget in 2014/15 allowed for the implementation of the single status settlement which will now not happen in 2014/15 and releases a benefit of £1.95m.
- Adult Social Services are projecting an overspend of £5.7m relating to the cost of care packages, which is an improvement of £0.5m on the previous report. One-off balances of £3.2m (£2.2m of the draw down budget approved corporately at year end and £0.9m Service Balances and £0.1 NHS England funding) are available to partly offset this. Further progress in delivering savings is paramount to meet the shortfall in 2014/15 and to replace the use of one-off funds in future years in order to ensure that the Council's medium term financial plan is robust;
- The cost of Children in Care Placements continues to be a significant pressure with an overspend of £1.4m being reported, which is slightly higher than previously reported. This is being offset by use of the draw down budget which was built in to the 2014/15 base budget;
- Cost pressures totalling £0.3m relating to the provision of Adults with Learning Disabilities in house services are currently projected – a review of the service is currently in progress which will reduce the overspend once implemented.
- Transport – commissioned by Family & Cohesion Services on behalf of client services; following the review of transport in 2013/14 client budgets were reduced to reflect savings identified. At this stage in the year overspends totalling £0.22m are being reported across client budgets pending delivery of the savings recommended. As savings are achieved the reported pressure should reduce.

1.2 Capital

The capital programme totals £137m which includes slippage and all approvals since the budget was set. Spend at the time of compiling this report was around 38% with projected spend being 98%.

A number of virements, new allocations and slippage are included in Appendix 3 for approval together with some changes to the funding of the capital programme.

1.3 **Corporate Income Collection**

The collection levels for Council Tax, Business Rates and Sales Ledger outstanding debt are slightly behind the targets set for the year.

2.0 **RECOMMENDATIONS**

2.1 **Cabinet Members are asked to:-**

- (i) **Note that 2014/15 revenue spending is currently projected to be within budget and continue to work with SMT to sustain this position; and recommend that Council approve the transfer of £0.750m to the Capacity Fund.**
- (ii) **Note the position in relation to capital spend and receipts and recommend that Council approve the new allocations, virements and slippage detailed in Appendix 3 together with the funding changes to the capital programme detailed in section 6.3.**
- (iii) **Recommend that Council approve a further £150,000 expenditure to develop the site at Donnington for use as a MOD fulfilment centre. This expenditure will be recoverable from the successful bidder if Donnington is selected as the location but may be abortive should the MOD development at Donnington not go ahead. The additional expenditure will be funded from the existing 14/15 capital programme.**
- (iv) **Note the collection rates for NNDR, council tax and sales ledger.**

3.0 **SUMMARY IMPACT ASSESSMENT**

COMMUNITY IMPACT	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	Delivery of all priorities depend on the effective use of available resources. Regular financial monitoring helps to highlight variations from plan so that action can be taken to effectively manage the Council's budget.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	To outturn within, or as close as possible to, budget at 31/3/15	

FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	

PART B) – ADDITIONAL INFORMATION

4.0 2014/15 REVENUE BUDGET

4.1 Financial monitoring is the responsibility of budget holders and is supported by Finance staff using a risk based approach: following considerable reductions in finance resources through savings exercises more focus is given to higher risk areas (high value/highly volatile); less frequent monitoring is undertaken on budgets deemed to be lower risk.

4.2 The main changes since the last report to Cabinet are:

Variations - £m	16/10/14 Cabinet	Change	Current Projected Variation
Childrens Safeguarding & Specialist Services – increase in the cost of Children in Care Placements and Care Leavers accommodation costs	+1.156	+0.207	+1.363
Adult Social Services – reduced costs relating to purchasing of care packages	+6.278	-0.538	+5.740
Customer Services – ICT overspend against PC replacement programme however £238K of this is savings that have been re-profiled for delivery the following year and the shortfall this year has been met by alternative savings within the wider Customer Services Portfolio.	+0.100	+0.236	+0.336
Additional Savings identified across all Service Areas	-4.518	-1.505	-6.023
Other Variations	-2.727	-1.480	-4.207

Variations - £m	16/10/14 Cabinet	Change	Current Projected Variation
Total Projected Variation	+0.289	-3.080	-2.791
Call on Contingency	-0.289	+0.289	0.000
Contribution to Community Pride Fund		+0.260	+0.260
Contribution to Capacity Fund		+0.750	+0.750
Final Projected Variation	0.000	-1.781	-1.781

4.3 The overall 2014/15 budget position is summarised in the table below:

Service Area	Cabinet 16 10 14	Total Current Variation	Change
	£	£	£
Children's Safeguarding & Specialist Services	713,428	692,749	(20,679)
Education & Corporate Parenting	288,373	(186,817)	(475,190)
Family & Cohesion & Commissioning Services	(35,439)	(533,900)	(498,461)
Development, Business & Employment	107,700	32,700	(75,000)
Neighbourhood & Leisure Services	70,500	43,500	(27,000)
Adult Social Services	2,784,804	1,932,796	(852,008)
Public Health, Well Being & Public Protection	(200,000)	(282,125)	(82,125)
Customer Services	140,000	(625,713)	(765,713)
Law, Democracy & People Services	(5,349)	(2,009,949)	(2,004,600)
Finance, Audit & Information Governance	(1,740,334)	(1,734,684)	5,650
Cooperative Council Delivery Unit	(99,936)	(224,936)	(125,000)
Council Wide	(1,734,000)	105,078	1,839,078
Total Projected Variation	289,747	(2,791,301)	(3,081,049)
Use of uncommitted balance in Corporate Contingencies	(289,747)	0	289,747
Total Projected Variation after use of contingency	0	(2,791,301)	(2,791,301)
Transfer to Capacity Fund		750,000	750,000
Transfer to Community Pride Fund		260,000	260,000
Total Projected Variation after transfers	0	(1,781,301)	(1,781,301)

4.4 Projected variances over £0.100m are highlighted below, other variances are detailed in Appendix 2.

Service Area	Variance £m
<u>Children's Safeguarding & Specialist Services</u>	
Children in Care (CiC) – currently projecting £1.363m overspend which is an increase of £0.207m since the last report. This reflects 292 CiC at the 27 Nov 2014 (309 at 31 March 2014, peak of 323 during last financial year). The	+1.363

<p>financial strategy for 2014/15 includes an additional “draw-down” budget for Safeguarding to help meet the ongoing pressures on the service (see below). All placements are scrutinised and reviewed in line with the Action Plan and Placement Strategy to secure best value.</p> <p>Draw down budget – £1.2m set aside when the budget was set to meet CiC pressures. -1.200</p> <p>Care Leavers – overspend relating to the cost of supporting 16-18 year olds as they leave care. This represents a significant improvement on the position in 2013/14 and an improvement of £0.083m since the last report. +0.184</p> <p>Internal Foster Carer Costs– payments to Foster Carers including transport costs. +0.131</p> <p>Staffing (Specialist Services) – underspends from vacancies held in the service area. -0.295</p> <p>Staffing (Safeguarding) – including the cost of agency social workers +0.145</p> <p>In year savings total £0.080m.</p> <p>The Service Area has a Cost Improvement Plan for 2014/15 which includes specific elements to reduce the reported overspends described above. Close monitoring by senior officers and members is in place to review progress against the Cost Improvement Plan targets set.</p>	
<p><u>Education & Corporate Parenting</u></p> <p>School Improvement Advisory Service – additional income forecast from trading following the restructure -0.132</p> <p>In year savings total £0.130m.</p>	
<p><u>Family, Cohesion Services & Commissioning</u></p> <p>Transport – transport is commissioned by Family & Cohesion Services and is provided to various client services: Adult Social Services, Education & Corporate Parenting and Neighbourhood & Leisure Services. Following the review of transport in 2013/14, client budgets were reduced to reflect the savings identified. Overspends totalling £0.217m are currently being reported by Client Services pending delivery of the recommendations in the Transport Review (£0.162m in</p>	

<p>Adult Social Services and £0.055m in Education & Corporate Parenting. As savings are achieved the reported pressures should reduce.</p> <p>Cohesion – a combination of salary and other savings within the service. -0.158</p> <p>Early Intervention & Family Connect – restructure savings -0.131</p> <p>Contracting & Commissioning – mainly due to the transfer of Supporting People from Adult Social Services which is forecast to overspend by £0.383m, partially offset by restructure savings. +0.190</p> <p>Youth Services – one off savings identified -0.100</p> <p>Youth Offending Service – one off savings identified -0.283</p> <p>In year savings total £0.909m.</p>	
<p><u>Adult Social Services</u></p> <p>Purchasing budgets – An overspend of £5.7m is projected which is a reduction since the previous report. Included in the total savings target of £7.7m for all Adult Social Care Services (including ALD) is £4.051m targeted at purchasing budgets which have been reduced. Plans to mitigate the overspend are in place and subject to rigorous monitoring and review. The overspend is after the delivery of £1.9m savings already achieved. +5.739</p> <p>One off Funds – includes £0.9m Service balances plus NHS England Funding of £0.1m plus £2.24m of the one off draw down budget set aside at year end. -3.240</p> <p>Transport – impact of the budget reductions following the transport review, mentioned above. A number of proposals have been agreed which, when implemented, will reduce the projected overspend, however a full year impact of the savings will not be achieved. +0.162</p> <p>Employees – savings arising from vacant posts within Adult Social Services. -0.239</p>	
<p><u>Public Health, Wellbeing & Public Protection</u></p> <p><u>Employees</u> – arising from part year vacancies and underspends on other employee budgets. -0.109</p>	

In year savings total £0.200m.	
<u>Neighbourhood & Leisure Services</u>	
Waste Disposal – cost pressures associated with the disposal of wood and hazardous materials at CRCs; green waste at kerbside along with replacement bin costs.	+0.169
Waste & Neighbourhood Services – benefit from green waste disposal.	-0.120
Leisure Facilities & Services – income shortfall at Oakengates Leisure Centre and Horsehay Golf Complex	+0.141
One Off Funding – arising from savings; available to meet cost pressures	-0.105
Highways & Neighbourhood Management – income pressure	+0.170
In year savings total £0.185m.	
<u>Development, Business & Employment</u>	
Regeneration & Investments – loss in Property Investment Portfolio investment income arising from the longer-term rationalisation of the property portfolio to secure a more sustainable income position ongoing, short-term income pressures at Southwater car park and service charge voids.	+0.525
Business & Development Planning – one off savings arising from vacancy management	-0.143
Development Management – one off benefit from increased planning applications due to the current housing market and “Invest in Telford” campaign.	-0.225
In year savings total £0.440m.	
<u>Customer Services</u>	
ALD – Carwood residential home – overspend on employees due to additional hours worked	+0.180
ALD – Community Support – overspend on employees due to additional hours worked	+0.172
ALD – Care & Enablement – savings identified from staffing	-0.416

<p>restructures and cessation of the enablement service.</p> <p>One-Off Funding – part of Adult Social Services draw-down budget</p> <p>ICT – overspend relating to the PC replacement programme however the shortfall will be met from savings within the wider customer services portfolio together.</p> <p>Commercial Catering – income shortfall across a number of catering facilities. A management action plan is in place to address this.</p> <p>Customer Services overall position relies on £730k additional funding achieved through increased council tax and business rates. Due to accounting regulations this is not available to the Council in 2014/15 and will be met from one-off funds until 2015/16.</p> <p>In year net savings total £0.386m.</p>	<p>-0.260</p> <p>+0.336</p> <p>+0.138</p>
<p><u>Finance, Audit & Information Governance</u></p> <p>Treasury – the majority of this saving relates to the benefit of extending the change in the calculation of the Minimum Revenue Provision applied in 2013/14 to include supported debt (government allocations), which is made up of a back-dated element of £1.1m and an ongoing benefit. The revenue impact of changes to the level of anticipated capital receipts is also reflected in this position.</p> <p>In year savings total £1.471m.</p>	<p>-1.517</p>
<p><u>Law, Democracy & Public Protection</u></p> <p>Single Status - the budget for 2014/15 allowed for implementation of the single status settlement during the year. This is unlikely to happen during this financial year and as such a net benefit of £1.9m will arise during this year.</p> <p>In year savings total £1.917m.</p>	<p>-1.950</p>
<p><u>Co-operative Council Delivery Unit</u></p> <p>Commercial Income – including income anticipated from the solar farm in 2014/15 (note, this excludes debt charges which are included in the Treasury projection; the net saving after debt charges will rise to £160k by 2016/17).</p> <p>In year savings total £0.163m.</p>	<p>-0.125</p>

<u>Purchase Rebates</u> Surplus dividend from West Mercia Energy relating to 2013/14 outturn performance.	-0.134
<u>Litigation Costs</u> Estimated costs associated with an ongoing litigation claim affecting a number of Councils across the country which is likely to reach a conclusion in 2014/15.	+0.250

5.0 **CONTINGENCIES**

5.1 The 2014/15 budget includes a prudent contingency of £2.5m, which is set aside to meet any unforeseen expenditure or delays in phasing in the significant level of savings that the Council has to deliver this year, plus an amount held centrally for contractual inflation totalling £1.487m which forms part of the approved revenue budget but is only allocated to specific budgets when the relevant inflation indices are available. Additional one-off amounts of £1.2m were earmarked for Safeguarding as part of the 2014/15 budget and £2.5m was earmarked for Adult Social Services at 2013/14 year end. Given the exceptional cuts being made in the Council's budget it is imperative that the Council has a reasonable level of contingency in order to cover increases in demand for services (e.g. safeguarding which can be significant and occur with no warning) and to allow for any delays or shortfalls in the delivery of planned savings. The current position relating to contingencies is shown below:

	£
General Revenue Contingency	2,500,000
Inflation Contingency	1,487,210
Safeguarding draw-down budget	1,200,000
Adult Social draw-down budget	2,500,000
Total Contingencies	7,687,210
Commitments:	
Current Estimate of contractual inflation	987,210
Safeguarding draw-down budget applied to service overspend	1,200,000
Adult Social Services draw-down budget applied to service overspend	2,500,000
Total Use of Contingency	4,687,210
Uncommitted balance remaining in Contingencies	3,000,000

The balance remaining in the contingencies at year end will benefit the overall bottom line position and no call will need to be made against the Councils usable General Fund balances.

6.0 **CAPITAL**

6.1 **2014/15 Capital Programme**

The capital programme totals £137m, which includes all approvals since the budget was set (and those proposed in this report).

The financial position is shown in the table below which shows spend at 38% of the budget allocation. Projected spend is currently shown at £134m (reflecting likely requirements for some further slippage of spend into later years).

Priority	Budget £m	Spend To Date £m	% Spent	Projection
Education & Corporate Parenting	64.81	28.45	44	64.81
Dvpt. Business & Employment	32.96	13.20	40	30.51
Neighbourhood & Leisure	30.88	9.35	30	30.23
Adult Social Services	1.90	0.21	11	1.67
Customer Services	2.13	0.63	29	2.13
Cooperative Council Delivery Unit	4.04	0.01	0	4.04
Council Wide	0.12	0.00	0	0.12
Total	136.84	51.85	38	133.51

6.2 New allocations and slippage are detailed at Appendix 3 which are presented for approval.

6.3 The 2014/15 capital programme relies on £6m capital receipts as part of its funding. Current monitoring indicates that some of these receipts are now not expected to be received in 2014/15 which will take the total receipts anticipated in 2014/15 to £2m. The funding of the capital programme will be updated to reflect this position (which is also included in the budget strategy).

6.4 Since the last monitoring report we have been continuing dialogue with the MOD regarding the development of a fulfilment centre at Donnington. In order to make the site ready to develop within the MOD timeframe the Council will be undertaking some further ecological and site access works. The MOD has agreed that the costs of these works can be recovered should Telford be selected as the site for the development, but may be abortive should the development at Donnington not go ahead. Indications are that Donnington is the preferred location in all bidders solutions. The additional works will be

funded from unallocated capacity within the existing 14/15 capital programme. However, these additional works will exceed the current approval to spend at risk by £150,000 and Council approval will be sought to this expenditure in order to maintain Telford's position as a viable option for the MOD fulfilment centre. An announcement on the successful bidder, and location, is anticipated in the next month.

- 6.5 The capital programme for 2014/15 includes allocations amounting to £21m funded from time limited capital grants. This includes £7.5m for stability work in the Gorge, £4.7m Green Deal funding and £676k for pothole repairs and highways maintenance. These grants must be spent in full by the 31st March 2015. Actual expenditure against these allocations is currently £9m. Project managers are currently projecting that all of the grant funded elements of the projects will be complete and the funding spent by the 31st March deadline however actual percentage spend against a number of these projects is low. There is a risk that some projects will not be complete in 2014/15 and grant funding will not be available in 2015/16. All schemes are being actively managed and monitored to mitigate this risk.

7.0 CORPORATE INCOME MONITORING

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

- 7.2 In summary, the overall position shows collection levels for all debts are slightly outside the target set.

INCOME COLLECTION – November 2014				
	Actual	Target	Performance	Change in cash collected on last year
Collection Levels:				
Council Tax Collection	74.28%	74.77%	0.49% behind target	+ £1,252,889
NNDR Collection	74.30%	75.05%	0.75% behind target	N/A
Sales Ledger Outstanding Debt	7.27%	5.50%	1.77% behind target	+£2,068,626

7.3 Council Tax (£68.5m)

The percentage of the current year liability for council tax which the authority should have received during the year, as a percentage of annual collectable debit. The measure does not take account of debt that continues to be pursued and collected after the end of the financial

year in which it became due. The final collection figure for all financial years exceeds 99%.

Year end performance 2013/14	96.6%
Year End Target for 2014/15	96.6%

Performance is cumulative during the year and expressed against the complete year's debit.

Month End Target	Month End Actual	Last year Actual
74.77%	74.28%	74.77%

£1.2 million more has been collected in council tax so far this year compared to last year. Collection rates are at slightly reduced rate compared with this time last year, with taxpayers in receipt of benefit still the client group who are struggling to pay.

7.4 **NNDR-Business Rates (£73.1m)**

The % of business rates for 2014/15 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

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

Year end performance 2013/14	97.3%
Year End Target for 2014/15	97.3%

Month End Target	Month End Actual	Last year Actual
75.05%	74.30%	78.55%

We have re-profiled the NDR targets for the rest of the financial year to account for the new national instalment scheme over 12 months rather than 10 months. As businesses will be paying instalments later in the year, we can no longer compare the 14/15 performance to 13/14. Performance this year is now slightly behind target. Business rate growth has created a significant increase in the debit to collect, but due to the 12 monthly instalments, this won't show through in cash collected until the last 2 months of the financial year.

7.5 **Sales Ledger (£35.9m)**

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

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for 2014/15 are as follows:

Age of debt	Annual Target %	November 2014	
		£m	%
Total	5.50	2.61	7.27%

Sales ledger performance outside of target. This is largely due to a number of large invoices which have been raised recently for the NHS Trust.

The overall revenue out-turn position reported above is before any debt write-offs are made to reflect sales ledger invoices that are considered uncollectable. Clearly every possible effort is made to collect outstanding debts but in some cases collection may not be feasible for example because debtors have been declared bankrupt or are in liquidation with insufficient assets.

8.0 PREVIOUS MINUTES

27/4/14 – Council, Service & Financial Planning Strategy
 26/6/14 - Cabinet, Service & Financial Planning Report – 2013/14 Outturn and 2014/15 Update
 24/7/14 – Cabinet, 2014/15 Financial Monitoring Report
 11/9/14 – Council, 2014/15 Financial Monitoring Report
 16/10/14 – Cabinet, 2014/15 Financial Monitoring Report
 27/11/2014 – Council, 2014/15 Financial Monitoring Report

9.0 BACKGROUND PAPERS

2014/15 Budget Strategy / Financial Ledger reports

Report Prepared by:

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

Summary of 2014/15 Projected Variations

Service Area	Cabinet 16 10 14	Analysis of Current Variation				Total Current Variation	Change
		Variation	One Off Savs	Ongoing Savs	Pressures		
	£	£	£	£	£	£	
Children's Safeguarding & Specialist Services	713,428	772,749	(30,000)	(50,000)	0	692,749	(20,679)
Education & Corporate Parenting	288,373	(56,817)	(130,000)	0	0	(186,817)	(475,190)
Family & Cohesion & Commissioning Services	(35,439)	375,100	(751,000)	(158,000)	0	(533,900)	(498,461)
Development, Business & Employment	107,700	472,583	(344,754)	(95,129)	0	32,700	(75,000)
Neighbourhood & Leisure Services	70,500	228,500	(170,000)	(15,000)	0	43,500	(27,000)
Adult Social Services	2,784,804	1,932,796	0	0	0	1,932,796	(852,008)
Public Health, Well Being & Public Protection	(200,000)	(82,125)	(200,000)	0	0	(282,125)	(82,125)
Customer Services	140,000	(239,788)	(160,000)	(480,925)	255,000	(625,713)	(765,713)
Law, Democracy & People Services	(5,349)	(93,299)	(1,513,000)	(403,650)	0	(2,009,949)	(2,004,600)
Finance, Audit & Information Governance	(1,740,334)	(263,584)	(1,150,000)	(321,100)	0	(1,734,684)	5,650
Cooperative Council Delivery Unit	(99,936)	(61,936)	0	(163,000)	0	(224,936)	(125,000)
Council Wide	(1,734,000)	247,652	0	(142,574)	0	105,078	1,839,078
Total Projected Variation	289,747	3,231,831	(4,448,754)	(1,829,378)	255,000	(2,791,301)	(3,081,049)
Use of uncommitted balance in Corporate Contingencies	(289,747)					0	289,747
Total Projected Variation after use of contingency	0					(2,791,301)	(2,791,301)
Transfer to Capacity Fund						750,000	750,000
Transfer to Community Pride Fund						260,000	260,000
Total Projected Variation after transfers	0					(1,781,301)	(1,781,301)
check = 0		0	0	0	0	0	0

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Childrens Safeguarding & Specialist Services							
Children in Care Placements	8,487,341	1,363,498				1,363,498	The 2013/14 reported outturn position was £2,089m overspent. The budget strategy included a budget reduction of £1,200m for CiC Placements. A review of costs resulted in 2014/15 Cost Improvement Plan targets being set for both External Residential & External Fostering (£0,870m cost reduction in total). New arrangements are having an impact particularly on admissions for reasons of children's behaviour and reduction of high cost placements. Work is ongoing to ensure forecasted step downs from high cost residential placements take place as planned to deliver forecasted cost reductions. Work also continues to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy. Corporate contingency is held to meet demand from new admissions. Looked after Children- total was 292 as at 27/11/14.
Care leavers Accommodation costs	599,630	183,638				183,638	The 2013/14 reported outturn position was £0,344m overspent and a target has been set in the Cost Improvement plan to achieve a reduction of £0,160m from this amount which this current projection now shows as being achieved. Ongoing review of care packages in the service will continue to enable savings in this area for remainder of the year, progress of which will be regularly reviewed in the Cost Improvement Plan .
Staffing (Safeguarding)	4,899,383	144,905				144,905	The 2014/15 Cost Improvement Plan includes a target to reduce the use of Agency Social Workers. The final 2013/14 Safeguarding overspend included £465k for the net cost of agency staff. The current agency forecast is for outturn of £651k in 2014/15, which is offset by vacancies held in the service area. The final position resulting is an overspend against the combined agency and staffing budgets of £45k. Current number of agency staff 9 (Cost improvement plan target 5 until September 2014 and then none to March 2014). One of the key drivers for the use of Agency SWs is the level of demand for SW services which remains high; this is being tackled in a number of ways both Strategic and Operational. Safeguarding concerns around Child Protection workloads means a short term recovery plan has been put in place costing £100k to the end of the year to deliver improvements.
Staffing (Specialist Services)	3,748,891	(295,205)				(295,205)	This underspend relates to a number of vacancies within Specialist services. £148k of this figure arising within services jointly arranged with Shropshire Council.
Income (Specialist Services)	-1,279,951	77,909				77,909	A reduction in expenditure in the jointly arranged services result in a reduced amount of income being collected from Shropshire. Any underspend in these areas impacts on both T&W and Shropshire's budget.
Internal Foster Carers costs (excluding salaries, fees and allowances)	327,742	131,263				131,263	Specific pressures include travel costs £94k and Disclosure and Barring Service of £10k forecast overspend . The 2013/14 reported outturn position for travel costs was £92k overspend and a target has been set in the Cost Improvement plan for the Fostering service to achieve a reduction of £10k from this amount.
Joint Adoption Service	328,725	58,147				58,147	This overspend relates to the Joint Adoption Service hosted by Shropshire Council. Savings of £0.040m have been taken from this budget which are currently not forecast to be delivered. A West Mercia Adoption Service project is currently being undertaken which aims to deliver savings later in the financial year.
Direct Payments	185,428	89,535				89,535	Current projections are for a £90k overspend against Direct Payments, which pays for direct payment personal care for Children with disabilities. On-going review is being undertaken by the service area to understand and control costs.

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Variations under £50k	3,192,722	219,059	(30,000)	(50,000)		139,059	
		(1,200,000)				(1,200,000)	Corporate Contingency is held as part of the budget strategy for 2014/15 and was set at £1.200m for possible use across CiC Placements budget lines.
Total Children's Safeguarding & Specialist Services	20,489,911	772,749	(30,000)	(50,000)	0	692,749	
Education & Corporate Parenting							
Miscellaneous Secondary School Expenditure	3,217,820	87,484				87,484	Redundancy costs at secondary schools, arising from staffing changes in response to falling pupil numbers, resulting in higher costs than budgeted
Joint/Community Use	135,585	59,772				59,772	Joint use costs at Shortwood Primary no longer able to be financed by Dedicated Schools Grant (DSG) since introduction of new DfE funding rules.
Education Services Grant	(2,680,000)	(32,057)				(32,057)	ESG is primarily determined by the number of pupils in schools, particularly maintained schools, which is somewhat higher than budgeted. The notified allocation from the Education Funding Agency of £2,792,477 would deliver £112,477 more than budgeted, but this has been adjusted downwards to take account of the possible impact of academy conversions during 2014/15. A much lower level of ESG per pupil is paid for academies. An updated estimate will be made after Christmas following a review of the position on possible academy conversions.
School Improvement Advisory Service - Income	(515,890)	(131,871)				(131,871)	Additional income forecast from trading following restructure creating more traded posts. The budget for this area is now shown as the sum of the budgets in three cost centres, School Improvement Advisors, Traded Advisory Service and secondary Advisory Service as although the income is coded to one area, it arises from staff in all three cost centres.
School Improvement Advisory Service - Employees and Other	770,301	(82,226)				(82,226)	There has been a net salary saving as a result of staff commencing in post later than expected.
Transport	2,715,108	54,632				54,632	Pressure arising on School Transport following budget reductions in 2014/15-see comment included in Family, Cohesion and Commissioning Services below.
Variations under £50,000	7,131,824	(12,551)	(130,000)			(142,551)	Rationalisation of Education funding
Total Education & Corporate Parenting	10,774,748	(56,817)	(130,000)	0	0	(186,817)	

2014/15 Revenue Budget Variations over £50,000								
Description	Budget	Variation	Additional Savings		Pressures	Total Variation	Comments	
			£	£				One Off £
Family, Cohesion & Commissioning								
Transport	421,444	(45,031)				(45,031)	The commissioning of Transport Services provided to Adult Social Services and Education and Corporate Parenting is delivered by the Commissioning Unit from within Family, Cohesion and Commissioning, and is recharged to the service areas for whom the Transport is provided. The respective transport budgets are held by Adult Social Services, Education & Corporate Parenting and Neighbourhood & Leisure, with Management and staffing budgets held by FCC. Public Transport is managed within Neighbourhood & Leisure Services. A transport review was undertaken in response to the requirement to deliver significant savings targets. The review has recommended actions to deliver savings which have been adopted by the Council in a range of between £644k and £784k. The respective Transport users are undertaking to deliver these actions to reduce the costs of transport in line with the recommendations. The latest monitoring report includes the impact of the budget reduction and reports spending pressures in the respective service areas therefore, pressures are reported within Adult Social Services, Education and Corporate Parenting and Neighbourhood & Leisure. The underspend reported within FCC is due to the previously reported restructure of the service resulting in staff savings which is part of the agreed package of savings referred above although at a slightly reduced level. This saving offsets pressures reported on Transport elsewhere in this report. As the year progresses, and savings are achieved the reported pressures across all areas should reduce, and will, where possible, be consolidated.	
Cohesion	2,472,907	(58,589)		(100,000)		(158,589)	Supplies and services and salary savings across Cohesion offset by a pressure on housing from reduced income potential due to a reduced number of properties being occupied. The position has improved slightly due to the receipt of backdated rents which has increased the income projection.	
Youth Services				(100,000)		(100,000)	Contribution from reserves for supporting Positive Activities for vulnerable youth and for one off projects	
Youth Offending Service	348,096	(55,504)		(136,000)		(191,504)	The Council contributes to the Regional Youth Offending Service, and the 2013/14 outturn for that service has just been reported as a surplus of income over expenditure. The surplus is being returned to the funding partners in accordance with the level of contribution made in year. Therefore, a one off sum of £107k will be returned to the Council this year and this is unbudgeted. The 2014/15 contribution from funding authorities is also reduced resulting in further cost reductions to this service.	
Youth Offending Service				(92,000)		(92,000)	Contribution from reserves	
Early Intervention and Family Connect	3,735,990	144,261		(176,000)	(100,000)	0	(131,739)	Maintaining spending at 2013/14 levels in Children and Family Locality Centres and restructure savings in Early Intervention have resulted in an underspend which is partly offset by staffing pressures in Family Connect.
Contracting & Commissioning	2,737,307	390,317		(147,000)	(53,000)	0	190,317	There is a significant underspend which has resulted from the Contracting and Commissioning restructure including a savings of £31k forecast for CAMHS. Much of this saving was reported as one off as it resulted from the lead in time required to populate the new structure. In addition there are some savings from a change in existing SLAs. These savings are offset by pressures resulting from the movement of Supporting People from Adult Social Services which is forecast to overspend by £384k. This pressure is identified and being managed in the Adult Social Services Cost Improvement Plan.

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Other variations under £50k	131,568	(354)		(5,000)		(5,354)	Realignment of Savings within management & support.
Total Family, Cohesion & Commissioning	9,847,312	375,100	(751,000)	(158,000)	0	(533,900)	
Adult Social Services							
Purchasing-all types of care for all client groups including purchase of in house services	39,567,434	5,739,552				5,739,552	Latest forecasts continue to reveal pressure on the Adult Social Services budget with a purchasing outturn overspend of £5.74m being projected, this is an improvement from Period 6 with a reduction in forecast pressure on purchasing of £352k. It is worth noting that whilst this is an improvement £90k of this relates to an instance where Health are now picking up care costs and £41k is where clients have moved out of the area and their care has ended so this reduction is not necessarily tied completely to actions arising out of the CIP. Included in the total savings target of £7.7m for all Adult Social Care Services (including ALD) is £4.051m targeted at purchasing budgets which have been reduced. Plans to reduce costs and therefore reduce the overspend are in place, being subject to rigorous monitoring, management and review. The total Adult Social Services overspend is the net after savings already achieved of around £1.9m have been reflected. The current forecast for all Adult Social Services is that there are savings being pursued to reduce costs and sufficient with £3.14m of one off funding to meet the 2014/15 savings target, however, this will leave a forecast residual overspend of c.£1.9m reported below. The one off funding will have to be replaced with further savings in 2015/16.
Adult Social Services - NHS England Funded	133,000	(133,000)				(133,000)	Additional funding from Government to protect Social Care Services
Transport	651,746	162,337				162,337	The 14/15 ASS transport budget was reduced by £229k as a result of the recommendations made in the Transport Review. A number of proposals have been agreed to be delivered in 2014/15 and if they are successfully implemented the overspend will reduce but it is now unlikely that the impact of the proposals will achieve the target given that we reporting performance 7 months into the financial year. A Transport Review Project Group has been set up to look at ways to reduce Adult Social Services expenditure on Transport and identify a more robust transport policy.
Employees	6,074,100	(239,416)				(239,416)	This underspend has previously been reported within variations under £50k as it results from vacancies etc across the different services within Adult Social Services. Most of those vacancies will remain now in this financial year and therefore an underspend of this order will be realised in 2014/15.
Other variations under £50k	(8,897,962)	(456,677)				(456,677)	This underspend arises from an over recovery of income against budgeted estimates of c.£250k, the majority but not all being on expected client contributions, some being contributions towards care costs from CCG etc. The remainder of the reported underspend are savings within various services on non staff related operational costs.
Use of one off ASS funding	0	(900,000)				(900,000)	Use of One Off reserves held within Adult Social Services
Adult Social Services draw-down budget		(2,240,000)				(2,240,000)	Set aside as a specific draw-down budget for Adult Social Services as part of 2013/14 year end
Total Adult Social Services	37,528,318	1,932,796	0	0	0	1,932,796	

2014/15 Revenue Budget Variations over £50,000								
Description		Budget	Variation	Additional Savings		Pressures	Total Variation	Comments
		£	£	One Off £	On-going £	£	£	
Public Health, Wellbeing & Public Protection								
Public Health								
Staffing and operational budgets		1,093,953		(109,408)			(109,408)	Part year vacancies and underspends on other staffing budgets (£73k).
Variations under £50k		6,540,034	(39,000)	(74,592)			(113,592)	Savings relating to IT costs and in-house services within Working Age.
Public Protection & Civil Resilience								
Variations under £50k		1,794,690	(43,125)	(16,000)			(59,125)	A review of staffing budgets with the Service has identified savings arising from posts which are to remain vacant longer than originally anticipated.
Total Public Health, Wellbeing & Public Protection		9,428,677	(82,125)	(200,000)	0	0	(282,125)	
Neighbourhood & Leisure Services								
Transport & Highway Development	Public Transport & Concessionary Travel	1,959,675	50,000				50,000	Service transferred from Family & Cohesion - savings to mitigate this are shown below
			(50,000)				(50,000)	Management action to find efficiencies related to current Subsidised Bus services.
Variations under £50k	Transport & Highway Development		(146,000)		(15,000)		(161,000)	One off savings arising from vacancy management prior to restructure.
Leisure Facilities & Services	Income - Oakengates Leisure Centre	225,490	69,500				69,500	Impact on Income as a result of the construction of new school and subsequent closure of Leisure facilities during key building works.
	Income - Horsehay Golf Complex	(270,890)	72,000				72,000	There has been a national downturn in the use of Golf courses which has impacted on this shortfall of income in addition to competition from other courses.
	One off savings		0	(105,000)			(105,000)	Use of one off funding included within current savings proposals.
	Variations under £50k		67,000				67,000	A number of small overspends across a number of areas.
Highways & Neighbourhood Management	Income - Highways & Engineers	(1,339,480)	170,000				170,000	Income pressure associated with Engineers income target caused through imbalance from previous Portfolio restructuring.
	Supplies & Services		(77,000)				(77,000)	Street Lighting energy savings.
Waste & Neighbourhood Services Performance Management	Waste Disposal - TWS contract	757,670	169,000				169,000	The existing TWS contract pressures for disposal of Wood & Hazardous at CRC's; Green Waste at Kerbside, along with bin replacement costs.
	Supplies & Services		(70,000)	(50,000)			(120,000)	One off savings from Green waste disposal.
	Variations under £50k		(96,000)	(15,000)			(111,000)	A number of small one off savings across a number of areas.
Neighbourhood & Leisure Services	Variations under £50k		70,000				70,000	
Total Neighbourhood & Leisure Services		1,332,465	228,500	(170,000)	(15,000)	0	43,500	

2014/15 Revenue Budget Variations over £50,000								
Description		Budget	Variation	Additional Savings		Pressures	Total	Comments
		£	£	One Off £	On-going £	£	Variation £	
Development, Business & Employment								
Regeneration & Investment	Southwater Car Park - Income	(348,000)	200,000				200,000	As anticipated, delays to the opening date and the current road-work disruption have impacted on the usage of the multi storey car park. Business is rapidly growing as a result of the Southwater development with a range of new restaurants and facilities opening. As the economy continues to develop in the area so will the requirement for parking and income levels should therefore increase. This is net of mitigations.
	PIP & Service Charges		325,000				325,000	Ongoing rationalisation of the PIP resulting in an in year pressure on Income and Service Charge voids.
	Premises				(16,490)		(16,490)	NNDR savings within Railfreight
	Employees			(2,267)	(28,639)		(30,906)	VR saving within Investment Specialist team plus small one off savings.
Property & Design	Employees		(54,300)				(54,300)	One off savings from vacancy management.
Business & Development Planning	Employees	497,760	0	(133,566)	(10,000)		(143,566)	One off savings from vacancy management in addition to service redesign.
	Employees			(75,000)			(75,000)	Use of Green Deal to fund posts.
Property & Design	Administration Buildings	3,119,450	60,000				60,000	Increase in Darby House rent due to higher levels of occupancy and other Premises costs.
Skills	Post 16 Transport		(79)	(73,921)			(74,000)	Post 16 Transport savings one off in 14/15.
	Income				(40,000)		(40,000)	Connexions for Youth - Overachievement on income over expenditure resulting in net benefit for the service. Assumed ongoing whilst service continues to be provided
Development Management	Income		(165,000)	(60,000)			(225,000)	One off benefit from increased planning fees as a result of the current housing markets.
	Other variations under £50k		106,962				106,962	
Total Development, Business & Employment		3,269,210	472,583	(344,754)	(95,129)	0	32,700	
Customer Services								
Carwood	Employees	420,998	54,901			125,000	179,901	Overspend on staffing due to additional hours worked by staff
Community Support	Employees	989,728	41,885			130,000	171,885	Overspend on staffing due to additional hours worked by staff
Care & Enablement	Various	-	0	(50,000)	(365,605)		(415,605)	Savings identified from staffing restructures and the cessation of the enablement service.
Care & Enablement	Various		(5,609)		550,000		544,391	Reprofiling of the Care & Enablement Savings Between 2014/15 and 2015/16 with £184k of the overall saving being met from additional Business Rates income.
Care & Enablement under £50ks			(46,912)				(46,912)	
Business Rates - Funding					(439,000)		(439,000)	

2014/15 Revenue Budget Variations over £50,000								
Description		Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
				One Off £	On-going £			
Social Services draw-down budget			(260,000)				(260,000)	Use of one-off funds
ICT	Various	276	97,937		238,000		335,937	Shortfall against Service Specific Income target of £52k plus overspend against the PC replacement programme of £127k due to phasing of roll out. This position includes the reallocation of ICT savings proposals totalling £238k which will be met from alternative savings achieved through increased Council Tax and Business Rates income.
Commercial Catering	Income	(560,268)	137,838				137,838	Shortfall projected against Commercial income across Haughmond Hill Cafe, Cafe Go, Ice Rink Cafe, Food Truck and The Place. A management action plan is being developed to address these issues.
Revenues & Benefits	Income	(390,570)			(100,000)		(100,000)	Additional income generated from Court Fees as a result of increased taxpayers being taken to Court.
Revenues & Benefits	Supplies & Services			(30,000)			(30,000)	Under spend arising from the cost of Bailiffs projected in line with 2013/14. This
Cleaning	Employees	806,566	(93,878)				(93,878)	Under spend from staff not being at top of grade.
Cleaning	Carbon Reduction Commitment	-		(43,000)			(43,000)	One off benefit from the final year of the Carbon Reduction Commitment scheme in 2013/14.
Cleaning	PFI Insurance	(60,000)		(37,000)			(37,000)	One off benefit from reduced insurance costs linked to the PFI contract.
Council Tax - Funding Variations Under £50k			(165,950)		(291,000)		(291,000)	
					(73,320)		(239,270)	
Total Customer Services			(239,788)	(160,000)	(480,925)	255,000	(625,713)	Customer Services overall position relies on £730k additional funding achieved through increased council tax and business rates. Due to accounting regulations this is not available to the Council in 2014/15 and will be met from one-off funds until 2015/16.
Finance, Audit & Information Governance								
Treasury Management		9,615,330	(125,000)	1,150,000	242,000		(1,517,000)	Active treasury management including an estimate of the benefit from extending the change in the calculation of Minimum Revenue Provision applied to prudential borrowing in 2013/14 to include supported debt (government allocations) - this figure includes a back-dated (£1.1m) and ongoing element. It is also net of the impact of deferred capital receipts.
Variations Under £50k		0	(138,584)		79,100		(217,684)	Underspend arising from a number of temporary vacant posts plus one voluntary redundancy.
Total Finance, Audit & Information Governance			(263,584)	(1,150,000)	(321,100)	0	(1,734,684)	
Law, Democracy & People Services								
Land Charges	Income	(104,570)	(61,079)				(61,079)	Projected additional income to be achieved from Land Charges
Single Status	Employees	1,950,000		(1,500,000)	(450,000)		(1,950,000)	One off saving as Single Status not due to be implemented in 2014/15
Variations Under £50k			(32,220)	(13,000)	46,350		1,130	Pressures relate to support for Procurement and the Individual Electoral Register implementation.
Total Law, Democracy & People Services			(93,299)	(1,513,000)	(403,650)	0	(2,009,949)	

2014/15 Revenue Budget Variations over £50,000								
Description		Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
				One Off £	On-going £			
Cooperative Delivery Unit								
Delivery & Planning Cooperative Council and Commercial Delivery Team	Employees Income	745,520 0	(119,180)		(125,000)		(119,180) (125,000)	Majority relates to vacant posts within structure. Includes income that is expected to be delivered by the solar farm, which is scheduled to be completed by end November 2014 and all testing/commissioning completed by end December 2014. The figure for 2014/15 assumes income will be delivered from January-March 2015. The associated debt charges have been included in the treasury projections.
Variations Under £50k		0	57,244		(38,000)		19,244	
Total Cooperative Delivery Unit			(61,936)	0	(163,000)	0	(224,936)	
Council Wide								
West Mercia Energy Purchasing Consortium Litigation costs			(2,348) 250,000		(131,652)		(134,000) 250,000	Estimated dividend from WME exceeds the budget set (final to be confirmed following the WME audit, so subject to change). As previously reported, there is an ongoing legal process underway in relation to a group of Property Search Companies who are seeking to claim refunds of land charges fees paid. This is now likely to be settled in 2014/15.
NHB - overachievement					(10,922)		(10,922)	Saving included within DBE schedule
Total Council Wide			247,652	0	(142,574)	0	105,078	
Total Variations			3,231,831	(4,448,754)	(1,829,378)	255,000	(2,791,301)	

0
0

Capital Approvals - by Service Area

Virements							Funding / Comment
Scheme	Service Area		14/15 £				
Solar Farm	Development Business & Employment	-	76,505				Prudential
Commercial & Business Fund	Cooperative Council		76,505				Prudential
Total			-	-	-	-	-
Slippage							Funding / Comment
Scheme	Service Area		14/15 £	15/16 £	16/17 £	17/18 £	Later Years £
Building Schools for the Future	Education and Corporate Parenting	-	523,187	523,187			
ICT Social Care Review	Adult Social Services	-	200,000	150,000	50,000		
Housing	Development Business & Employment	-	50,000	50,000			
Corporate ICT Strategy	Customer Services		182,500	137,500	-	320,000	
Total		-	590,687	860,687	-	270,000	-
New Allocations							
Scheme	Service Area		14/15 £	15/16 £	16/17 £		
All Other School Schemes	Development Business & Employment		20,000				External
All Other School Schemes	Development Business & Employment		1,854,000	270,000	-	1,874,000	prudential
Housing	Development Business & Employment		100,000				Prudential
Housing	Development Business & Employment	-	100,000				Grant
All Other School Schemes	Development Business & Employment		6,400				External - School Contribution
All Other School Schemes	Development Business & Employment		7,502				External
Property Investment Portfolio	Development Business & Employment		2,000,000				Prudential
Corporate ICT Strategy	Customer Services		480,000				Prudential
Autism Innovation	Adult Social Services		18,500				DOH Grant
Total			4,386,402	270,000	-	1,874,000	

TELFORD & WREKIN COUNCIL

CABINET – 8 JANUARY 2015

SERVICE AND FINANCIAL PLANNING 2015/16 TO 2017/18

REPORT OF THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER

LEAD MEMBERS Cllrs K. SAHOTA and W. McCLEMENTS

1. OVERVIEW.

The Council's key budget strategy proposals for 2015/16 include the following commitments:-

Freezing Council Tax for the next year 2015/16.

A commitment to freeze council tax again the following year in 2016/17. This will see the Council freeze this for three years in a row, keeping council tax as low as possible. This is possible because of the Council's record of good financial management. Telford & Wrekin's council tax is already the third lowest in the Midlands.

Continuing to deliver jobs and investment - to create jobs for local people and provide additional income from business rates, "New Homes Bonus" and additional council tax. This income, worth an extra £8,000,000 next year, is used to directly support existing front line council services by reducing the cuts we would otherwise have to make.

Continuing to protect frontline services through good financial management. The Council has already delivered over £70,000,000 of savings and protected front line services as far as possible. Despite unprecedented Government cuts, we have sought to protect front line services for children, adults and the environment. The proportion of cuts to adult services in Telford & Wrekin is well below the national average and the cuts that we have made have been achieved in ways that protect vulnerable adults.

It is thanks to this strong financial management and the early delivery of savings that, despite the unprecedented cuts in grants from Government, the Council can make a number of investments to support a number of our priorities. These are:-

Protecting and creating jobs by being a 'Business Supporting, Business Winning Council'

1. A £1,000,000 fund to help revitalise and invest in the high streets of borough towns and district centres. Our local and district centres are a key part of community life. The bulk of this money, £800,000, will be in a fund that town and parish councils, regeneration partnerships, businesses and charities can bid for, while a further £200,000 pot will be used to invest in a range of events to attract even more people to these areas. This will support the invigoration and promotion of our high streets and local centres.
2. A further £250,000 investment in “Destination Telford” initiatives and events over the next three years to promote Telford as a place to live, work, visit and enjoy.
3. Spending just under £4,000,000 over two years to roll-out Superfast Broadband to parts of the borough where there is no broadband infrastructure and broadband suppliers are unlikely to invest in. When complete, this will see 96% of homes in the borough having superfast broadband coverage.

Ensuring that neighbourhoods are safe, clean and well maintained

4. Maintaining and improving our highway and transport infrastructure is a critical priority for many local residents as well as supporting economic growth. To this end a £6,000,000 (capital) investment into road, footpath and other highway improvements will be made over the next 3 years. This investment is in addition to Government funding.
5. Following the success of our Community Pride Fund in 2014/15, which was oversubscribed, a £1,000,000 (capital) Community Pride Fund for 2017/18 will be created. Again, local organisations, communities and businesses will be able to bid for this funding.
6. A borough wide environmental investment programme of £750,000 over 2015/16 and 2016/17 in addition to the two year £13,800,000 Pride In Your Community programme begun in 2014/15 to help tackle key environmental issues that residents regularly raise and to continue investment in Parish Environmental Teams in 2016/17. These teams funded by Telford & Wrekin and the relevant town or parish council, carry out local environmental work in their area over and above work by Telford & Wrekin Council. There are currently nine Parish Environmental Action teams in the borough providing these enhanced environmental services to residents.

Improving the health and wellbeing of our communities and addressing health inequalities

7. Providing free swimming for residents over 50, for four years, will be funded at a cost of around £200,000. Taken with our existing free swimming offer for under 16s, this will mean that 54% of the borough’s population would be able to swim for free.

Regenerating those neighbourhoods in need and working to ensure that local people have access to suitable housing

8. Continuing to support the regeneration of our local centres by providing £650,000 (capital) investment into St Georges to refurbish the Council's former Gower Street youth club.
9. Food bank confirmed funding for another year of £30,000 that provides essential support for local families in financial crisis.
10. Initiatives for crisis support and cheap loans to help borough residents to avoid needing to turn to expensive pay day lenders and start saving regularly, totalling £240,000.

Improving local people's prospects through education and skills training

11. We will continue and complete our medium term £187,000,000 investment to improve school infrastructure through our Building Schools for the Future programme.
12. Further to the investment of £650,000 in the current year, which has helped to reduce unemployment by almost a third in the borough over the last 12 months, a second year of investment in our youth unemployment Job Box initiatives of a further £650,000, will allow us to work with borough businesses to help them find more ways to take on and employ young people from the borough.

Protecting and supporting our vulnerable children and adults -

Safeguarding vulnerable children and adults is our top Council priority. We continue to ensure that services have the financial resources to do this and are making one-off additional ring-fenced funding available for 1 year:

13. £750,000 for Children's Safeguarding, to protect and support vulnerable children.
14. £1,250,000 for Adult Social Care, to protect and support vulnerable adults.

2. SUMMARY

Since 2010, Telford & Wrekin Council has faced unprecedented cuts in Government grant whilst at the same time demand for many services, such as safeguarding children against harm or neglect have been increasing.

However despite our severe financial constraints, Telford and Wrekin is going places; it is a place on the up. The economy is growing and jobs are being created. New houses, factories, shops and restaurants are being built and the population is growing. People want to live in the Borough. People want to work in the Borough. People want to visit. There is a buzz about town.

There are still very real social and economic challenges in the Borough with 14 (of 108) neighbourhoods ranked within the 10% most deprived in England and 18.5% of children living in poverty. To ensure a cohesive community, all households and families must have the opportunity to benefit from our growing economy and play a positive role in the social and cultural fabric of our communities.

Our medium term service and financial planning strategy sets out how as a co-operative Council, the organisation wants to take forward the Borough over the next 5 years. It is a vision which is centred on building a strong local identity and resilient and healthy communities by driving economic growth whilst protecting and enhancing our reputation as a “green town”.

The Council has had to make very significant ongoing reductions to its revenue budget due to the scale of the Government’s funding cuts and the pressures for extra services to be delivered for example to protect “Looked After Children” from harm or neglect. By the end of this year, these cuts will total £70m pa which equates to a cut in spend of over £950 for each household in the Borough and by 2017/18 the cuts are expected to total over £100m – the equivalent of around £1,400 less that the Council will have to spend on providing services for each household in the Borough. This report sets out further savings that need to be made although the majority of the savings requirement for next year was approved at Council in February 2014 which has enabled work to progress on these initiatives.

Despite the severe financial challenges we face, our mission is clear. We are attracting new jobs and investment and promoting growth in the borough, whilst seeking to protect, as far as we are able to, priority front-line services and are working co-operatively with our residents and partners to deliver these.

While many other councils have focussed on making cuts while neglecting growth and stopped major building projects, we continue to invest to create jobs and safeguard the future prosperity of the Borough and its residents:

- Our £250m Southwater scheme is now open, kick-started by Council investment this has created over 400 jobs, safeguarded a further 300 and created a vibrant heart to the town as well as a regional leisure attraction.
- The owners of The Town Centre Shopping Centre are progressing a £200m expansion programme creating a further 2,000 jobs.
- We have opened a new Town Centre library in the Southwater development.
- Nearly £200m is being invested in improving the infrastructure of our schools and community leisure facilities.
- We are making it easier for businesses to come here and grow, offering support to existing companies as well as attracting new firms and helping to create new jobs.

- We have invested 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.
- Regeneration schemes currently in progress in Hadley, Brookside, Oakengates and Hollinswood and a commitment in this report to allocate £0.65m to St. Georges as well as allocating £1m to re-run the Community Pride Fund and £1m to support the invigoration and promotion of our high streets and local centres.

The proposed Capital Programme summarised in Appendix 5 totals £229m.

As there is a general election in May next year, following which there will be a Comprehensive Spending Review which will set out the spending priorities of the new Government, there is considerable uncertainty over what the funding allocations for the Council will be after next year. However, given the scale of the national budget deficit and that the annual borrowing requirement is not reducing at the rate the Government anticipated despite the very significant spending cuts that have been made, particularly to local government, it is likely that funding for the Council will continue on the current trajectory – at best – for the period through to 2018/19. As all political parties are committed to protecting the NHS and education spending, it is inevitable that the disproportionate squeeze on local government spending is likely to continue.

If the Council is to minimise the impact of these funding reductions on the essential services that we provide to our community, including many of the most vulnerable members of the community, it is essential that we reduce our dependency on Government grant by working differently with partners and the community and operating in a more commercial way.

Despite these uncertainties, we cannot wait to start identifying savings that will be delivered from 2016/17 onwards and therefore this report identifies a number of themes that will shape the work to be undertaken.

The report also sets out commitments not to increase Council Tax either next year or in 2016/17 and proposals for a number of investments to help deliver against our priorities – as set out in the overview section above. Funding for the investment package is predicated on maintaining tight financial control in the current year to ensure that there is sufficient one-off funding available at year end to cover these commitments and it is therefore essential that all officers and Cabinet Members maintain the effective financial management that has been a hallmark of this organisation in recent years for the remainder of the year.

The report includes summary details of key points announced as part of the Autumn Statement and the provisional Local Government Finance settlement for 2015/16 which was only received on 18th December. The overall service and financial planning strategy for 2015/16 is summarised in the table below:-

Projected Budget Gap	2015/16 £m
Base Budget gap – including <ul style="list-style-type: none"> • Second year of “Pride in Your Community” initiative = £0.750m • Second year of investment initiative to tackle youth unemployment = £0.650m • Continuation of food bank funding in 2015/16 = £0.03m • Crisis support initiatives including cheap loans for local people to avoid pay day lenders = £0.24m • Less contribution from provision to fund debt charges on the “Pride in Your Community” initiative agreed in 2014/15 - £0.25m 	+2.541
Savings proposals (net of provision for “leakage” from general fund)	-5.462
Pressures – For details please see Appendix 2c but including:- <ul style="list-style-type: none"> • one-off additional ring-fenced funding of £0.75m for safeguarding • one-off additional ring-fenced funding of £1.25m for adult social services • Destination Telford Initiatives - £0.250m to be spent over a 3 year period 	+3.754
Investments funded from the 2014/15 projected underspend <ul style="list-style-type: none"> • Free swimming for over 50’s for a 4 year period starting 2015/16 = £0.2m • Invigoration and promotion of High Streets and Local Centres =£1m • Two year Borough wide environmental investment programme = £0.75m 	
Projected net Budget shortfall	+0.833
Remaining balance to be funded from projected 2014/15 underspend	-0.833
Restated shortfall	Nil

Please note that:-

- Debt charges on the recommended capital investments outlined in this report have been included in this service and financial planning strategy.
- The Council will freeze council tax in 2015/16 and also 2016/17.

- After allowing for the proposed commitments above, the current projection for remaining one-off funding to be available at year end is £2m. Clearly, the final figure may be greater or lower than this but any remaining underspend available at year end will be transferred to reserves to support the delivery of further savings.

The proposals in this report will be subject to an extensive range of engagement and consultation activities with the community and subject to scrutiny by the cross party Budget and Finance Scrutiny Committee. Final recommendations will be considered at Cabinet on 26th February 2015 with final decisions taken at full Council on 5th March 2015.

3. RECOMMENDATIONS.

Members are asked to agree:-

- 3.1 The service and financial planning strategy set out in this report for consultation with the community.
- 3.2 That authority be delegated to the Assistant Director: Family, Cohesion & Commissioning, in consultation with the Cabinet Member: Adult Social Care, to enter into appropriate Section 256 and Section 75 Agreements under the NHS Act 2006 (as amended).
- 3.3 That the Assistant Director: Law, Democracy and People Services be authorised to execute all necessary contract documentation including the affixing of the common seal of the council as appropriate to enable the council to enter into appropriate Section 256 and Section 75 Agreements under the NHS Act 2006.

4. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	<i>The service and financial planning strategy is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes.</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>The proposals contained in this report will impact on specific groups of people. An Impact assessment, on identified savings proposals, highlights equalities, environmental and economic impacts which are included as Appendices 3 and 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. We will conduct a full impact assessment of all of the budget proposals, to be considered by Cabinet on the 26th February 2015.</i>
TARGET COMPLETION/DELIVERY DATE	<i>A series of borough wide public consultation activities will be undertaken during January. The proposals contained in the report will also be subject to Member scrutiny during this period. Final proposals will be considered by Cabinet on 26th February 2015 who will make recommendations to full Council on 5th March 2015. The final agreed recommendations will be implemented during 2015/16 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 2015/16 and the medium term.</i>
LEGAL ISSUES	Yes	<i>This report develops the proposals for the Council's budget and policy framework which will be consulted upon in accordance with the Policy Framework & Budget Procedure Rules contained in the Constitution and related Council decisions that will, in due course result in the</i>

		<i>Council setting its budget and council tax levels by the March deadline laid down by the Government.</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p><i>This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the availability of balances.</i></p> <p><i>Environmental assessment is a procedure that ensures that the environmental implications of Council decisions are taken into account. The principle is to ensure that plans, programmes and projects likely to have significant effects on the environment are made subject to an environmental assessment.</i></p> <p><i>The Environmental Assessment aims to provide a level of protection to the environment and to contribute to the integration of environmental considerations into the preparation of projects, plans and programmes with a view to reducing their environmental impact. The environmental assessment detailed in Appendix 4 provides information on the environmental impacts of the budget proposals. Overall, on balance the environmental assessment of the budget proposals is positive.</i></p> <p><i>The economic impacts of the proposals are also detailed in Appendix 4 and are broadly neutral in 2015/16 given the reduction in spending by the Council, much of which will reduce economic activity within the Borough although this is broadly offset by the continuation of the proposed investments in the Pride in Your Community initiative, tackling youth unemployment, safeguarding and the other capital and revenue investments outlined on the report.</i></p>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Borough-wide impact.</i>

5. OUR VISION AND FOCUS

Telford and Wrekin is going places; the Borough is on the up. The economy is growing and jobs are being created. New houses, factories, shops and restaurants are being built and the population is growing. People want to live in the Borough. People want to work in the Borough. People want to visit. There is a buzz about town and more and more on offer for our residents to enjoy.

Telford and Wrekin has a real and exciting offer; it has community facilities which are second to none. It is no longer a promise for the future, these things are being delivered now.

Getting to this point has been a long and challenging road from the original New Town plan for Telford. Even with the current successes, the Borough cannot afford to be complacent; it must move to thrive. Standing still is not an option.

There are still very real social and economic challenges in the Borough with 14 (of 108) neighbourhoods ranked within the 10% most deprived in England and 18.5% of children living in poverty. To ensure a cohesive community, all households and families must have the opportunity to benefit from our growing economy and play a positive role in the social and cultural fabric of our communities.

This vision sets out how as a co-operative Council, the organisation wants to take forward the Borough over the next 5 years. It is a vision which is centred on building a strong local identity, on building resilient and healthy communities by driving economic growth whilst protecting and enhancing our reputation as a “green town”.

Our starting point is the original plan for Telford new town. This identified three equally important elements to creating a cohesive place and community: Telford Town Centre, the market towns of Newport and Wellington and our district and local centres.

Telford town centre was designed to create a “town identity” and be much more than a shopping centre with leisure and civic amenities. More than 40 years after this original plan was formulated, the Southwater development has brought this missing dimension to the Town Centre with bars, cafes and restaurants, a hotel, bowling, bingo, ice rink and an IMAX cinema all in an attractive landscape creating a civic space. This coupled with events in and around the Town Park such as T-Party and drive in movies have created a new confidence in the town which residents are embracing. Some 15,000 people attended the opening ceremony of Southwater in October 2014.

Commencing in 2015, the next phase of Southwater will add new shops as well as new homes to the Town Centre for the first time. These developments, together with the planned £200m expansion of the shopping centre, will enhance our reputation as a “regional destination”. With its hotel

and restaurants, Southwater enhances The International Centre as a business and leisure destination and already this year we have been successful in attracting 7 new events on the back of the Southwater development. This all builds on the internationally renowned attractions of the Ironbridge Gorge UNESCO World Heritage site which are vital for our economy, with 3.6 million leisure trips bringing £160m of spend to the borough every year, supporting 5,000 jobs in the leisure industry.

The market towns of Wellington and Newport both have strong, distinct identities which need to be protected and nurtured. Over the next 5 years the Council will work with Wellington Town Council to implement their 2020 Vision to revitalise Wellington town centre. Newport is an attractive town which will grow by some 1,000 homes over the next 10 years which should help ensure its vitality and a sustainable high street.

Our district and local centres are an intrinsic part of community life in Telford; the focal point of these communities. These include Randlay, Hollinswood, Malinslee, Madeley, Oakengates, Hadley, Donnington, Sutton Hill, Brookside, Woodside, St. Georges and Dawley. Over the past 4 years, the Council has and continues to invest in the retail and community facilities in these centres to ensure their sustainability.

Across the different parts of our Borough, we have excellent leisure and community facilities. Our leisure “offer” includes The Place at Oakengates which is attracting top national acts such as John Bishop, Lee Evans, Jimmy Carr and Alan Carr. We have invested over £5m in our 6 Aspirations fitness suites in our leisure centres and a further £4m in the ice rink. We have 78 football pitches, 20 ball courts, 20 play areas, 5 local parks and 6 community centres. Telford and Wrekin’s leisure offer is extensive and provides quality provision for residents and visitors.

At the heart of our vision for cohesive communities is a strong local economy to provide jobs and prosperity for all. This is essential to raise the living standards in our most deprived communities.

To achieve this, we will continue our “Business Supporting, Business Winning” approach. This is about supporting existing businesses and leveraging new investment into the Borough by effectively marketing our offer as a competitive location for investment and by acting as an enabler to growth. For example, the introduction of a one-stop-shop for businesses and flexibility over rental or lease packages for commercial property and for business rates too.

A critical element of Telford’s offer is the 400 acres of “ready to go” commercial development land owned by the Government’s Homes & Communities Agency. This is now under the stewardship of the Council and already this has resulted in 35 acres of this land being sold leading to £16.5m investment into the Borough and the creation of 300 new jobs and safeguarding a further 360. Hortonwood, Halesfield and T54 are impressive

industrial estates and business parks attracting major national and international companies.

We will continue to lobby for our share of Government growth funding through the Marches Local Enterprise Partnership. To date we have secured £19m to deliver infrastructure improvements and we will seek more over the next 5 years.

In terms of ensuring the benefits of growth are seen across the Borough over the next 5 years, the Council is supporting connectivity by investing £4m to bring superfast broadband to 96% of the Borough with particular benefit to the rural area.

As well as large scale projects, the Council works to support local businesses and individuals in very practical ways:

- The Telford Loyalty Card is a discount card for use in local shops. To date some 260 businesses have signed-up as well as 68,000 residents. Our goal is to increase the number of businesses to 500.
- To date in 2014/15 we have assisted business in Telford & Wrekin to access £1.5m of external funding to support business expansion, creating 150 jobs in the process.
- Through our Job Box campaign we have reduced youth unemployment in the Borough by almost a third in 12 months to bring it back in line with the regional average.
- A new small loans fund established by the Council for individuals as an alternative to pay-day loans.

Our green and open spaces are an intrinsic part of Telford's identity and make it a great place to live. The new town of Telford was conceived as a "Forest City" with the planting of some 800,000 semi-mature trees and the creation of the 450 acre Town Park. We need to balance the protection of this with delivering sustainable economic and housing growth. Growth is vital, but not at any cost.

Effective growth requires good planning. The Council's new planning framework "Shaping Places" will be introduced in 2015 as one of the greenest frameworks in the UK and will protect our "green town" reputation whilst supporting sustainable development.

This "green town" reputation needs physically nurturing as well as protecting. Our "Pride in Your Community" initiative is about working with communities to improve the infrastructure and appearance of our communities. The Council is investing over £9m to improve the physical appearance of neighbourhoods, and improve roads and pathways through this initiative.

It is our goal to dramatically reduce the amount of household waste which is buried in landfill – this is both expensive and wasteful. The new kerbside household recycling service introduced in April 2014 is central to this goal and has already seen a 13.8% increase in this rate to 51%. By 2019 we expect to

have one of the highest rates in the country. The new arrangements will save over £20m during the lifetime of the contract and have been designed around the needs of customers.

In terms of carbon-reduction, the Council is investing-in and creating a solar farm in Wheat Leasows. Telford & Wrekin Council is only the second local authority to do this. This will generate 4 megawatts of electricity enough to power 800 homes saving 2,300 tonnes of carbon annually and generate over £4m income over 25 years for the Council to protect front-line services.

Essential to a strong economy is a skilled workforce. In recent years there has been a real improvement in the educational attainment of our schools which is now overall comparable to the national position. Whilst this is a massive improvement from a decade ago, to be competitive in a global economy we need educational attainment to be better than the national position.

As well as raising standards, we will ensure that all pupils are able to fulfil their potential whatever their background. We will focus on closing the gap between pupils in receipt of free school meals, Pakistani children and children in care and their peers.

We are working with schools, colleges and employers to ensure that young people are ready for work by developing a skills passport focussing on soft skills that employers say are lacking in our young people.

One of the ways we are and will continue to raise standards is through £187m investment in the infrastructure of our schools. By the end of 2016, all secondary schools will have been either refurbished or rebuilt, with 7 complete new builds.

As well as improving the economic position of individuals, being in employment brings other important benefits including greater choices around housing and improved health and wellbeing. The Borough still has very real challenges around health inequalities – the gap in life expectancy between our most and least affluent communities is 9 years for women and 6 years for men. Levels of excess weight in children are too high, as are smoking rates and teenage pregnancies. It is our priority to reduce all of these.

Over the next 5 years, our focus will be on prevention by “nudging” individuals and families to make positive choices about their lifestyle around diet, alcohol, smoking and exercise.

As a growing town, we need to ensure that there are adequate health facilities available. The Princess Royal with A&E services is core to this.

A significant challenge for both the Council’s care and NHS health services is meeting the increasing demand of our ageing population. It is essential that these care and health services work better and more effectively together to meet this demand.

6. DELIVERING OUR PRIORITIES

Informed by our understanding of the challenges facing the Borough, the Council adopted a series of priorities in 2011 which have provided the focus for our services and partnership working:

- **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**
- **Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing**
- **Improve the health and wellbeing of our communities and address health inequalities**

Since 2011, despite severe financial pressures caused by the unprecedented cuts to the grants we receive from Government we have driven these priorities forward. Examples of what has been achieved against our priorities include:

Put our children and young people first

- Implemented Family Connect – a single, multi-agency front door for children, young people and families. This has meant that we have enhanced information sharing for safeguarding multi-agency child enquiries.
- Put in place locality based teams to deliver integrated children services to children, young people and their families.
- Developed a single, common case management system across children services.
- Implemented our “Strengthening Families” programme to support families with significant challenges and stop more intensive and expensive interventions.
- By working with partners across West Mercia we have reconfigured Youth Offending Service improving outcomes and reducing cost.
- Increased the number of volunteer led youth clubs.

Protect and create jobs as a 'Business Supporting, Business Winning Council'

- Opened a “One Stop Shop” through our **Business & Planning First Point** offering a range of services tailored to suit individual business needs.
- Introduced a “Business Development Charter” with pledges to support timely decision making including:
 - Free and timely planning advice
 - Planning application validation in 3 working days
 - Increased officer delegation of planning decisions to speed up the process
 - Reduced number of pre commencement planning conditions
- Supported businesses to secure over £1.5m of funding and grants, unlocking projects worth a potential £4m and creating or safeguarding almost 400 jobs.
- Developed and launched the “**Invest in Telford**” campaign in Telford and Birmingham – promoting our key market sectors of automotive and advanced manufacturing with follow up promotion at key sector exhibitions in Telford, Birmingham and London.
- Provided direct support including funding advice to facilitate company expansions at major employers including Stadco, Heinz, Craemer, BAE Systems and Borgers creating over 150 new jobs.
- Launched our “**Deal for Business**”, offering a range of incentives to businesses looking to invest in the Borough.
- Increased confidence in Telford is demonstrated by the new direct rail link to London and the University development in Southwater.
- Secured £19m investment in infrastructure from the Marches Local Enterprise Partnership “growth deal” from Government.

Improve local people's prospects through education and skills training

- Launched a series of pledges to tackle youth unemployment within the borough backed by a £1.3m funding package spread over two years. The rate of youth unemployment fell by 27% over the year June 2013 to June 2014.
- Launched “**Job Box**” to bring together a range of initiatives aimed at tackling unemployment. Appointed 6 Job Box Mentors to work on a one to one basis with unemployed 19-24 year olds and to date have supported 75 into work.
- Introduced nine new Job Junctions into the Borough and seen footfall grow week on week with 105 people supported into work.
- Held a hugely successful “**Jobs Fair**” in March 2014 attended by 4,000 job seekers from which 69 people found employment.
- Educational attainment in the Borough has improved significantly over the past 16 years since responsibility for education services passed to the Council in 1998.
- Standards in our primary schools are now in line with national averages

- Secondary performance has seen improvement over the last four years, though this year's results reflect the reduction in the number of pupils achieving 5 A*-C grades that has been experienced nationally due to changes in GCSE reporting.
- 86% of all our schools are judged as good or outstanding by OFSTED.
- Delivered high quality teaching establishments across the borough including; Madeley Academy, Woodlands Primary, Abraham Darby, Mount Gilbert, Phoenix Academy, Southall, Newport Girls High School, Adams Grammar, Ercall Wood Technology College. Extensions to Meadows, Teagues Bridge, Newdale.
- Further new build secondary schools are due to be completed in the next 18 months including Holy Trinity Academy, Telford Co-operative Academy, Lakeside Academy and Charlton.
- New primary schools are planned including Lawley "2" and Grange Park.

Protect and support our vulnerable children and adults

- Implemented a robust partnership approach to protect children and young people at risk of sexual exploitation.
- Delivered more timely placement of children for adoption.
- Increased the number of foster carers from within the Borough to reduce agency and out of Borough placements.
- Ensured a sharp focus on supporting parents to care for children, especially teenagers, and returning children in care back home where it is deemed to be safe.
- Ensuring homeless 16-18 year olds are not placed in bed and breakfast accommodation.
- Development of "MyLife"- a web based resource to provide information and advice for residents needing social care support.
- Development and launch of the Personal Assistants Register to help residents access the right home support.
- Development and sign off of an Information & Advice Charter with the voluntary sector.
- Responded to the challenges presented by the Winterbourne View institutional abuse scandal by bringing externally placed vulnerable people back into area and introduced procedures to investigate institutional abuse cases. We are currently establishing a Telford & Wrekin Safeguarding Adults Board with an independent chair.
- Introduced "mobile working" for frontline staff to enable the timely and accurate processing of assessments.

Ensure that neighbourhoods are safe, clean and well maintained

- Implemented our £9m "Pride in Community" initiative to work with local communities to improve their neighbourhoods.
- Recruited 152 volunteer snow wardens and 156 street champions.
- Secured funding for and implementing redesign of the Telford Town Centre Box Road due for completion in February 2015.

- Secured £11.6m funding for phase two of the Gorge stabilisation at Jackfield which is underway and will be completed in 2016.
- Completed the £3.4m Town Park regeneration through lottery “Parks for People” funding.
- Completed £4m regeneration of the Telford Ice Rink – “the town’s largest youth club”.
- Introduced a brand new recycling service across the Borough saving the authority £25m over the life of the contract and providing residents with an improved service.
- We have secured £16.2m of funding over 2015/16 and 2016/17 for further transport infrastructure work to future-proof our road network in line with our population and business growth expectations.

Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing

- Invested in the regeneration of local and district centres including; Hollinswood, Madeley, Leegomery, Malinslee, Hadley and Brookside.
- Completed improvements to Oakengates Centre.
- Seen the completion of 720 new homes in 2012, 607 in 2013 and 842 to date in 2014 and on target to deliver 1,000.
- Launched a programme to tackle empty properties with a support package and loan facility in place.
- Secured £4.7m funding from the Green Deal Communities fund to deliver physical improvements to homes to reduce heating bills and fuel poverty.
- Launched a successful affordable warmth scheme, helping those most vulnerable with health related illnesses, to heat their home efficiently and to a degree that alleviates cold and damp related health problems.
- Established and launched a Landlord Accreditation Scheme to support and set minimum standards for private landlords within the Borough.
- Managed the closure of “Choose Your Home” and transition to a new in-house, “Telford Housing Options” website.
- Launched “Telford Home finders” a web based lettings agency for accredited landlords.
- Significantly reduced dependency on bed and breakfast for temporary housing accommodation.

Improve the health and wellbeing of our communities and address health inequalities

- Invested in improved leisure facilities across the Borough to encourage the adoption of positive, healthy lifestyles, including refurbishment of Newport pool, Aspiration’s fitness suites in all leisure centres and the opening of Oakengates tennis centre, Pheonix and Abraham Darby leisure Centres.
- Successfully managed the transfer of Public Health from the NHS to the local authority.

- The smoking quitter rate has improved following the Council's re-procurement of stop smoking services, increasing from 55% quit during April-Sept 2013 to 61% during October 13– March 14.
- A record number of pregnant women quit smoking with the new specialist provider contract award, 98 women quit smoking during 2013/14 – high levels of successful quitting with 61% of pregnant women setting a date remaining quit at 4 weeks compared to a 47% national average.

7. SAVINGS ALREADY DELIVERED

These achievements have been delivered whilst the Council has faced truly unprecedented cuts to its grants from central Government which have forced us to make ongoing annual savings of £70m. 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 NHS. Savings delivered by year are detailed below:-

	£m
2009/10	4.156
2010/11	6.725
2011/12	11.659
2012/13	19.069
2013/14	11.306
2014/15	17.204 (including additional "in-year" savings)
Total	70.119

This is equal to a cut of over £950 in the cost of Council services for every household in Telford and Wrekin. 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. Savings delivered to date include:-

Jobs

- Reduced the number of jobs by over 1,200 since April 2010, saving over £22m pa following a major redesign and restructuring of the organisation. This has seen 537 vacancies deleted and 675 redundancies although through effective redeployment only 57 of these have been compulsory redundancies.
- Redeployed over 2,000 people within the organisation as a result of restructuring.
- Since 2009 staff pay has increased by 2.2% while inflation (RPI) has risen by 22.3% cutting staff pay in real terms by just over 20%.

Senior managers

- Reduced the size of the senior management team by more than 50%.
- Cut pay of our most senior manager by 30% in real terms.

- Cut the number of middle managers by 35%.

Back office costs

- Cut back-office costs by around 45% since 2009, saving £8.5m a year. This scale of reduction is significantly greater than what most authorities have achieved through outsourcing or sharing services and has been achieved much more quickly as protracted negotiations with other councils have been avoided.

Buying better value services

- Delivered £8.8m procurement savings over the past 6 years by renegotiating and re-tendering contracts for the provision of services.
- Delivered savings of more than £25m over the lifetime of the new waste collection and disposal contract.

Income through growth

- As part of our business winning approach, we expect to generate an extra £4.3m income by 2017, through growth in business rates and council tax since the introduction of the new local government finance system in April 2013.
- We will receive £4.5m in 2015/16 from the New Homes Bonus paid by the Government to reward councils for increasing housing supply.

Shared Services, Trade Union Facilities Time, Cabinet Member Allowances

The Council continually reviews 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 West Mercia Youth Offending Service established in partnership with Worcestershire, Hereford, Shropshire, health, police and probation. The service works closely with The Police and Crime Commissioner with genuine integrated working practices ensuring improved outcomes at a lower cost.
- Membership of West Mercia Energy, a joint energy procurement consortium consisting of 4 upper tier authorities.
- We have for some years delivered a number of specialist services through a joint arrangement with Shropshire Council. Telford hosts, 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.
- 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.

- Trade Unions have agreed a 20% reduction in facilities time payments for directly employed staff.
- Cabinet Members voluntarily reduced their special responsibility allowances by 10% at the start of the current Administration.

Council buildings

- Disposed of 24 properties including the former Civic Offices building.
- Reduced the office space we use by a third, saving the Council £2m. pa.

8. CAPITAL RECEIPTS AND DEBT CHARGES

The Council's programme of property rationalisation has not only reduced running costs but is also generating significant capital receipts enabling us to fund some investment from internal resources rather than from increased borrowing. Debt clearly has to be repaid and adds to pressure on the revenue budget so the generation of capital receipts from the sale of surplus assets helps protect essential front line services. This reduces the amount of cuts that would otherwise have to be made.

Debt repayments represent a long term fixed charge against the revenue budget which reduces the amount of funding available for the provision of front line services. Good capital investments that generate income, pays back debt and provides a surplus helps to reduce the impact on the revenue budget of the Government cuts. Invest-to-Save schemes such as the solar farm or the proposed Housing Investment Programme represent "good debt" as they earn a surplus which can be used to help protect front line services.

In Telford & Wrekin debt repayments in 2014/15 accounted for 7.5% of the net revenue budget (including payment to Shropshire Council in respect of pre-unitary authority debt). This compares to:-

Birmingham	22.46%
Shropshire	10.65%
Unitary Authority average	9.92%
Telford & Wrekin	7.5%

A Graph showing the percentage of the net revenue budget allocated to debt repayments in 2014/15 for all unitary authorities is included in Appendix 8.

Our programme of asset sales totals £66.2m over the medium term. The planned profile of these receipts is shown below:

	£m
2014/15	2.084
2015/16	28.201
2016/17	31.643
2017/18 onwards	4.275

Total	66.203
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Generation of these receipts is a key assumption within the service and financial planning strategy. The Council has a detailed schedule of asset disposals to address this and this schedule is regularly monitored and all the revenue consequences of temporary financing pending these scheduled disposals are built in to the Council's base budget projections contained in this report. This dependency will continue to be subject to close monitoring. If any delay is experienced in generating expected receipts, mitigation factors could include a combination of re-phasing some capital spending schemes, identification of other assets for disposal or additional borrowing on a temporary or long term basis although this would increase revenue costs and necessitate further cuts to other services or the use of additional one-off resources.

9. SECTION 106 AGREEMENTS

Planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. s.106 agreements are often referred to as 'developer contributions'. The common uses of planning obligations are to secure affordable housing, to secure financial contributions to provide infrastructure (for example relating to necessary highways works to provide access to the development) and to help fund new educational facilities for the children of families that move in to newly built houses. Careful negotiations are undertaken with developers in reaching the s.106 agreement which are legally binding and clearly state what the funding can be used for.

Legally a s.106 can only be requested when it is:

1. necessary to make the development acceptable in planning terms
2. directly related to the development; and
3. fairly and reasonably related in scale and kind to the development.

Negotiations have to ensure that developments remain viable and the National Planning Policy Framework (NPPF) states where obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled.

The Council's Children and Young People Scrutiny Committee undertook a scrutiny review of Primary School Places which considered s.106 agreements relating to education during 2014 and it was agreed that details of these agreements would be included in the service and financial planning report. Details are therefore included in Appendix 12 for the period 1st April 2014 to 31st October 2014 showing income and expenditure on each scheme. Details of these and all other s.106 agreements will be included in the final accounts

report which is considered by Cabinet in June of each year to show the year-end balance and in-year movement relating to each current s.106 agreement.

10. MEDIUM-TERM FINANCIAL OUTLOOK

10.1 Context

The Government have now exercised five years of very tight control over public sector spending but have protected spending on education and the health service which together account for a large part of total public expenditure. Overseas aid is also protected with a commitment to spend at 0.7% of GDP. This means that spending on other parts of the public sector have faced disproportionate cuts with Local Government most severely affected. The National Audit Office have reported that the government was on course to reduce funding of local government by 37% between 2010/11 and 2015/16.

However the cuts to local government have not been uniformly distributed across the country but have been targeted at areas of greatest social need which have historically attracted more grant from government to reflect their greater levels of deprivation. This is highlighted in the heat map produced by Newcastle City Council and included at Appendix 1.

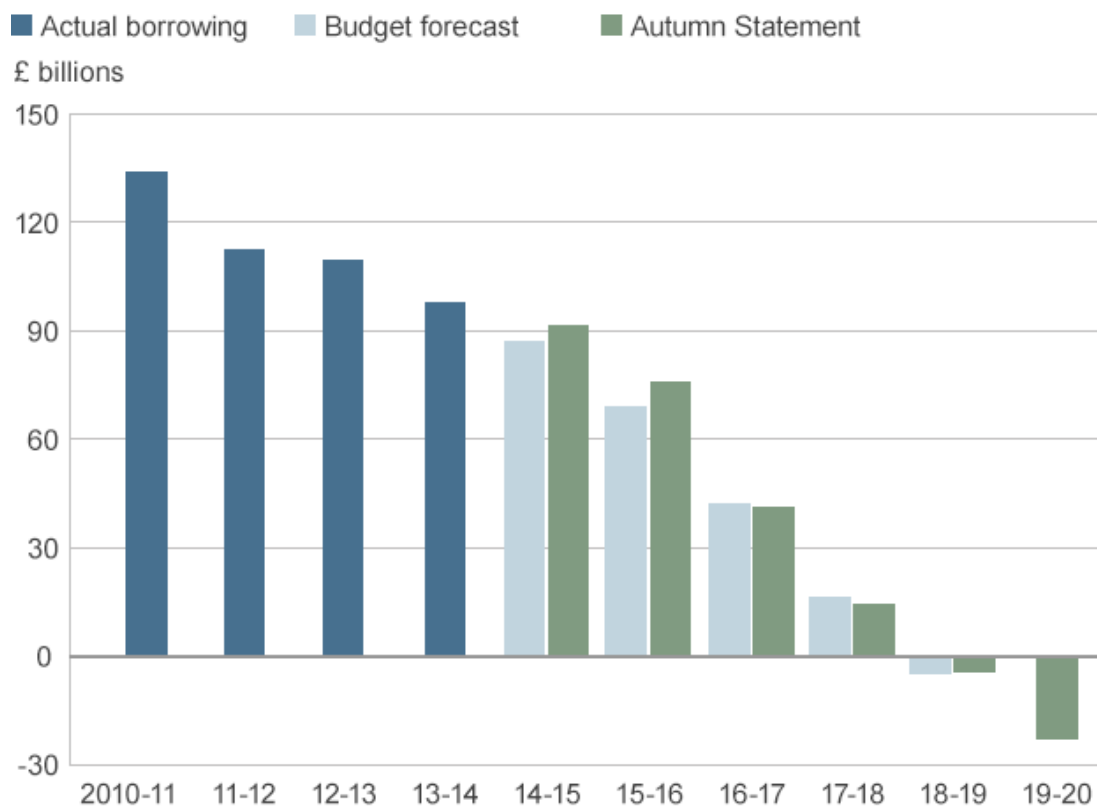
As the squeeze on public finances continues, cuts will become more difficult to find and the impact on front line services will become greater. More prosperous parts of the country are less affected by the cuts to grants but also tend to have a higher level of council tax base and growth which increases income from council tax, new homes bonus and business rates. Some concern is now being expressed at the ability of councils to continue to meet their statutory obligations. The National Audit Office recently reported that one in six councils are not expected to deliver services within budget this year – although as can be seen from the financial monitoring report also on the agenda, this council's effective financial management and control means that Telford & Wrekin Council is not amongst this group. The National Audit Office also reported that more than half of all councils are at risk of financial failure within the next five years with councils in two tier areas most at risk reporting that 52% of these authorities are not well placed to deliver their medium-term financial strategies. They also reported that many single tier councils feared for core services including education and social care. Margaret Hodge, chair of the Public Accounts Committee, which will scrutinise the auditors' findings, said "Worryingly, local authorities with the highest level of deprivation have seen the biggest cuts, potentially putting vulnerable people at risk. It is authorities with high cuts which have seen the biggest spending reductions for social care services."

10.2 Autumn Statement.

The Chancellor, George Osborne, delivered his Autumn Statement on 3rd December 2014. 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 and responds to the new economic and fiscal forecasts from the Office of Budgetary Responsibility as well as announcing the Government's measures to promote economic growth.

The Chancellor announced that tax receipts were significantly below target and that the deficit was not reducing in line with expectations set out in the March 2014 budget despite significant cuts to public spending. At the start of this Parliament, the Government had committed to eliminating the deficit by 2015/16 but this will not now occur until 2018/19. Borrowing this year is expected to be £91.3bn, falling to £75.9bn in 2015/16, £40.9bn in 2016/17 and £14.5bn in 2017/18 with a surplus of £4bn in 2018/19 and £23bn in 2019/20.

Borrowing forecasts



Excludes Royal Mail pension transfer, Asset Purchase Facility and public sector banks.

Source: ONS and OBR
(BBC website)

The Office for Budget Responsibility (OBR), in its report accompanying the Chancellor's statement, said public spending would fall from £5,650 per head in 2009/10 to £3,880 in 2019/20. This represents a cut in real terms of around

57%. The BBC's Head of Statistics, Anthony Reuben, said that by 2019/20 public spending as a proportion of gross domestic product was projected to fall to its lowest level since the 1930s. The OBR chairman Robert Chote described the Chancellor's projections as a "very sharp squeeze", with some 60% of the reduction forecast to come in the next Parliament.

Key Messages:-

- The Chancellor confirmed that local services will not face additional cuts in 2015-16.
- By May 2015, Government funding for councils will be 40 per cent lower than in 2010.
- The Government has committed to giving local authorities and clinical commissioning groups (in collaboration with NHS England) indicative multi-year budgets as soon as possible after the next Spending Review. However, this is not a commitment to the "full and clear multi-year budgets to cover the period of the Parliament" sought by the LGA.

On Business rates, the Chancellor announced a number of measures which it is anticipated should be revenue neutral for local government including:

- That the business rate rise in 2015-16 will be capped at two per cent. Otherwise, it would have increased by 2.4 per cent in the line with the increase in the September 2014 Retail Prices Index.
- The temporary extension of small business rate relief which was due to expire on 31 March 2015 will once again be extended, this time until April 2016.
- The transitional arrangements for businesses with a rateable value of up to £50,000, due to expire in April 2015, will be extended until April 2017.
- The discount against business rates bills for retail premises such as pubs, cafes and restaurants with a rateable value of up to £50,000 will continue in 2015/16 and increase to £1,500.
- The rules will be changed so that alterations to rateable values can only be backdated to the period between 1 April 2010 and 1 April 2015 for Valuation Office Agency (VOA) alterations made before 1 April 2016 and ratepayers' appeals made before 1 April 2015.
- There will be a review of the future structure of business rates to report by Budget 2016 with interim findings available December 2015. This will be fiscally neutral and consistent with the Government's agreed financing of local authorities.
- The Government will publish a discussion paper on the nature and scale of business rates avoidance in December 2014.

Other announcements included-

- An extra £2 billion will be spent on NHS frontline services in 2015-16.
- The allocation of £1 billion from the £12 billion Local Growth Fund for a second wave of Growth Deals announced in the previous spending round. LEPs will be allowed to bid for local projects as part of their plans for growth.
- Councils have a role to play in reducing the costs of "local licensing

regimes". By 2018 councils will be expected to offer a single online application process for local businesses to apply for licences, requiring them to register their details only once.

- Plans for how the £15 billion capital fund announced last June will be spent have been finalised and published as part of the Roads Investment Strategy.
- Funding for highways maintenance, totalling £5.8 billion over the next six years. However, the LGA said that this will do little to help councils to tackle the estimated £12 billion backlog of road repairs.
- The Government would remove employer National Insurance Contributions (NIC) for employers taking on apprentices under 25, with the aim of stimulating demand across employers and young people. However, the minimum wage for apprentices is currently just £2.62 an hour, or around £95 per week, much lower than the minimum threshold for paying NIC at £153 per week.
- The Government has published its six year programme of investment in flood defences, allocating the £2.3 billion capital funding provided at the 2013 Spending Round.
- The Government will bring forward proposals for compulsory purchase reforms for consultation at the Budget 2015.
- The Government will take steps to speed up Section 106 negotiations. This will include revised guidance, consulting on a faster process for reaching agreement, transparency on the use of funding and considering how timescales for agreement could be introduced.
- Measures will be taken forward to ensure that the principle of development only needs to be established once. The Government will work with local authorities and industry to test whether more can be done to support the approval of small sites.
- The Government will continue the ongoing constraint on public sector pay, which has seen salaries frozen for three years for local government since 2010 with a subsequent 1% rise. The chancellor stated that this measure helped save £12bn and further restraint 'would deliver commensurate savings in the next Parliament'.

10.3 Local Government Grant Settlement

Fundamental changes were made to the local government finance system from 2013/14 including the localisation of a share of business rates, the replacement of the national council tax benefit scheme with local council tax support schemes and the transfer of responsibility for public health services from the NHS to councils. The new local government finance system represented a huge transfer of risk from the Government to councils but also brought opportunities and incentives to encourage growth in local communities.

Whilst the Autumn Statement sets the strategic financial overview for the Government as a whole over the medium term, the provisional local government finance settlement sets out the specific proposals affecting local government for 2015/16 with details for each council being provided. It is only

when this announcement is made that the Council can accurately predict its likely financial position for the coming year.

Despite persistent requests for an early settlement from across the local government community so that effective financial planning could be undertaken, the provisional settlement was not announced until 18th December 2014. This extremely late announcement makes planning and forward projections extremely difficult and compresses the time available for consultation.

2015/16 is the third year in which local government funding is provided through the new Business Rates Retention (BRR) Scheme. The settlement covers one year only.

In summary, under the BRR Scheme, the Government determines the amount of funding an authority requires - the Settlement Funding Assessment (SFA). The SFA is split into 3 components, which for this council are:

	2015/16 SFA £m
Revenue Support Grant which is paid by the Government	31.168
Business Rates income which the Government considers the authority should be able to collect locally	33.045
A top-up grant paid by the Government as locally collected business rates are below a pre-determined baseline	2.116
Total 2015/16 Settlement Funding Assessment	66.329

Revenue Support Grant and the top-up grant are direct payments from the Government and are therefore fixed. The level of business rates will depend on local factors including estimated growth and collection rates. The amount of business rates income which can be included in the budget is therefore difficult to predict and work is underway to finalise our estimate for 2015/16 which must be submitted to CLG by the end of January 2015.

The Business Rates Retention Scheme includes provision of a safety net, which is paid to authorities whose retained business rates fall by more than 7.5% below the baseline amount. Reductions in retained Non-Domestic Rates before the Safety Net threshold of £32.524m is reached are a cost to the Council.

The Provisional Local Government Finance Settlement confirms that councils will continue to face significant spending cuts and financial challenges. The ministerial statement highlighted that local authorities will face an average reduction in spending power of 1.8% in 2015/16; and that no local authority

would experience a decrease of more than 6.4% to its “revenue spending power” – a very broad definition which encompasses an individual authority’s:

- Council Tax
- Start-up funding assessment (retained business rates, revenue support grant and top-up grant)
- Specific Grants
- NHS funding for social care
- New Homes Bonus
- Public Health Grant
- Better Care Fund

For Telford & Wrekin “spending power” has reduced by 2.7% for 2015/16. However, the inclusion of Council Tax income, Public Health Grant and Better Care Fund in “spending power” which are all shown as increasing, masks a higher underlying cut. Further, the whole of Better Care Fund has also been included as local government spending power whilst in reality a significant element of this is spent by the CCG.

Revenue Support Grant for this Council is £42.071m in 2014/15, but in 2015/16 drop by £10.904m which is a reduction of 25.92%

The following points were also highlighted in the Minister’s statement:

- Local Authorities freezing Council Tax in 2015/16 will receive a Council Tax Freeze Grant equivalent to 1% increase in Council Tax.
- Local Authorities increasing Council Tax by 2% or above will be required to hold a local referendum. This applies to local authorities, fire and police authorities.
- The Council Tax Freeze Grant for 2014/15 is now included in baseline funding.
- No funding has been provided for Local Welfare Assistance; instead the Government have separately identified funds from within the existing Revenue Support Grant to reflect Local Welfare Provision, but this is not new funding.
- The loss of funding as a result of the 2% cap on the 2015/16 Business Rates Multiplier (announced in the Autumn Statement) will be refunded to local authorities through Section 31 grant.

A period of consultation will be held on the provisional settlement until 15th January 2015 with a final announcement not being made until late January or early February 2015.

10.4 Strategy approved in February 2014.

The Service & Financial Planning Strategy report considered at Council on 27th February 2014 was a two year strategy and included details of savings proposals for 2014/15 and 2015/16 as well as a commitment to accept the Government's Council Tax Freeze grant in both these years further to the Government's change in approach to the treatment of freeze grants which put council tax freeze grants on to a financially sustainable basis.

The strategy agreed for the two years is summarised in the table below:-

Projected Budget Gap	2014/15 £m	2015/16 £m
Base Budget gap	11.428	22.263
Savings proposals (net of provision for "leakage" from general fund and savings needed to cover service pressures)	-14.133	-19.738
Saving from revised approach to calculation of Minimum Revenue Provision	-1.489	-1.232
Revenue investment over two years, in "Pride In Your Community" initiative *	1.608	
Revenue Investment over two years in Initiatives to tackle youth unemployment *	1.305	
Revenue investment increasing care Leavers Grant per scrutiny recommendation	0.030	0.030
Additional "Draw-down" budget for Safeguarding	1.200	
Destination Telford initiative	0.100	
Projected net Budget shortfall	0.049	1.323
Contribution from Provision to fund debt charges on the proposed "Pride In Your Community" initiative	-0.049	-0.245
Restated shortfall before use of general balances or identification of further savings	0	1.078

* Planned early delivery of savings in 2014/15 enabled the two year investment to be funded in 2014/15, the funding required for 2015/16 will be transferred to a provision and drawn down during 2015/16.

10.5 Future projections.

It is very difficult to make accurate projections of the likely budget gap that the Council may face in the years beyond 2015/16 because following the General Election in May the new Government will undertake a Comprehensive Spending Review which is likely to report in the late summer. However, whilst this will be useful in clarifying overall spending priorities and control totals at a national level no information on the Council's likely financial position for the period starting April 2016 is likely to be available until the local government finance settlement is announced – probably just prior to Christmas 2015 – just over 3 months before the next financial year starts.

At this point we are assuming that the funding allocations for 2015/16 will not be reviewed following the general election although shortly after the last general election the Council received in-year grant reductions and such measures cannot be ruled out with any certainty although both the Conservative and Labour parties have “signed-up to” the national spending plans already agreed for 2015/16.

Clearly we cannot wait until we have firm details before we start to consider our medium term financial strategy and we now need to roll forward our budget model whilst accepting that there will be an even greater number of assumptions than usual and therefore the projections for later years are only intended as a broad indication at this stage for planning purposes. However, it is clear that all political parties will continue to reduce the national budget deficit which is not reducing as quickly as anticipated despite the spending cuts that the Government have made. The reason for this is that, although there is an upturn in the economy, tax receipts, particularly from income tax, are not as buoyant as expected. It is also clear that all parties are likely to continue to offer protection in real terms spending for the NHS and education and therefore local government is likely to continue to face a disproportionate share of the reductions in Government spending.

The pattern of cuts to local authorities across the country has been uneven with much greater cuts to areas of greatest need – specifically the North East and areas like Telford & Wrekin whereas a small number of areas in the South East have actually seen their funding from the Government increase at a time when Government support to local government as a whole has been savagely cut. This disproportionate allocation of cuts is clearly demonstrated in the “Heat Map” produced by Newcastle-Upon-Tyne City Council and included as Appendix 1 to this report.

The initial work on projections for 2016/17 and 2017/18 that has been undertaken and which will be refined as further information slowly becomes available is summarised in the table below:-

	2015/16 £m	2016/17 £m	2017/18 £m
Cumulative Projected Budget Gap	2.541	15.011	26.511
Year on Year increase	+2.541	+12.470	+11.500

The projected base budget gap for 2015/16 has increased by just under £1.5m compared to that reported to Council in February 2014 to £2.54m largely as a result of capital financing changes primarily relating to a significantly reduced assumption relating to land owned by Council at Station Road in Newport.

Projections for 2016/17 and 2017/18 include the following changes:-

	2016/17 £m	2017/18 £m
Inflation, pay awards and capital financing costs.	1.7	1.6
Introduction by the Government of the single state pension resulting in loss of Employers' N.I. contracted out rebate, auto enrolment and employers' superannuation contributions.	1.6	1.2
Assumed reduction in Government grant – our most significant assumption and that most subject to revision as further information becomes available. There is very little current evidence to suggest that the reductions will be less than assumed here.	9.7	8.7
Other (including full year impact of additional savings already approved and funding for the Pride Programme debt charges which was prudently set aside when the Pride Programme was agreed).	(0.5)	0
Total	12.5	11.5

11. 2014/15 PROJECTED OUTTURN POSITION

As the Financial Monitoring report also on this agenda shows, excellent financial control is being exercised and good progress is being made in delivering the overall budget for 2014/15 although there are some areas of significant pressure and the actual outturn will clearly be different as we are only part way through the year. The final outturn may be a better or worse position than that currently shown in the financial monitoring report and it is clearly essential that all budget holders continue to exercise tight financial control and to deliver all planned savings. However, the Council will have significant one-off funding available at year end from the early delivery of savings and sound financial management which can be used to support one-off investments in the medium term service and financial planning strategy. This one-off funding is currently projected to total around £4.8m at year end after having funded a contribution to the Capacity Fund of £0.75m which will help to support the delivery of savings in future years and allocating £0.26m of the further savings from the second phase of work on recalculating the Council's Minimum Revenue Provision to the Community Pride Fund.

12. SAVINGS PROPOSALS 2015/16 AND LATER YEARS

Appendix 2 includes details of additional savings proposals for 2015/16 and later years. The appendix also includes details of changes that have been made to update savings proposals agreed at Council in February 2014. Some savings proposals have been deleted and replaced by alternatives.

Ongoing savings net of pressures and leakage total £4.303m in 2016/17 and later years but the cumulative budget gap will be considerably larger. Clearly whatever the outcome of the general election, the Council will face a significant budget shortfall from 2016/17 and further savings of around £10.7m on top of those already identified are likely to be required in that year. The budget shortfall is likely to increase by around £11- £12m pa for 2018/19 by which time the cumulative cuts that the Council will have had to make are likely to total well over £100m.

Further cuts on the current trajectory for a prolonged period will require further major organisational change and prioritisation. Clearly the easier cuts have already been made and further cuts are likely to have significant front-line service impacts. It is important that SMT and Cabinet Members start work on this longer term planning in order to identify options for the new Council following local elections in May 2015. Further details of the approach being adopted are set out in section 18 of this report.

13. PRESSURES

It is with this medium term focus in mind that pressures and any developments need to be considered. The approach adopted in preparing this strategy has been to maximise ongoing savings as far as possible whilst seeking to approve unavoidable pressures on a time-limited basis if possible and identifying alternative sources of one-off funding where possible e.g. use of the capacity fund.

Details of the pressures are included in Appendix 2c and, as for the current year, include one-off additional ring-fenced funding for Adult Social Services and for Safeguarding. As part of the budget modelling work carried out for 2015/16 a number of pressures in these two specific areas have been recognised. These are:-

Adult Social Services:-

A Cost Improvement Plan is in place to address the achievement of the significant savings needed in this area as well as addressing any ongoing overspend. Whilst the work on this plan is being progressed the service will continue to experience financial pressures from a

number of issues including high cost placements, a lack of supply in key market areas such as Elderly Mentally Infirm (EMI) placements, the Deprivation of Liberty Safeguards (DoLS) changes, the costs arising from clients transitioning from Children's to Adults services with an eligible need and continued under-funding of continuing healthcare cases in the Telford & Wrekin area compared to most other parts of the country.

Since the 2010 spending review, local authorities have reduced spending on adult care by more than the Department of Health anticipated. The Audit Commission reported that from 2012/13 to 2013/14, planned reductions in spending on adult social care services make up 52 per cent of spending reductions, compared with only 14 per cent of the total reduction from 2010/11 to 2011/12. Locally, there was no reduction in overall spend on adult services through to the end of 2013/14. The Audit Commission noted that ... the aggregate savings from this service area make up an increasing proportion of total spending reductions. Whilst locally some savings have now been made from adult care budgets the Council has been careful to achieve this in ways that protect services to clients as far as possible e.g. by getting better value from suppliers. We have also invested some of the savings made back in to services for adults however as the Government continues its deficit reduction programme it inevitably becomes increasingly difficult for the Council to protect front-line priority services.

Safeguarding:-

A Cost Improvement Plan is also in place for this service to address areas of pressure including care placements and the use of agency staff. As part of the budget process, modelling of current placements and new turnover has been completed with operational staff. Plans are in place to help children remain at, or return, home where appropriate with alternative support options. For some children, however, this will not be possible and the service will have unavoidable costs to face whilst the improvement plan is progressed.

This service and financial planning strategy proposes one-off additional ring-fenced funding should be made available to recognise these pressures to allow for the cost improvement plans to be fully implemented. The figures proposed are one-off amounts in 2015/16 only of £1.25m for Adult Social Services, (this is 50% of the 2014/15 one-off additional ring-fenced funding) and £750k for Safeguarding, a reduction of over 37% on the 2014/15 one-off additional ring-fenced funding for this area.

14. CHANGES AFFECTING ADULT SOCIAL SERVICES AND PUBLIC HEALTH

14.1 Better Care Fund

The Better Care Fund (BCF) plan for 2015/16 submitted by Telford & Wrekin Council and the CCG and approved, with support, in October contains funding of £12.068m. A Pooled Budget under a Section 75 legal agreement, which must be signed by both organisations, will fund a number of schemes planned to reduce non elective admissions to the hospital, reduce residential admissions and reduce delayed transfers of care. The plan is required to detail how and to what level of funding, adult social care will be protected. In 2015/16 the amount identified with the Telford & Wrekin plan is £7.334m, this includes £2.4m as recognition of the impact of changes in Continuing Health Care processes.

A revised plan, for final approval in January 2015, will need to demonstrate the consideration of risk in more detail describing the process for developing a risk sharing model between the Council and the CCG. The final risk sharing model will need to be approved by all parties as part of the finalisation of the Section 75 legal agreement.

Whilst all metrics included within the plan will be monitored, only the reduction in the non-elective admissions target will have any impact on funding to the Pooled Budget. All funding contributions must be paid into the Pooled Fund at the beginning of 2015/16 bar the local value of the national performance related payment. This is related to the required national minimum 3.5% reduction in non-elective admissions and the Telford & Wrekin value is £0.84m. This amount will be held back out of the Pooled Budget and only released as and when admission reductions are achieved. This is intended to mitigate some of the risk that hospital trusts face from the implementation of the BCF, as if the reduction is not achieved then this money will flow to the acute sector to fund admission activity.

The local BCF is predicated on a total value of £3m associated with avoided admissions, this includes the £0.84m, and failure to achieve this will result in dual funding requirements. Work is currently being undertaken to identify risk probability, the value of risks identified and the basis on which risk and benefits within the plan will be shared.

The Government have indicated that some funding for the implementation of the Care Reform is contained within BCF allocations and it was a requirement of the plan to identify the value of this funding for this purpose – for Telford & Wrekin it is £0.409m revenue funding and £0.15m capital funding.

14.2 Care Reform.

In 2015/16 the Care Reform Act (“Part 1”) will be implemented and Councils will have additional costs relating to assessment and eligibility; IT; Capacity; deferred payments; and information and advice.

The Government have recently carried out a consultation exercise to refine the indicative funding provisionally allocated to individual

authorities for 2015/16 on the basis of additional responsibilities resulting from the implementation of the Act, in effect the “Part 1” responsibilities coming into force from April 2015. It had been estimated that Telford & Wrekin Council would receive an additional £1.478m of which £0.559m (revenue & capital funding) is within the Better Care Fund (BCF). The current BCF plan identifies this amount as a commitment against the pooled BCF budget. The remainder of the funding, £0.919m, was subject to the consultation exercise on the formulae for distribution. The consultation indicated a reduction in some elements of the grant, notably deferred payments and although the final results recognised a higher level of cost in carer’s services than the Government had initially anticipated, they felt that this could be contained within the overall funding envelope by adjusting indicative allocations for other aspects of the Act. Final allocations released in December for Telford & Wrekin are £738k, this figure has been reflected in the 2015/16 budget proposals in addition to the £0.409m revenue funding identified within the BCF.

Further consultations on funding formulae will commence by the end of the year, looking at the Relative Needs Formula and the allocations in respect of the cap on care costs and other elements of funding reform.

There are concerns that these allocations underestimate the costs of implementing Part 1 of the Act in 2015/16. In particular that:

- The Act raises expectations at a time when existing financial pressures mean there are insufficient resources to invest in prevention and early intervention principles that underpin the Act’s aim to reduce demand on more expensive, ongoing care
- Placing carers on the same legal footing as the service user significantly extends the number of carers with a right to an assessment in their own right and extends the number of carers who will be eligible for services. Whilst this is recognised in some additional funding there are concerns that this does not equate to the numbers of carers who could come forward and expect assessment and additional support

Some modelling work has been undertaken to predict the impact of Part 1 of the Care Act and compare the outcomes with the indicative maximum amount of new monies available. All Local Authorities have been asked to use the same modelling tools to calculate the assessments and carers’ costs. We are currently estimating that the costs will be contained within the allocation of funding but we will only know the true position once we have worked under the Act for some time. Current modelling is based on unit costs but further work will need to be carried out internally to determine the actual costs that will need to be funded including the impact on staffing etc. It has been difficult to model the impact of a greater number of deferred payments

being made available although we would plan to negate the impact of increased administration by recovering this cost through an administration fee and any cash flow implications through the application of an interest charge. It is clear, however, from early work that any increase is likely to leave the Council holding a significant amount of debt on its balance sheet. Using existing care home information and the government's own impact assessment data we can estimate an average length of deferred payment agreement to be 4 years with 36 new DPAs each year. Our current modelling indicates that by year 4 the Council would have at least £1m worth of debt to finance before any funding is realised to reduce it.

As yet there have been no specific announcements about funding for the Part 2 funding reform changes that are implemented from April 2016. Government indicated that they estimated the cost of these changes to be in the region of an additional £1 billion nationally. ADASS and the LGA have both indicated that they believe this figure is an underestimation, whilst no decisions have been made about the formula on which this sum of money will be distributed between local authorities which in many ways is just as important to us as the quantum.

In respect of Part 2 Funding Reforms we have commenced modelling work to understand how many existing self-funders will enter the system from April 2016 and qualify for local authority support given the raised capital thresholds and cap on care costs payable across an individual's life. The national collection of this data will not be until early 2015 and this will inform the national funding amount required for 2016/17. Joint ADASS, DoH and LGA advice for forward financial planning is that the costs of funding reform will be fully funded and that local figures for these costs should not be included in budget projections at this time on this basis.

14.3 Independent Living Fund

Due to changes within the adult care system, the Independent Living Fund (ILF) will be closing on 30 June 2015. From 1 July 2015, people currently supported by the ILF will be supported through local authority social care provision, with £262m funding transferred to local authorities in England and the devolved administrations elsewhere; there will be no ring-fencing of this funding. Latest information indicates that a 5% reduction will be applied to the current funding levels to allow for those clients leaving ILF. Telford & Wrekin currently have 68 people in receipt of ILF at a total cost of £1.055m. The impact of this transfer and likely costs have been reflected in the 2015/16 service and financial planning strategy, we have no indication of funding, if any, beyond next year.

14.4 Deprivation of Liberty Safeguards

The Deprivation of Liberty Safeguards (DoLS) were introduced in April 2009. These are essentially a way to keep someone in a hospital or in a care home when the person needs to receive care and treatment but they are unable to make this decision themselves. The safeguards apply to everyone aged 18 or over who has a mental disorder and certain other conditions are satisfied. It is a statutory function of the Council to carry out the appropriate assessments. As a result of a recent Supreme Court judgement the number of people who should be receiving a Deprivation of Liberty Safeguards assessment if they are being deprived of their liberty within a residential or hospital setting has risen dramatically, the judgement also extended this process to other care settings.

In order to meet the demand of these changes all Local Authorities are facing significant financial implications, from data collected by ADASS in a survey of its 152 members, a shortfall of around £48m has been identified nationally to carry out all the assessments now required. ADASS have also lobbied Government to change the legislation to ease the burdens on Councils and/or provide additional funding.

14.5 Transfer of Public Health Commissioning For 0-5 year olds from the NHS

Public health commissioning responsibilities for 0-5 year olds will transfer from NHS England to local authorities on the 1st October 2015. The transfer encompasses the 0-5 Healthy Child Programme which includes health visiting services and Family Nurse Partnership services; a targeted service for teenage mothers. The transfer marks the final part of the overall public health transfer, which saw public health responsibilities successfully transfer to local authorities in April 2013.

Indicative allocations for 2015/16 (for period 1st October 2015 to 31st March 2016) for Telford & Wrekin are £1.262m. Whilst these have been published there is a facility to agree locally any further changes needed to 2015/16 funding transfers which if appropriate will result in changes to funding actually received in 2015/16 but will not be reflected until 2016/17 within any published allocations. The Council is currently in discussions with the NHS Local Area Team about a need to increase the published allocation and discussions between the latter and the CCG will shortly take place to agree any changes required.

From 2016/17 the allocations are expected to move towards a distribution based on population needs and the public health grant allocation formula will need to be revised from 2016/17 onwards to take account of the transfer of 0-5 responsibilities.

14.6 Section 256 and Section 75 Agreements under the NHS Act 2006

Members will be aware of the changes introduced from 1st April 2013 to NHS structures including the replacement of PCT's by CCG's and the transfer to the Council of some Public Health functions. To enable the council to carry out its functions with an increasing emphasis on integration with health commissioners and providers, it will be necessary for the council to enter into appropriate agreements under the above Act with various NHS bodies. These agreements, most usually Section 256 or Section 75 agreements are for large sums of money and enable the parties to meet their statutory obligations. Delegated authority is therefore requested for the Assistant Director: Family, Cohesion & Commissioning, after consultation with the Cabinet Member: Adult Social Care, to enter into all appropriate Section 256 and Section 75 agreements as required by the Council with various NHS bodies as long as they are within the budget and policy framework and for the Assistant Director: Law, Democracy and People Services to execute all necessary associated contract documentation.

15. OVERALL PROJECTED BUDGET SHORTFALLS

Bringing the provisionally updated projections of the budget gap and the additional savings now identified in Appendix 2 and the pressures included in Appendix 2c together, the projected remaining shortfall for the next three years is summarised below:-

	2015/16 £m	2016/17 £m	2017/18 £m
Projected Budget Gap	2.541	15.011	26.511
Additional savings net of pressures	(1.708)	(4.303)	(4.303)
Remaining shortfall to be covered from underspend in current year on one-off basis	0.833	N/A	N/A
Projected remaining shortfall to be covered from further savings to be identified – see Section 18 of this report.	N/A	10.708	22.208

The position for 2015/16 assumes all planned and proposed savings are delivered and assumes that additional burdens e.g. arising from the Care Act and transfer of the Independent Living Fund are fully funded

by the Government. The remaining budget shortfalls outlined above assume no council tax increase or benefit from any further council tax freeze grants that may be offered by future Governments. Nor do the projections currently take in to account any benefits that may be generated from possible major capital investments including the MoD scheme or the Housing Investment Programme. Benefits arising from these and other commercial projects being considered by the Council would count towards the savings requirements set out above and would therefore help to reduce the impact of the Government's funding cuts on the front-line services provided by the Council.

16. INVESTING TO SUPPORT OUR PRIORITIES

By exercising strong and effective financial control throughout recent years and by continually challenging what we do, we are able to respond to new and emerging pressures in both the community and in Council services as demands shift and change. Through this, we have identified a number of areas where additional investment is required to deliver our goals. For 2015/16 and beyond our investments against our priorities are:

Protect and support our vulnerable children and adults

Safeguarding vulnerable children and adults is our top organisational priority. We continue to ensure that services have the financial resources to do this:-

- Children's Safeguarding £0.75m one-off additional ring-fenced funding to ensure that the resources are available to protect and support vulnerable children.
- Adult Social Care £1.25m one-off additional ring-fenced funding to ensure that the resources are available to protect and support vulnerable adults.

Protect and create jobs as a 'Business Supporting, Business Winning Council'

- A key part of our strategy to deliver growth and attract investment into the Borough to create jobs and prosperity is our "Destination Telford" initiative. The aim of "Destination Telford" is to promote the Borough as a top place to live, work, invest, visit and enjoy by improving the positive impression that the town gives to visitors, businesses and potential investors by helping them to understand what the borough has to offer. To support this we are investing £0.25m over a three year period to support the delivery of a "Destination Telford" programme of events and initiatives which will raise Telford's profile.
- Our local and district centres are a critical part of community life and our neighbourhood economies. To support the invigoration and promotion of our high streets and local centres we are creating a £1.0m fund, part of which will be made available for local

organisations, communities and businesses to bid into to undertake activity which will support this objective by increasing their appeal, attractiveness and ultimately footfall.

- Just under £4m in extending access to superfast broadband in the Borough.

Ensure that neighbourhoods are safe, clean and well maintained

- Maintaining and improving our highway transport infrastructure is critical to supporting economic growth and it is a priority for many local residents. To this end, a £2m (capital) investment into highway improvements will be made each year for the next 3 years – improving roads, footpaths and street-lighting. This investment is over and above any Government funding for roads.
- Building on the success of our Community Pride Fund in 2014/15, a £1.0m (capital) Community Pride Fund for 2017/18 will be created which local organisations, communities and businesses can bid for.
- Responding to resident priorities we will establish a two year Borough wide Environmental Investment programme totalling £0.75m. This will supplement the work of the Pride in Your Community programme and is proposed to help address the key issues that regularly arise within resident complaints, enquiries and pride consultations. The investment programme as well as continuing the investment into Parish Environmental Teams and Environmental Response teams in 2016/17 would also cover; increased early season grass cutting, additional spring and late summer hedge cutting, and tree maintenance on public land plus support for residents to help deal with problem trees.
- A second year of funding for our “Pride in Your Community” fund to improve the physical environment in our neighbourhoods. This includes £2.9m capital and £0.75m revenue.

Improve the health and wellbeing of our communities and address health inequalities

- Supporting people to stay healthy as they age is a critical part of our “prevention agenda” by helping people to stay independent and avoid social isolation. To support this, free swimming for over 50s for 4 years will be funded at a cost of around £0.2m. This complements our free swimming offer for under 16s.

Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing

- Continuing to support the regeneration of our local centres by providing £0.65m (capital) investment into St Georges.
- Food bank confirmed funding for another year of £0.03m
- Initiatives for crisis support and cheap loans to enable local people to avoid pay day lenders totalling £0.24m

Improve local people’s prospects through education and skills training

- We will continue and complete our medium term £187m investment to improve school infrastructure
- The second year of investment in our youth unemployment initiatives totalling £0.65m.

Other investments

We are investing £1.0m (capital) in ICT to help support the delivery of services to customers in a customer friendly and cost effective way for the next three years. We are also investing £0.7m (capital) in maintenance of the Councils' buildings each year for the next three years.

17. SUMMARY 2015/16 SERVICE & FINANCIAL STRATEGY

The Service & Financial Planning Strategy for 2015/16 can be summarised as follows:-

Projected Budget Gap	2015/16 £m
Base Budget gap – including <ul style="list-style-type: none"> • Second year of “Pride in Your Community” initiative = £0.750m • Second year of investment initiative to tackle youth unemployment = £0.650m • Continuation of food bank funding in 2015/16 = £0.03m • Crisis support initiatives including cheap loans for local people to avoid pay day lenders = £0.24m • Less contribution from provision to fund debt charges on the “Pride in Your Community” initiative agreed in 2014/15 - £0.25m 	+2.541
Savings proposals (net of provision for “leakage” from general fund)	-5.462
Pressures – For details please see Appendix 2c but including:- <ul style="list-style-type: none"> • one-off additional ring-fenced funding budget of £0.75m for safeguarding • one-off additional ring-fenced funding of £1.25m for adult social services • Destination Telford Initiatives - £0.250m to be spent over a 3 year period 	+3.754
Investments funded from the 2014/15 projected underspend <ul style="list-style-type: none"> • Free swimming for over 50's for a 4 year period starting 2015/16 = £0.2m • Invigoration and promotion of High Streets and Local Centres =£1m 	

<ul style="list-style-type: none"> Two year Borough wide environmental investment programme = £0.75m 	
Projected net Budget shortfall	+0.833
Remaining balance to be funded from projected 2014/15 underspend	-0.833
Restated shortfall	Nil

Please note that:-

- Debt charges on the recommended capital investments outlined in this report have been included in this service and financial planning strategy.
- The Council will freeze council tax in 2015/16 and also 2016/17.
- After allowing for the proposed commitments above, the current projection for remaining one-off funding to be available at year end is £2m. Clearly, the final figure may be greater or lower than this but any remaining underspend available at year end will be transferred to reserves to support the delivery of further savings.

18. MOVING FORWARD: OUR MEDIUM-TERM 2016/17 TO 2017/18 SERVICE & FINANCIAL PLANNING STRATEGY

Our Service and Financial Planning Strategy is underpinned and informed by our Co-operative Council ethos:

- Central to this are our values of Ownership, Openness & Honesty, Involvement and Fairness & Respect which are at the heart of all that we say and do as an organisation.
- As the Council has neither the resources or a monopoly on solutions to address the challenges facing the Borough we need to work in new and better partnerships. Residents are essential to this as active participants in service design and delivery not just as passive recipients.
- “Shaping Places” – acting as guardians and champions of the borough as well as driving delivery and change
- Ensuring a stronger focus on social value and social responsibility.

Based on this ethos we have adopted 4 core elements for our medium-term service and financial strategy to take the organisation forward and deliver the budget savings which are currently projected to be required over the medium term.

18.1 Reviewing and reorganising

We continue to evaluate the organisation to understand what is working effectively and efficiently and what needs to be changed. Through this we are able to create and seize opportunities. Examples of what we have done and will continue to deliver include:

- Designed and implemented the “One Council, One Team, One Vision” strategy. This changed the ethos and focus of the organisation by addressing head-on silo working and sharpening corporate ownership of pressures facing the organisation. This has enabled us to adopt a “Whole Council” approach to key challenges including driving growth, protecting and supporting vulnerable adults
- Evaluated and redefined every job in the organisation in line with our priorities and Service & Financial Planning Strategy
- Removing duplication, particularly in support services, and exposing where services need to better join-up to improve outcomes for users and drive efficiency.
- Examining shared services where there is a “good fit”:
 - Telford & Wrekin NHS Clinical Commissioning Group through the “Better Care Fund” programme to improve how adults move between the NHS and the Council’s social care services.
 - Town and Parish Councils through Parish Environmental Teams working to improve local neighbourhoods.
 - A Youth Offending Service for the whole West Mercia area
 - West Mercia wide Adoption Service.
 - Utilising regional and national procurement frameworks to secure the best rates.

18.2 Challenging and Changing

- Driving forward our **Co-operative Council projects and programme.**
- **Procurement and commissioning** - it is not enough to be led by what the market will provide. We work to influence and shape the market to ensure that tax payers receive maximum value for money. We will improve further our robust contract management to ensure providers and suppliers meet their contractual obligations, review existing contracts to ensure they are fit for purpose and achieving value for money, widely advertise all contract requirements over £5k to achieve optimum market prices, make greater use of framework agreements and get added social value from procurement.
- **Redesigning services and businesses process reengineering** to ensure that they are delivered in the most efficient and effective manner.
- **Redesigning and managing our front-door** to enable users to get the right service at the right time. Examples include “First Point for Business”, “Family Connect” and “Access and Enablement”. A new Council website was launched in December 2014 as part of this front-door redesign.

- **Challenging Policies** – E.g. for calculation of Minimum Revenue Provision (changing debt repayment from equal instalments of principal to an annuity basis with a benefit of **£13m benefit over 6 years**).
- Using **“business analytics”** to understand how our customers use and interact with services and inform service redesign.
- **Reducing non-staffing costs** – as all budgets have been reviewed ‘line by line’ in previous years, there is now limited scope to deliver savings from non-staffing budgets. However, we are continuing to look for these saving options wherever possible.
- **Working with the private sector** – including the Federation of Small Businesses, the management of the Telford Town Centre shopping centre and the Telford Business Board to drive economic growth in order to generate jobs and increased prosperity for the residents of the Borough and to generate additional income for the Council from business rates and New Homes Bonus and council tax on new homes built in the Borough.

18.3 Reducing our Dependency on Government Grants

- Adopted a **“Commercial Strategy”** to exploit opportunities to create income for the Council. Each service of the Council has been given an explicit income target designed to drive innovation and creativity. Developments which achieve regeneration and other objectives but which also have a commercial benefit include:
 - a property investment portfolio delivering £5.1m income per annum.
 - A solar farm providing £4.4m profit over the next 25 years.
 - Potentially a new housing company which will provide 425 new homes for private and social rent.
- Our **“Business Supporting, Business Winning”** approach will secure growth resulting in additional business rates for the Council. This is underpinned by stewardship of 400 acres of Homes & Communities Agency commercial land.
- **“Delivering Growth Through Good Planning”** – this is a whole Council approach by which all services work to support and enable business investment in the Borough. Through this approach we have been ranked by the 2014 Core Cities Report in the top 3 local authorities for job growth and housing growth. Through this the Council will see new Council Tax and Business Rate receipts, as well as receiving the Governments’ New Homes Bonus for new homes – until any reset of the local government finance system.
- **“Invest to Save”** – using a business-case approach to innovative projects which will deliver savings or new income. For example, the development of the Aspirations Fitness Suite at Newport Leisure Centre to increase revenue to the service and improve health outcomes in the borough.
- **“Maximising “External Funding”** including £18.79m through the Marches Local Enterprise Partnership Local Growth Fund and £4.75m from the Green Deal.

18.4 Focussing on “Upstream Solutions and Social Responsibility & Action”

- “**Demand Management**” to ensure that resources are targeted at those residents most in need of help. This is about understanding why people use our services and keeping them out of high cost systems.
- “**Channel Shift**” by providing services and information in the most efficient way. For example, providing clear and robust information on the Council’s website will mean that residents can “self-serve” and not need to contact the Council in other less efficient, more expensive ways such as by telephone. Other examples include the use of smart phone “apps” such as our Everyday Telford App which allows people to report neighbourhood issues directly to the Council.
- “**Social Action**” through, for example, the promotion of volunteering. We are currently developing our approach around carers, supporting children centres, youth clubs, leisure centres and libraries.
- Promoting “**Social Responsibility**” amongst our residents and communities. Including, encouraging residents to recycle more as this has a positive impact on the environment as well as reducing costs to the Council, promotion of the “Five Ways to Well-being” which improves health and reduces costs, or encouraging people to become foster carers or simply to be a good neighbour and keep an eye on elderly neighbours. Residents have responded positively to our initial schemes including the recruitment of 156 street champions and 152 snow wardens.

18.5 Lobbying for a fair deal – We will take every effort to fight for a fair deal for Telford & Wrekin. Councils are losing income from some businesses that abuse business rates exemptions – we will lobby Government for changes in the law to end this abuse and have agreed an invest to save project to fight fraud including that relating to council tax discounts and business rates. We will also take every opportunity to seek external funding where this will displace existing council spend or helps to deliver council objectives with limited, if any, requirement for matched funding.

Over coming months these themes will be used to help develop specific savings targets that will be set for each service area and the new Administration to be elected in May 2015 will be supported by officers to identify specific savings proposals to meet the required targets. Any delay in achieving targets would be a one-off cost that would have to be met from additional in-year savings or from one-off resources which are limited. Therefore senior officers will start to develop detailed savings proposals working with current Cabinet Members although it will be the new Administration that will need to agree the details and drive delivery against the targets.

19. COUNCIL TAX

Council Tax in Telford & Wrekin has historically been low compared to other councils. Appendix 6 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 (£1147.49) and is only 2% higher than Dudley which is lowest (£1125.36). Appendix 7 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 (£1252.69 at Band D) in the current year, we would have generated an additional £4.7m 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. Whilst this is relatively good news for local residents in terms of their council tax bill and although we appreciate that council tax bills are still a significant cost for local households, it means that we do not have the same scope to generate income from council tax as many other parts of the country where council taxes have been much higher and average property levels are also higher.

A further factor that has reduced resources in this area is ‘grant damping’ whereby grant that the Government has calculated should be paid to this council is withheld and used to support spending by councils that would otherwise receive less grant e.g. as a result of reducing population numbers. In the calculations used to establish the new local government finance system which came in to effect from 1st April 2013, £1.6m pa of this loss was perpetuated in the new baseline funding settlement for the Council and will be withheld from us 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 £1.2m pa. in recent years.

The combined impact of:

	£m
A comparatively low level of council tax	4.7
Grant damping figure for 213/14	1.6
The population undercount	<u>1.2</u>
	7.5

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

The Government offer a council tax freeze grant which is equal to a council tax increase of 1% on the council tax base prior to reductions for local council tax support. For this council, this means that the grant is equivalent to a council tax increase of 1.19%. Before 2014/15 the council tax freeze grants were only offered on a strictly time limited basis and as such were not financially sustainable. Given the change in approach by the Government, in February 2014, the Council decided that it would accept the freeze grant that was offered for both 2014/15 and 2015/16 in order to assist local people who are suffering pressure from cost of living increases and the impact of the Government's welfare reforms.

The council now wish to go one step further and to give a firm commitment that we will also freeze council tax in 2016/17 meaning that Telford & Wrekin Council's share of the council tax will not have increased for three years in further recognition of the pressure faced by local people by the Governments welfare reforms and cost of living increases.

This proposal is affordable due to the very effective financial management exercised by the Council in recent years and the demonstrable track record of consistently delivering very challenging savings targets necessitated by the Government's unprecedented cuts to our grants

20. BASE BUDGET, BALANCES AND CONTINGENCIES

20.1 Base Budget

A summary of the Base Budget position is included at Appendix 9(A) which shows a net base budget of £129.521m for 2015/16 giving a base budget funding gap of £2.541m. Appendix 9(B) analyses the main changes in moving from the 2014/15 budget to the 2015/16 base budget.

20.2 Balances

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 £4.29m available as part of medium term budget strategy considerations. However, this figure excludes the currently projected underspend in the current financial year as this position will change before the end of the year and a significant part of this underspend is now being committed as part of this Service and Financial Planning Strategy.

Current available balances within the "Capacity Fund" of £0.8m and "Invest to Save Fund" of £0.3m are shown as committed as these are likely to be committed during the period of this medium term financial strategy.

20.3 Risk Management

As an organisation which provides a vast range of different services to the community and spends in excess of £450m per annum, the management of risks is an important consideration in the budget setting process. The Council has a strategic risk register which is used to identify the substantive issues which may impact negatively on the delivery of the Council's priorities and may also have a financial impact. This is regularly reviewed by Senior Management Team and Service Areas to manage risks and mitigate potential exposures both as part of everyday business and as part of the decision making processes. The budget for 2015/16 also includes a number of risk-mitigating elements:

- Despite the financial challenges being faced, the Council has a clear goal to attract new jobs and investment and promote growth in the borough and is committed to an investment programme which will safeguard the prosperity of the borough – growth will result in additional council tax, new homes bonus and business rates pending any reset of the local government finance system or major changes to the system.
- A key focus of the budget is on income generation, thus reducing the Council's reliance on Government Grant in the future.
- Although very challenging, many savings have been phased over a number of years to allow adequate time for full consideration, consultation and implementation.
- Contingencies have been built into the budget: a general contingency of £2.5m; and additional one-off ring-fenced funding for the two highest risk areas: Safeguarding, £0.750m; Adult Social Services, £1.25m.
- A robust monitoring regime is in place to identify any adverse variances early so that corrective action can take place. Additional in year savings targets have been delivered in recent years to meet service pressures.
- The projected financial position for 2014/15 currently shows an underspend which will be available to support the 2015/16 budget strategy and the delivery of future savings.
- The Council has £4.2m available General Fund balances as a safeguard against unforeseen costs. An annual review of reserves and balances has been undertaken to ensure that the level of reserves is appropriate for their purpose and to release any funds no longer required so that these can be used for service delivery. In extreme emergency circumstances, general balances and some other funds that have been set-aside for specific purposes could be used and then replaced as part of a future strategy.
- Capital programme resources are available, in accordance with the Prudential Code of Borrowing and capacity may exist to capitalise

expenditure planned to be funded from revenue in extreme circumstances.

- Invest to Save and Capacity Funds are in place to provide additional resources for priority areas and to assist with the delivery of savings.
- There is an effective Treasury Management Strategy which aims to maximise returns for the Council while minimising risks which a solid track record of exceeding income targets set.
- The appropriate insurance arrangements are in place to safeguard the council's assets and protect against liabilities.
- Financial advice and support is provided by professional and experienced in-house finance staff, drawing on external knowledge for specific projects where appropriate.
- All reports considered by SMT and Cabinet are required to include financial and legal comments prepared by suitably qualified officers to ensure that financial and legal implications are clearly understood before decisions are taken.

20.4 Inflation Assumptions and Contingencies

The base budget includes an allowance for pay awards of 1.5% for 2016/17 and 2% for 2017/18. If actual pay awards are lower than this the saving will be used to reduce the projected budget shortfalls in these years, however after 5 years of considerable pay restraint which have seen the pay of council employees cut in real terms by just over 20% it is not considered prudent to continue planning on pay awards at levels seen in recent years. In accordance with practice in recent years, no allowance has been built in for general inflation, although some provision for contractually committed inflation has been made.

The base budget for 2015/16 includes a revenue contingency of £2.5m and additional one-off ring-fenced funding for Safeguarding in 2015/16 of £0.75m and of £1.25m for Adult Social Services.

20.5 Single Status

The Council is planning to implement an equal pay settlement in late 2015/16 or early 2016/17. An allowance for additional costs arising from the settlement, and any decision to move towards adopting the living wage, of £1.0m has been built in to the budget for 2015/16 (part year) and £1.5m from 2016/17 onwards. This is after allowing for existing commitments against the funding previously earmarked e.g. to meet the costs of moving away from fixed point grades and some additional payments for social workers to reflect market rates. It is in the context of introducing a Telford scheme that will have a lower on-going cost than previously assumed.

21 EDUCATION FUNDING

Since April 2013 Education Funding has been paid to Local Authorities via three blocks of funding with differing per pupil amounts being applied to different sectors of provision. Each block is based on a per pupil amount of funding and so any change in pupil numbers will have a direct impact on the total Dedicated Schools Grant (DSG). The blocks are as follows:

Schools Block - the majority of which is fully delegated to schools via our local funding formula, a new one having been put in place from April 2013 to meet the requirements of the revised Department for Education (DfE) regulations. Each year the funding formula for schools is reviewed in the context of any revisions to DfE regulations or any other relevant developments. There has been an increase in mainstream pupil numbers of 264 which generates an additional £1.16m of funding for distribution to schools.

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 - £7.350m. It is not a fixed total as it will be updated for actual pupil numbers throughout the year. In addition to the Early Years Block the Council receives funding in relation to its statutory obligation to make provision for the education of about 40% of all 2 year olds. The funding for this is based on a payment of £4.85 per hour and the total grant received will be reflective of actual participation. The DfE have not allocated a sum in the DSG figures released in December for this element and have indicated the total for 2 year olds will not be allocated to us until July 2015. Their rationale is that as we pay and receive cash on participation at £4.85 per hour there will be no risk to us of a funding total being provided post April.

High Needs Block - this funds education for all those pupils in Maintained and Independent Special Schools, Pupil Referral Units and other alternative education provision - £16.179m.

The most significant change for 2015/16 is an increase in the amount of Dedicated Schools Grant (DSG) for Telford and Wrekin pupils in mainstream schools, increasing from £4,367 per pupil to £4,428 pupil. This is an increase of £61 per pupil or 1.4% and means like for like (i.e. ignoring any change in pupil numbers) this will deliver £1.3m of additional DSG funding to Telford and Wrekin. This arises as a result of the DfE adopting a 'minimum funding levels' methodology to ensure that each Local Authority has sufficient funding to fund its schools at minimum levels. Of the 152 local authorities who fund schools only 69 received an increase.

The DfE made a decision not to apply the minimum funding levels to the whole of DSG so excluding any impact on High Needs and Early Years funding despite concerns being raised during the national consultation exercise. The DfE will collect further evidence in these areas before they propose any changes which, in 2015/16, could result in inadequate levels of funding being available.

As most DSG flows to schools the Council sees continuing pressure in other areas, especially High Needs, funded by DSG and over the past few years have been able to carry forward DSG which has assisted the Council in managing the overall DSG position in year.

The Council, following consultation with the Schools Forum and consideration of areas of increasing budgetary pressure will utilise the additional funds as follows:

- £1m to be used to remove the cap on increases in individual school funding per pupil. This will enable the new funding formula to take effect more quickly. Any remaining funding will be used to increase the basic per pupil funding rates.
- £300,000 to be used to support 'High Needs' education budgets. The High Needs part of the overall school budget is facing considerable pressure due to an upward trend in the demand for High Needs resources (for example special school places and out of area provision).

The amount of Pupil Premium allocated to schools will be based on the January 2015 census. Unlike previous years there is no significant increase planned for this funding but the DfE have indicated that the real terms value per pupil will be protected. Taking into account the estimated pupil number increase the pupil premium for primary and secondary schools may be in the region of £9.7m. 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. In 2015/16 the Government have also introduced an Early Years Pupil Premium and Telford & Wrekin's initial allocation is £181k, this will be adjusted in Autumn 2015 for actual numbers

The changes to education funding 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. In 2014/15 the Forum agreed to funding of £1.129m being retained and a further £255k of funding to be de-delegated. Initial discussions have been held with the Forum and £987k of retained funding for 2015/16 was agreed by the Forum at its September meeting, further information is to be provided for decisions to be made in January 2015 for another £142k of retained funding and £217k of de-delegated funding. If these figures are not agreed by the Forum then work will need to be undertaken in a short timescale to review the provision of the services concerned and any staffing impacts. There will also need to be agreement to £389k of funding being retained in relation to Early Years service areas.

The Education Services Grant (ESG) was created in April 2013 by separating out funding for education functions of the Local Authority from the general revenue grant funding. Part of the context for this was the DfE's desire to make the funding for academies simpler and more consistent. Prior to the ESG, each authority had a different level of assumed expenditure upon

educational functions and so the amount of LACSEG (Local Authority Children’s Services Equivalent Grant) provided to academies depended upon the local authority in which they were located. ESG created a uniform amount per pupil across England and so the opportunity for a simpler funding system for academies.

ESG Rate Levels since introduction	2013/14	2014/15	2015/16
Retained duties rate (paid to local authorities for every pupil, both at maintained schools and academies)	£15	£15	£15
General Funding Rate (paid to LAs for pupils in maintained schools and to academies for their pupils)	£116	£113	£87
Academy top-up (paid to academies for their pupils)	£34	£27	£0

The rates are scaled up for special school pupils by 4.25 and for PRUs by 3.75

The Government indicated in 2013 that there would be a reduction in the pupil rates payable to Councils and academies in 2015/16 but for academies there are protection arrangements such that an individual academy’s reduction cannot exceed more than 1% of its total annual budget if it was receiving £140 per pupil in 2014/15. For academies receiving more than this in 2014/15 due to existing protection, there is tapered protection which would prevent them from losing more than 3% of their entire budget. Most of Telford & Wrekin’s academies are likely to receive funding at or near £87 per pupil in 2015/16, i.e. the protection arrangements won’t result in much if any additional funding above this level.

For Telford & Wrekin, the loss of funding for support for maintained schools arising from this has resulted in a reduction of ESG from around £2.7m to around £2.2m. Any further academy conversions will reduce this sum further as for every pupil in an academy the Council’s ESG reduces by £87. This reduction in grant has been reflected in the Council’s medium term budget strategy.

22. EQUALITY IMPACT ASSESSMENT

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 screen proposals and ensure that they are fully explored.

An initial scoping exercise to determine which budget saving proposals require action or further investigation with regard to equality impact was completed. For proposals where implications have been identified and are at a sufficiently developed state a proportionate impact analysis has been or will be undertaken.

Where a proposal is still at an early stage of development, a plan has been put in place to ensure delivery of equality impact analysis during its development.

Appendix 3 details progress on equality impact actions.

23. ENVIRONMENTAL AND ECONOMIC IMPACT ASSESSMENT.

Environmental assessment is a procedure that ensures that 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 4 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 4). 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, although in 2015/16 these reductions will largely be offset by the additional investments set out in this report.

24. COMMUNITY ENGAGEMENT AND COMMUNICATION

Targeted consultation and engagement has taken place throughout the year, related to the proposals put forward in the 2014/15 budget report. Specific proposals in the 2015/16 budget report will be subject to consultation and engagement where appropriate.

As in previous years, communicating and engaging with the community on our future plans will be a key part of the budget process. Our approach is to begin consultation on 5 January 2015. We are proposing 3 key elements:

Demonstrate what has been achieved since 2011, linking with a major consultation.

Three years ago we asked over 2,800 local people, including children and young people, to tell us their priorities. Their biggest concerns were jobs and the economy, environmental issues such as cleanliness, roads and graffiti and the level of crime and anti-social behaviour. We are able to strongly evidence what has changed.

We propose we go back to local people to help make further plans for the next five years, 'Together we care about the future', asking:

1. What's the best thing about the borough of Telford and Wrekin?
2. What's your biggest concern/problem in the borough?
3. If you could do one thing to improve the borough what would it be?

These questions will be published in the December edition of Your Voice with a response form. There will also be an opportunity to complete this short survey online and the questions will form part of the budget road show in January.

Highlighting some simple ways that residents can help the Council to save more money.

This will be an ongoing promotion simply challenging local people to try any of a number of simple ways that they can support local services and help to save the Council money. This can continue to be used after the consultation.

Examples include:

- Recycling more and right
- Tackling fly tipping and litter
- Using more online Council services
- Using Council leisure facilities more frequently
- Going to Oakengates Theatre more often
- Helping older people to live independently at home
- Paying bills on time or using direct debit

Communication of key budget messages including the growth agenda.

Messages will include:

- Our vision, focus and priorities
- Winning and supporting jobs and investment
- Council investments
- Savings delivered since 2010/11
- Council Tax – frozen until 2016/17

To encourage people to find out more about the budget, engage with the 'Together we care about the future' key questions and find out ways they can help save money, we propose a road show in January. The road show will be

a portable informative 'mini exhibition' which will demonstrate the above three key elements. We will make the road show as participatory as possible, including offering local people an opportunity to have conversations with the lead member for Finance and Enterprise, other Cabinet and local members and senior managers.

Our communication and engagement plan included at Appendix 11 provides further details of how people can contribute their views including:-

- Your Voice which is distributed to homes in the Borough to include a cut out consultation 'together we care about the future' questions to be returned freepost or signposted to complete online.
- Signposting opportunities for people to get involved and give their views on the budget strategy including Facebook, Twitter, write in, ring in or text.
- A survey of the Community Panel.
- An online budget survey on the budget page of the Council website – www.telford.gov.uk/budget
- A road show in January visiting a number of areas across the Borough giving local people an opportunity to hear about the budget and future plans and speak with Cabinet members and senior managers.
- Visits to present the budget strategy at a number of organisations and forums including The Town & Parish Council Forum, the Senior Citizens Forum and the Young People's Forum.

25. NEXT STEPS & TIMETABLE

The consultation period will run from 5th January 2015 through to 8th February 2015 in order that careful consideration can be given to the views expressed by the Council's Cabinet when preparing their final report and recommendations to full Council.

The Budget & Finance Scrutiny Committee will scrutinise the Administration's budget proposals and should also have the opportunity to scrutinise any alternative budget proposals put forward by Opposition groups prior to Cabinet in February. The Chair of the Budget & Finance Scrutiny Committee will present the recommendations of the Committee at the Cabinet meeting in February.

The Cabinet will make their final recommendations to full Council at their meeting scheduled for 26th February 2015. Full Council will consider the recommendations from Cabinet and Scrutiny/Opposition Groups on 5th March 2015 when final decisions will be made and the budget and council tax for 2015/16 determined.

26. BACKGROUND PAPERS

- Comprehensive Spending Review and 2015 Spending Round Announcements – Treasury Website
- Autumn Statement – Treasury Website
- LGA Briefing on the Autumn Statement
- LG Futures Autumn Statement and Local Government Finance Settlement briefings – December 2014
- Economic Update Arlingclose Ltd, 3rd December 2014
- BBC News Website – Autumn Statement
- Revenue Support Grant Settlement Announcement – CLG Website
- Service & Financial Planning Report to Council – 27th February 2014
- Newcastle City Council, Fair Choices in Tough Times – October 2014.

Report prepared by:-

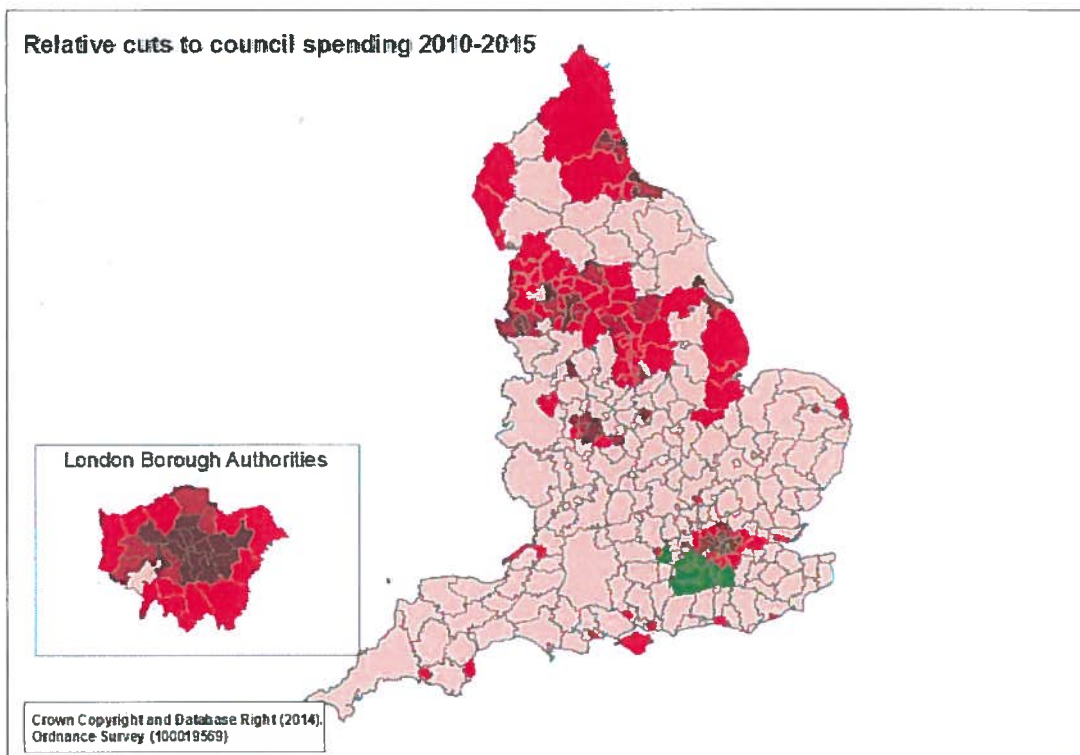
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Heatmap Showing Relative Cuts to Council Spending 2010 - 2015



Notes:-

- The map is extracted with permission from Newcastle City Council's report "Fair Choices in Tough Times" published in October 2014 and starkly demonstrates the differential impact of the Government's cuts across the country.

SUMMARY OF SAVINGS PROPOSALS

APPENDIX 2

Area	Savings Already Approved			Adjustments				Additional Savings Proposed				Pressures				Total Net Savings (including 15/16 Approved)				Total Additional Savings (Over and Above Savings Already Approved)								
	2015/16	2016/17	Total	2014/15	2015/16	2016/17	Total	2014/15	2015/16	2016/17	Total	2014/15	2015/16	2016/17	Total	2014/15	2015/16	2016/17	Total	2014/15	2015/16	2016/17	Total					
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£					
Neighbourhood & Leisure Services	803,000	323,000	1,126,000	0	0	0	0	185,000	258,572	226,428	670,000	0	(44,600)	(82,600)	(127,200)	185,000	1,016,972	466,828	1,668,800	185,000	213,972	143,828	542,800					
Finance, Audit & IG	5,000	-	5,000				0	1,471,100	(1,150,000)	0	321,100	0	0	0	0	1,471,100	(1,145,000)	0	326,100	1,471,100	(1,150,000)	0	321,100					
Law, Democracy & People Services	94,534	-	94,534	(58,750)	49,000	0	(9,750)	1,975,400	(1,012,000)	(443,610)	519,790	0	0	0	0	1,916,650	(868,466)	(443,610)	604,574	1,916,650	(963,000)	(443,610)	510,040					
Cooperative Council Delivery Unit	40,000	-	40,000				0	163,000	250,000	6,000	419,000	0	0	0	0	163,000	290,000	6,000	459,000	163,000	250,000	6,000	419,000					
Childrens Safeguarding & Specialist Services	384,000	-	384,000				0	80,000	295,000	0	375,000	0	(750,000)	750,000	0	80,000	(71,000)	750,000	759,000	80,000	(455,000)	750,000	375,000					
Education & Corporate Parenting	207,850	-	207,850				0	130,000	140,485	0	270,485	0	0	0	0	130,000	348,335	0	478,335	130,000	140,485	0	270,485					
Family, Cohesion & Commissioning	984,744	30,000	1,014,744				0	909,000	(692,000)	0	217,000	0	0	0	0	909,000	292,744	30,000	1,231,744	909,000	(692,000)	0	217,000					
Public Health, Wellbeing & Public Protection	164,906	-	164,906	0	0	0	0	200,000	0	0	200,000	0	0	0	0	200,000	164,906	0	364,906	200,000	0	0	200,000					
Adult Social Services	1,636,000	-	1,636,000	0	(1,586,000)	0	(1,586,000)	0	2,641,000	0	2,641,000	0	(2,305,000)	1,250,000	(1,055,000)	0	386,000	1,250,000	1,636,000	0	(1,250,000)	1,250,000	0					
Customer Services	922,000	-	922,000	(155,373)	155,373	0	0	796,298	40,000	100,000	936,298	(255,000)	(150,000)	405,000	0	385,925	967,373	505,000	1,858,298	385,925	45,373	505,000	936,298					
Development, Business & Employment	1,402,087	-	1,402,087	(0)	0	0	(0)	582,457	(20,472)	139,564	701,549	0	(250,000)	250,000	0	582,457	1,131,615	389,564	2,103,636	582,457	(270,472)	389,564	701,549					
Total	6,644,121	353,000	6,997,121	(214,123)	(1,381,627)	0	(1,595,750)	6,492,255	750,585	28,382	7,271,222	(255,000)	(3,499,600)	2,572,400	(1,182,200)	6,023,132	2,513,478	2,953,782	11,490,392	6,023,132	(4,130,642)	2,600,782	4,493,272					
Cumulative	6,644,121	6,997,121		(214,123)	(1,595,750)	(1,595,750)		6,492,255	7,242,840	7,271,222		(255,000)	(3,754,600)	(1,182,200)		6,023,132	8,536,610	11,490,392		6,023,132	1,892,490	4,493,272						
Leakage	-	99,662	-	5,295	-	104,957		3,212	20,724		23,936	-	97,384	-	11,259	-	426	-	109,068		-	94,172	-	90,196	-	5,721	-	190,089
Cumulative less leakage	6,544,459	6,892,164		-	210,911	-	1,571,814	-	1,571,814		1,571,814	6,394,871	7,134,197	7,162,153	-	255,000	-3,754,600	-	1,182,200		5,928,960	1,708,122	4,303,183					
Check totals	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0					

Summary of Additional Savings by Type

Area	Funding (NDR, Rates, C Tax)	Income	Staffing	Non-Staff	Procurement	Property Rationalisation	Service Review/Redesign	Total
Neighbourhood & Leisure Services	0	150,000	20,000	70,000	0	0	0	430,000
Finance, Audit & IG	0	0	61,100	260,000	0	0	0	321,100
Law, Democracy & People Services	0	4,400	0	459,000	0	0	0	56,390
Cooperative Council and Commercial Delivery Team	0	419,000	0	0	0	0	0	419,000
Childrens Safeguarding & Specialist Services	0	0	0	0	350,000	0	0	25,000
Education & Corporate Parenting	0	0	0	270,485	0	0	0	270,485
Family, Cohesion & Commissioning Services	0	0	0	0	45,000	19,000	0	153,000
Public Health, Wellbeing & Public Protection	0	0	0	0	0	0	0	200,000
Adult Social Services	0	0	292,000	(2,550,000)	1,606,000	0	0	3,293,000
Customer Services	770,978	105,000	40,320	20,000	0	0	0	936,298
Development, Business & Employment	100,000	340,652	0	0	0	51,420	209,477	701,549
Total	870,978	1,019,052	413,420	-	1,470,515	2,001,000	70,420	4,366,867

Changes to Existing Proposals	-1,595,750
Pressures	-1,182,200
Leakage	-190,089
Total	4,303,183

Notes
Many of the 2014/15 savings are currently included in financial monitoring and are covering service pressures

CONFIDENTIAL - DETAILED SCHEDULE OF SAVINGS PROPOSALS

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				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
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £						
Neighbourhood & Leisure Services													
1	Non-Staff	Neighbourhood & Leisure Services	Rationalisation of Arthog and Arthog Outreach expenditure and income budgets		50,000		50,000	Stuart	Capacity and quality of centre increased as a result of recent and planned future investment	none	none	none	Increasing income targets represents a risk as it assumes business levels will increase and that the increase is sustainable.
2	Non-Staff	Neighbourhood & Leisure Services	Replace current Parks for People revenue fund with future capital investment commitment		20,000		20,000	Stuart	The sinking fund was established as a requirement of HLF funding to ensure ongoing maintenance beyond 2021, therefore will require the equivalent capital investment from 2021	none as intended to replace with equivalent capital investment from 2021	none	none as intended to replace with equivalent capital investment from 2021	Risk of objection from Lottery. Potential to offset with guarantee of replacement capital funding.
3	Non-Staff	Neighbourhood & Leisure Services	Balance of Parks For People refurbishment fund with future capital investment commitment - providing savings linked into current in year revenue accounts	80,000	(80,000)		0	Stuart	One off use of reserves, will require equivalent amount of capital post 2021	as above	none	as above	as above
4	Income	Neighbourhood & Leisure Services	Tennis Centre Office Space rental income opportunity		5,000		5,000	Stuart	Estimate. Requires LTA approval to let space once vacant.	none	none	none	LTA objection. Possible offer to share income.
5	Non-Staff	Neighbourhood & Leisure Services	Balance of Tennis Centre Court refurbishment fund with future capital investment commitment, providing savings linked into current in year revenue accounts	25,000	(25,000)		0	Stuart	One off use of reserves, would require future capital investment for specialist surface replacement.	none	none	One off use of reserves, would require future capital investment for specialist surface replacement.	Risk of objection from Lottery. Potential to offset with guarantee of replacement capital funding.
6	Income	Neighbourhood & Leisure Services	Ice Rink Invest to save		25,000	5,000	30,000	Stuart	Invest to save scheme based upon 10 year partnership agreement with Red Hockey Ltd (Telford Tigers) comprising income share from gate receipts and advertising, rental and hire income.	Positive. Improved visitor offer to compliment refurbishment and wider Southwater offer.	none	Small increase in annual energy costs. More than offset by capital investment into infrastructure and some transfer of maintenance responsibility thereby reducing annual maintenance costs.	Increasing income targets represents a risk as it assumes business levels will increase and that the increase is sustainable.
7	Service Review/Redesign	Neighbourhood & Leisure Services	Medium Term Invest to save opportunity for upgrading footway lights and Traffic lights to LED's resulting in efficiencies and environmental and safety improvements		60,000		60,000	Dave	would require a Invest to save scheme with capital of circa 650k	All round positive impact in that illumination will be enhanced, will mean column replacements in some instances leading to tidier street furniture, will promote a safer and more confident community which may also reduce ASB such as fly tipping. Reduced R&M costs due to modern low burn lamps	N/A	Positive impact on less ASB and insurance claims	N/A
8	Income	Neighbourhood & Leisure Services	Introduce Pre development support services and charges in line with emerging legislation for developer contributions for SUDS / SABS -		20,000		20,000	Dave	Legislation is coming in to force which means the authority is to approve, adopt and maintain Sustainable Drainage Systems (SuDS) through the setting up of SuDS Approval Bodies (SABs). In turn every development > one dwelling requires a SUD. Further income can be attained if through positive dialogue as part of the pre planning & planning process our in house team can act as agent and or scheme designer	May initially be seen as a negative for developers but with positive communication between Development and Business Teams with Developers - the Drainage Engineers can be utilised in designing and approving appropriate schemes and in turn reducing costs for developers and avoiding unnecessary delays	Duties absorbed within existing team	Needs support from Development, Business & Employment	If Developers choose to have schemes designed by external consultants - currently circa 70% of initial schemes aren't fit for purpose which leads to delays and extra costs
9	Income	Neighbourhood & Leisure Services	Utilise Highway Inspectors to generate greater NSWRA income from utilities		20,000		20,000	Dave	Assuming we can sustain the same number of highway officers - maximise mobile working and follow up on utility works 'eyes on the ground'	Action by the team will lead to improved repairs by utility companies for reinstatement failures on the highway. This would be seen as a positive for the community	Current team resources need to be sustained	Reduced call on Council R&M highway budgets to repair utility defects	Should encourage Utilities to adopt an improved service response in quality repairs
10	Service Review/Redesign	Neighbourhood & Leisure Services	Review scope and nature of the Maintenance and Service contracts, efficiencies Green Waste, Contract Monitoring efficiencies and review of Current contracts leading to 2019 renewal deadline.		50,000	150,000	200,000	Dave	Full review of current service and maintenance contracts are required in light of Waste changes, Contract delivery model changes, Contract end date of 2019 and performance against existing and proposed standards. Market testing/comparing needs to evaluate VIM	Currently too early to be prescriptive.	Unknown at this stage but not expected to have a large impact on staffing resources	May allow resource switching between core Environmental Services to mitigate service/budget pressures	N/A
11	Service Review/Redesign	Neighbourhood & Leisure Services	Review scope and nature of the maintenance and service contracts, efficiencies Green Waste, Contract Monitoring efficiencies and review of Current contract leading to 2019 renewal deadline providing savings linked into current in year revenue accounts one off	50,000	(50,000)		0	Dave	Full review of current service and maintenance contracts are required in light of Waste changes, Contract delivery model changes, Contract end date of 2019 and performance against existing and proposed standards. Market testing/comparing needs to evaluate VIM	none	none	none	none
12	Service Review/Redesign	Neighbourhood & Leisure Services	Seek to reduce additional works in the Environmental Maintenance contract			40,000	40,000	Dave	savings already identified in 15/16 are £40K and this is a further £40k from Additional Works budget.	Will lessen the ability to react to unforeseen maintenance issues and to commission local improvements beyond current standards. Mitigated through Pride related investment	N/A	N/A	Withdrawing Pride related type investment in the future would impact on Standards and the ability to make this saving.
13	Service Review/Redesign	Neighbourhood & Leisure Services	Seek to rationalise back office support staff requirements from 2.5 to 1.5FTE following contract and operational changes. - - one off savings during both years with current year one off providing savings linked into current in year revenue accounts	15,000	23,000	(38,000)	0	Debbie	Savings brought forward early from 16/17	n/a	Delivered through restructure with staffing reduction managed through VRs.	n/a	n/a
14	Service Review/Redesign	Neighbourhood & Leisure Services	Rationalise the functionality of Environmental Public Realm, Waste Operations to deliver on future priorities - one off savings providing savings linked into in year revenue accounts		40,572	(40,572)	0	Debbie	Savings brought forward early from 16/17	n/a	Delivered through restructure with staffing reduction managed through VRs.	n/a	n/a
15	Service Review/Redesign	Neighbourhood & Leisure Services	Rationalise back office support costs		5,000	45,000	50,000	Debbie	Review of Neighbourhood Services support priorities and rationalise costs.	n/a	To be managed through reallocation of duties and review of current structure.	n/a	n/a
16	Service Review/Redesign	Neighbourhood & Leisure Services	Transport & Highway Development: Rationalise the Transport policy annual surveys 14/15 saving providing savings linked into current in year revenue accounts	5,000	5,000		10,000	Keith Harris	Further reduction in Transport Policy survey budget currently at £44,200	The requirement to provide transport survey data to central government has reduced. We are currently able to fund some of the data collection requirements from grant funding.	No impact	No impact	N/A
17	Staffing	Neighbourhood & Leisure Services	Transport & Highway Development: Staff rationalisation 14/15 saving providing savings linked into current in year revenue accounts	10,000	10,000		20,000	Keith Harris	Looking again at different ways of working, particularly cross-team working between Transport Policy & Highways Development Control	Some reduction in the ability to respond quickly to requests for action.	Some re-training will be needed.	No impact	May reduce flexibility to deliver new initiatives or grow the service area
18	Income	Neighbourhood & Leisure Services	Transport & Highway Development: Increased use of Structures & Geotechnics team to comment on planning applications and input into Council managed design work, rather than this work going to external consultants		5,000		5,000	Keith Harris	Structures & Geotechnics team have the skills necessary and in many cases are the only source of information relating to mineshafts and other geotechnical information. Using external consultants can therefore be not only more expensive for the Council but result in poor quality advice to developers and internal teams as external consultants may not have access to all the required information.	Provides a more cost effective service as the necessary skills and information, such as geotechnical and mine shaft details, are available within the Council; external consultants will have to obtain the information or won't be able to get it at all.	Positive impact as this will protect Council jobs.	Needs support from Development, Business & Employment	N/A
19	Service Review/Redesign	Neighbourhood & Leisure Services	Increase Target for public transport service review beyond 50k already agreed in previous savings targets		35,000	35,000	70,000	Keith Harris	Analysing current subsidise services and make changes which provide savings whilst minimising community impact. Exploring other funding sources such as S105 developer funding which can offset subsidy reductions.	There will always be some impact on bus passengers if bus subsidies are removed but we are working with Arriva to minimise the impact. As the borough expands, including the development of Southwater, there should be greater demand for bus services to encourage Arriva to take more services on as commercial.	No impact	Whenever bus subsidies are withdrawn there is greater pressure on Arriva, the bus company, to provide quality services across the whole borough, as many services are inter-related. We are working with Arriva to minimise this impact and determine if some elements of services currently subsidised could be made commercial by Arriva.	Increase in customer dissatisfaction with bus services if fewer services operate

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
20	Income	Neighbourhood & Leisure Services	Transport & Highway Development: Introduce a Streetworks permit scheme		30,000	30,000	60,000	Keith Harris	The current Streetworks system only involves fines being levied against Utility Companies that do not comply with national legislation processes. Under a Streetworks permit scheme Public Utility companies have to pay the Council a fee on a sliding scale to obtain permission to undertake works in the highway. All costs of operating the permit scheme can be charged against the scheme, which will release Council revenue.	Permit schemes should lead to greater incentive for Utility companies to finish jobs quickly, thus reducing the length of time that roads are dug up.	Positive impact to protect jobs as the cost of operating the permit scheme, including staff and admin expenses, will be charged to the scheme.	Positive impact on road maintenance and reducing the Council's spend on improving roads as any initiative that leads to improved management of Utility companies should improve the overall condition of the road network.	N/A
21	Income	Neighbourhood & Leisure Services	Invest to save in theatre, box office, Oakengates Library / Cafe - Redevelopment of the theatre foyer and reception areas to enhance the theatre experience to stimulate attendance and income, to modernise the library offer and introduce extended catering opportunities for theatre and library customers as well as providing a local service for Oakengates Box office improvements at the theatre, SW1 will also be part of the proposals. Invest to save capital of £0.1m will be required		10,000		10,000	Psyche Hudson	Investment into improving the environment for theatre customers, together with investing in Library and new Catering provision will help generate additional savings in the form of increased theatre income and catering income. Alongside the investment there will be a rationalisation of Box office staff to reflect the demand management work that has been going on to support online bookings and to further promote self service opportunities within the library. The proposal also links to a previous theatre income target of 15k.	Community will benefit from a new Cafe environment within a refurbished library. Face to face booking opportunities will be retained for all key operating hours	Need to train all customer contact staff to manage a range of more complex transactions e.g. wheelchairs, companions, group bookings which we currently redirect to the theatre staff. More pressure on back office staff to support front line when less hours and front line staff time. Increased employment within the Cafe area	Maybe initial increased demand on customer contact centre whilst customers migrate to Online bookings	Refurbishment to be carried out during off peak times to prevent disruptions to existing Library customers and theatre visitors.
Total Neighbourhood & Leisure				185,000	258,572	226,428	670,000						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Finance, Audit & Information Governance													
22	Staffing	Finance, Audit & IG	Employee reduction following internal team reviews.	61,100			61,100	Tracey Smart/Julie Pugh	Structures reviewed as vacant posts arise and voluntary redundancy opportunity taken.	Minimal	Reduction of 2 FTEs - both currently vacant posts	Will be managed in order to minimise	
23	Non-Staff	Finance, Audit & IG	Various other savings across the service area	18,000			18,000	Ken Clarke	In line with year end projections	Nil	Nil	Nil	Nil
24	Non-Staff	Finance, Audit & IG	Change to Minimum Revenue Provision calculation methodology for borrowing allocations	1,392,000	(1,150,000)	0	242,000	Ken Clarke	Extending the change in the calculation of MRP applied to prudential borrowing in 2013/14 to include government allocations.	Nil	Nil	Nil	The level of savings going forward gradually reduces until the payments become higher in cash terms than they would otherwise have been, but the relative impact on the overall financial position is lower in future due to inflation and growth.
Total Savings Finance, Audit & IG				1,471,100	(1,150,000)	-	321,100						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Law, Democracy & People Services													
25	Income	Law, Democracy & People Services	Income from West Mercia Energy - Officer support costs	2,400			2,400	Sarah Bass	Charging the costs of procurement support provided to this company to the surplus that we receive	None	None	None	None
26	Income	Law, Democracy & People Services	Income from CFA - officer support costs	1,000	1,000		2,000	Sarah Bass	Providing procurement trainee to CFO to support procurement team there	None	None	None	None
27	Non-Staff	Law, Democracy & People Services	One off reduction in training budget	3,000	(3,000)		0	Sarah Bass	Training budget	None	None	None	None
28	Non-Staff	Law, Democracy & People Services	Scrutiny consultants budget and other scrutiny salary savings	9,000			9,000	Phil Griffiths	Traditionally not spent except in exceptional circumstances	None	None	None	May impact on ability to undertake scrutiny requiring external experts
29	Non-Staff	Law, Democracy & People Services	Savings on Members' Allowances Budget	10,000	(10,000)		0	Phil Griffiths	Offering up a projected underspend	None	None	None	A one off as allowances claimed vary from year to year
30	Service Review/Redesign	Law, Democracy & People Services	Savings from further review of service			56,390	56,390	Jonathan Eatough	Review of Structure in the team	See Risks column	If changes are made there will be an impact upon staff but this will be done working in consultation with the team	We will have to manage this carefully to minimise the impact upon other teams but there may be some impact on high level advice provided	This is part of a long term strategy to maximise efficiency within the team
31	Non-Staff	Law, Democracy & People Services	Review of single status implementation	1,950,000	(1,000,000)	(500,000)	450,000	Jonathan Eatough	Change in approach to design a bespoke, modern system for Telford has delayed implementation	None	Impact on staff, it is too early to identify the extent of this until pay modelling is completed	None	Equal pay claims if implementation is delayed for too much longer
Total Savings Law, Democracy & People Services				1,975,400	(1,012,000)	(443,610)	519,790						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Cooperative Council & Commercial Delivery Team													
32	Income	Cooperative Council and Commercial Delivery Team	Income generation - this is the saving excluding debt charges. The net saving after debt charges is £160k by 2016/17. The associated debt charges have been included in the overall strategy within Treasury projections.	125,000	250,000	6,000	381,000		Income that is expected to be delivered by the solar farm, which is scheduled to be completed by end November 2014 and all testing/commissioning completed by end December 2014. The figure for 2014/15 assumes income will be delivered from January-March 2015. Income in 2015/16 is expected to be in the region of £150,000. It is expected that this will increase by a further £10,000 in 2016/17.	The impacts of the solar farm have been considered and appropriate mitigation measures agreed as part of the planning application that was submitted and approved in May 2014.	None	None	Part of the income from the solar farm will be from Power Purchase Agreements, which will depend on the wholesale electricity market. To mitigate this risk, we have carried out soft market testing, taken advice from external advisors and we are seeking authority from Cabinet on 18 September for approval to go out to the market to get the optimum price.
33	Income	Cooperative Council and Commercial Delivery Team	Savings	38,000			38,000		Savings identified from staffing and operational budgets	None	None - managed through existing vacancies/recruitment	None	None
Total Savings Cooperative Council & Commercial Delivery				163,000	250,000	6,000	419,000						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Children's Safeguarding & Specialist Services													
34	Service Review/Redesign	Childrens Safeguarding & Specialist Services	CAMHS - Contribution to Stafford Park no longer necessary	0	25,000		25,000	Karen Perry	Contribution to Stafford Park no longer necessary	None	None	None	None
35	Non-Staff	Childrens Safeguarding & Specialist Services	Identification of alternative source of funding	30,000	(30,000)		0	Karen Perry	identification of alternative source of funding	None	None	None	None
36	Procurement	Childrens Safeguarding & Specialist Services	By managing demand in line with our plans we would expect to see a further reduction in CiC per 10,000 of population. We would also expect to see a reduction in high cost residential placements.	0	300,000		300,000	Karen Perry	By following our Cost Improvement Plan these savings should materialise. We have validated this model against other LA who are on a similar journey	None	Our approach will also look to reduce caseloads, thereby increasing capacity and hence reducing the risk of not achieving our plan	Managing demand will depend upon the availability of appropriate early intervention and prevention services.	This is a volatile area where small numbers of children with complex needs can make a significant difference to spending projections
37	Procurement	Childrens Safeguarding & Specialist Services	Shortbreaks (SEND)- making a further reduction in the shortbreaks budget which has underspent in 2012/13 and 2013/14	50,000			50,000	Di Partridge/Viv McKay	Budget underspent in 2012/13 and 2013/14. Still able to meet needs of disabled children and young people in accordance with Shortbreaks Statement	Possible scale of activity provided to be offset by creating robust micro market of new providers capable of providing an exciting offer at a lower cost	None	None	With the implementation of SEND reforms funding will be allocated in accordance with a formula to a number of parents/children and young people. The formula will need to be calibrated appropriately to achieve this saving
Total Savings Childrens Safeguarding & Specialist				80,000	295,000	0	375,000						
Education & Corporate Parenting													
38	Non-Staff	Education & Corporate Parenting	Reduce the funding of redundancy costs in schools by a more exacting approach to determining the eligibility of these payments for local authority funding from April 2015		100,000		100,000	Jim Collins	Whilst the LA is still responsible for the payment of redundancy costs where staffing reductions arise from a deficit caused by factors within the schools control the responsibility no longer applies. These costs will therefore need to be borne in future by the individual schools	Minimal	Minimal	This will need to be negotiated with schools possibly via schools forum as there will inevitably be some reluctance from some schools to pick up these costs	
39	Non-Staff	Education & Corporate Parenting	Schools to fund all new premature retirement costs from April 2015		43,586		43,586	Jim Collins	Historically the LA has agreed to pay premature retirement costs in certain circumstances but there is no legal requirement for us to do so therefore no new premature retirement claims will be supported although clearly we will need to honour those previously agreed	Minimal	Minimal	This will need to be negotiated with schools possibly via schools forum as there will inevitably be some reluctance from some schools to pick up these costs	
40	Non-Staff	Education & Corporate Parenting	Cease to fund remission of payments for pupils for music and Arthog by passing responsibility for this to schools from April 2015		53,982		53,982	Jim Collins	The LA has no legal obligation to provide assistance with the costs of either music tuition or outdoor education activities and all schools have been given increased pupil premium grant which can be used for this purpose.	Minimal	Minimal	This may potentially impact upon the music service and the Arthog outdoor education centre bookings	
41	Non-Staff	Education & Corporate Parenting	Schools to pay directly for their own swimming provision from September 2015 rather than via joint use contributions, which are currently partly funded by the LA		72,917		72,917	Jim Collins	The joint use agreements are a historical arrangement which need to be reviewed in the light of changes to the schools formula funding model. It is likely that the funding will be passed straight to schools who will then make their own arrangements	Minimal	Minimal	This will need to be negotiated with schools possibly via schools forum as there will inevitably be some reluctance from some schools to pick up these costs. This may also impact on the income streams for Leisure	
42	Non-Staff	Education & Corporate Parenting	Use of One off resources	130,000	(130,000)		0						
Total Savings Education & Corporate Parenting				130,000	140,485	0	270,485						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Family, Cohesion & Commissioning Services													
43	Service Review/Redesign	Family, Cohesion & Commissioning Services	Youth Offending Service	228,000	(175,000)	0	53,000	Jas Bedesha	Return of unspent balances, plus ongoing negotiated lower contribution and savings target for 2015/16 agreed by West Mercia YOS Board as a target	Minimal	Possible impact on service providers	Minimal	Minimal
44	Service Review/Redesign	Family, Cohesion & Commissioning Services	Review of Commissioning	200,000	(200,000)	0	0	Viv Mckay	2015/16 savings achieved ahead of time enhanced by late recruitment to some posts	Minimal	Already the subject to consultation	Minimal	Minimal
45	Procurement	Family, Cohesion & Commissioning Services	Fuel efficiency programme in Fleet Services to reduce fuel consumption and/or limit impact of fuel inflation.		40,000	0	40,000	Nicola White	Ongoing review of fleet services operational plan . Fuel efficiencies already evident in 14/15 monitoring	Minimal	Minimal	Minimal	Minimal
46	Service Review/Redesign	Family, Cohesion & Commissioning Services	Children & Family Centre Localities - early achievement of 2015/16 staffing savings	126,000	(126,000)	0	0	Debbie Lloyd	Part of 2015/16 restructure completed early	Minimal	Minimal	Minimal	Minimal
47	Property Rationalisation	Family, Cohesion & Commissioning Services	Youth Base @ HLC vacated, space handed over to HLC - Pfi contribution to be funded from DSG		19,000		19,000	Jim Collins/Tim Davis/Jas Bedesha	Space now used by HLC, additional DSG (£1.3m) allocated to Telford in 2015/16	Minimal	Minimal	Impact on DSG, will require HLC approval and Schools Forum	Minimal
48	Service Review/Redesign	Family, Cohesion & Commissioning Services	Based upon 2013/14 outturn and monitoring capacity exists within youth budgets for a reduction in funding for positive experiences. This funding will be required in 2015/16 to offset savings target	100,000	(100,000)		0	Jas Bedesha	2013/14 significant under spend projected to continue	Minimal	Minimal	Minimal	Minimal
49	Service Review/Redesign	Family, Cohesion & Commissioning Services	Children & Family Centre Localities - holding spend on purchasing budgets at 2013/14 levels. Part of the budget will be required in 2015/16 to offset savings targets	150,000	(50,000)		100,000	Debbie Lloyd	2013/14 significant under spend, in part used to fund additional community social worker post.	Continued reduction in programme of activities at locality level. For example parenting and play activities	Minimal	In terms of managing demand may place higher demand on higher cost interventions.	Increasing demand for higher cost placements and hence adding pressure to other children and adult budgets.
50	Income	Family, Cohesion & Commissioning Services	One off contribution from reserves held for supporting positive activities for vulnerable youth and a number of one off projects	100,000	(100,000)		0	Clive Jones	Reserves no longer required.	Reserves not available to support community infrastructure projects for vulnerable young people	None	Minimal	Minimal
51	Procurement	Family, Cohesion & Commissioning Services	Small reduction in commissioning budget for parent and carer forum	5,000			5,000	Viv Mckay	Post holder left and following review of need post no longer required. Activity can be undertaken through other partnership programmes	Minimal	None	Small reduction in funding to voluntary sector	Minimal
Total Savings Family, Cohesion & Commissioning				909,000	(692,000)	0	217,000						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Public Health, Wellbeing & Public Protection													
52	Staffing	Public Health, Wellbeing & Public Protection	One off underspend in Public Health	73,037	(73,037)		0	Liz Noakes	Delay in recruitment has produced an underspend against Public Health staffing	May result in slippage on certain projects in the work programme	Minimal	Impact on partners such as CCG to whom Public Health provide a core offer	
53	Income	Public Health, Wellbeing & Public Protection	One off income in Public Health from outside LA	44,169	(44,169)		0	Helen Onions/Stacey Norwood	Additional income expected from the CCG for element of service (Eneursis) which is not Public Health responsibility	Minimal	None	Impact on CCG as a one-off pressure	
54	Non-Staff	Public Health, Wellbeing & Public Protection	One off savings in Public Health in 2014/15	42,742	(42,742)		0	Liz Noakes	Slippage from posts funded by Public Health Grant based within other teams eg contracting, Public Protection, Planning & Delivery	Minimal	None	These posts have not been recruited to or are not presently providing a service to Public Health due to restructure timescales	
55	Non-Staff	Public Health, Wellbeing & Public Protection	One off use of balances in 2014/15	24,052	(24,052)		0	Liz Noakes	Reduction in Early Help Partnership and Substance Misuse Reserve	Reduces ability to pump prime new ways of working within these portfolio	None	Minimal	
56	Staffing	Public Health, Wellbeing & Public Protection	One off savings in Public Protection	15,000	(15,000)		0	Nicky Minshall	In year savings in employee costs releasing a one off benefit	Reduces operational capacity further within team which impacts on delivery of service	There may be additional impact on existing staff members of the team	None	
57	Non-Staff	Public Health, Wellbeing & Public Protection	One off savings in Civil Resilience	1,000	(1,000)		0	Heather Gumsley	Underspend in Civil Resilience	Minimal	None	Minimal	
58	Service Review/Redesign	Public Health, Wellbeing & Public Protection	Drug and Alcohol services - decrease in budget lines across various services, including inpatient detox, DARS and external provider contracts (including clinical staff)		200,000		200,000	Helen Onions	More primary care focussed work for shared care clients, decrease in demand and cost price for inpatient detox with new contracts, underspend in services and underperformance on contracts	Limited, the demand for IP detox has been reducing over the past 6 months, increase number of clients in shared care has been requested by stakeholders and service users	See next column, potentially a staffing impact in DARS (already discussed with Andy Bailey and Richard Smith, will be considered as part of ASC restructure)	There will be an impact on the DARS budget but currently underspent	
Total Savings Public Health, Wellbeing & Public Protection				200,000	0	0	200,000						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Adult Social Services													
59	Non-Staff	Adult Social Services	Allocation of One off resources		(3,140,000)		(3,140,000)	Richard Smith	Required to support introduction of saving proposal	none	reduced capacity for one off initiatives	None	
60	Non-Staff	Adult Social Services	Voluntary Sector Contract Review		80,000		80,000	Viv McKay	Neighbouring LA & CCG have reviewed voluntary sector contracts to ensure an outcome focus. It is anticipated that a similar review of T&W contracts voluntary sector contracts could deliver a saving which will be offset by an increase in income from a client's direct payment or personal budget or through savings made through the integration of health and social care.	There may be an immediate impact on voluntary sector services, mitigated by adopting a co production approach to developing a support brokerage function which will provide a potential source of revenue. The voluntary sector should also benefit from arrangements through Better Care for the integration of health and social care.	None	Some of the lost income will be picked up by the sector being commissioned and paid directly by clients	Some voluntary sector organisations may fail to adapt to changes in health and social care. The Council will seek to mitigate against this by working closely with voluntary sector organisations.
61	Service Review/Redesign	Adult Social Services	Separation of Support Planning from Assessment & Case Management		3,293,000		3,293,000	Viv McKay/Richard Smith & Clive Jones	Evidence from other LAs indicates a saving of approximately 20% of the purchasing budget can be achieved where support planning has been separated from assessment. This will enable people eligible for funded services to have greater choice and control over services purchased with an increase in the use of Direct Payments and Personal Assistants.	An impact assessment will be carried out. It is anticipated that this change would be accompanied by a stronger voluntary sector working in an advocacy and provider capacity.	Options for separating support planning will be carefully assessed by considering best practice elsewhere. Given that this is a new role and different way of working it will require a restructure which will be the subject of appropriate consultation with staff and partners.	There could be an impact on in-house and partner services through the introduction of this personalised approach where the client is advised by an independent support broker. Experience elsewhere suggests that a more varied and diverse service offer evolves over time.	This approach represents a significant change in approach and culture. There may be resistance to change from the adult service workforce and our clients. Appropriate project management and piloting different approaches before deciding on the ultimate solution will help to mitigate this risk.
62	Procurement	Adult Social Services	Improved procurement of Supporting people services		800,000		800,000	Viv McKay	Discretionary preventative spend which has already been subject to substantial savings. Nevertheless there are still options for reducing spend in this discretionary area of spend	A number of options are being examined which will be subject to consultation and an impact assessment prior to implementation. Initial analysis suggest that there is potential to reduce the costs of some support without impacting on a clients service.	None	This may lead to a reduction in staffing levels amongst some of our providers.	Reducing preventative services may lead to an increase in higher cost interventions. An impact assessment will be carried out to assist in mitigating against this risk
63	Staffing	Adult Social Services	Restructure across Adult Social Services		292,000		292,000	Richard Smith	Restructure of Adult Social Services to create a structure fit for purpose and able to take forward the changes required.	This is an internal process with little impact on communities	Potential reduction in posts and change of roles	Will result in greater integration and partnership work with family and cohesion services	Having appropriately trained staff to work in the new way, will require a comprehensive work force development plan
64	Non-Staff	Adult Social Services	Introduction of Electronic Homecare monitoring		250,000		250,000	Viv McKay	Evidence for other LAs indicate significant savings can be obtained by improved monitoring of homecare providers service delivery	This has already been introduced across Shropshire. This means that a number of our providers are already using this way of working	None	The system will assist providers in smoothing the use of their staffing resources.	Initial saving will need to meet one off costs associated with this project.
65	Procurement	Adult Social Services	Targeted review of Contracts		99,000		99,000	Viv McKay	Focus on specific contracts and review of guidance and policies associated with supplementary care	Targeting higher cost outlier contracts/placements. This process is ongoing and is already proving successful. This process will lead to the need to review some care packages, the impact will be carefully managed by working with the client or their represent to agree any changes.	None	Minimal	A shortage of placements drives cost up. This has already been seen for some types of care. By managing the market through effective commissioning this risk can be mitigated
66	Non-Staff	Adult Social Services	Removal of Subsidy to low level care services		60,000		60,000	Richard Smith	Movement to full cost recovery and in line with reduction in the Council paying for this type of low level care.	Clients may not be able to afford the increased cost of this service		If take up of the service reduces this will impact on In house services who currently provided this service	service to be competitive
67	Procurement	Adult Social Services	Reduced cost of care packages through effective commissioning and review including targeting of high cost placements		307,000		307,000	Viv McKay/Richard Smith	Reviewing existing terms and conditions, carrying out needs analysis, proactive negotiation with providers around cost breakdown. Telford spends more per head on Adult Residential care than comparable LAs. A move to more independent living is not only cost effective but results in better outcomes.	Some contracts will need to be retendered and in some cases reconfigured. This may lead to a need to review some cases/support plans. This will be done sensitively.		Some staff will be subject to TUPE. All staffing impact will be carefully assessed during the tender stage.	Lack of supply for some types of provision leading to high costs. Complexity of some existing historic contracts and provider resistance. Consultation with key stakeholders will be undertaken
68	Procurement	Adult Social Services	Implementation of a new Domiciliary Care Framework		400,000		400,000	Viv McKay	New domiciliary framework was successfully implemented on 1st October with a reduced hourly rate	The tender exercise considered quality alongside price.	None	None	A shortage of domiciliary care providers drives cost up. By managing the market through effective commissioning this risk can be mitigated
69	Non-Staff	Adult Social Services	Redesign of Access processes to assist the management of demand		200,000		200,000	Richard Smith	New operating model introduced to ensure people contacting the Council in relation to Social Care needs are signposted to appropriate help as quickly as possible.	Increased use of low level services such as voluntary sector, equipment, reduction in use of traditional services	Arrangements will be formalised in restructure and will result in some movement of staff	greater integration with health partners	Lack of community services to meet demand
Total Savings Adult Social Services				0	2,641,000	0	2,641,000						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Customer Services													
70	Staffing	Customer Services	Customer Quality VR	19,260			19,260	Andrew Meredith	There is an opportunity to make a small reduction in the customer quality team but still maintain response times and standards	None	1 fte left	None	
71	Staffing	Customer Services	Revenues VR	21,060			21,060	Sophie Lane	An opportunity to consider VR was taken in a part of the Revenues Service which will shortly benefit from new technology and the opportunity to explore on line billing and self service for customers	None	1fte left	None	
72	Income	Customer Services	Court Fees Income	100,000			100,000	Sophie Lane	Additional income receive from court fees. This is consistent with 2013/14	None	None	None	
73	Non-Staff	Customer Services	Reduction in waste costs due to the new waste contract, budget is held within the Cleaning Management Account.	20,000			20,000	Mal Yale	This follows robust negotiations which have seen this reduction in spend	None	None	None	
74	Funding (NDR, Rates, C Tax)	Customer Services	Growth from Council Tax in relation to the New Homes Bonus		163,000	137,000	300,000	Sophie Lane	New income collected as a result of our growth strategy	Delivery of income from these activities help to reduce impact of savings on key services such as adult social care	None	None	
75	Income	Customer Services	Revenues & Benefits Sanctions	5,000			5,000	Sophie Lane	An opportunity to offer this up as a small savings	None	None	None	
76	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Reviews	300,000			300,000	Lee Higgins	All requests for council tax support are now reviewed on an annual basis and as a result we have established that number of customers circumstances have changed and they should no longer be receiving the amount of benefit, hence a reduction in overall benefits now being paid each year	Means that we are only paying the amount of support genuinely required and based on the most up to date information available	None	None	
77	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Amnesty	30,000			30,000	Lee Higgins	The saving that occurred as a result of the council tax amnesty exercise				
78	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Fraud	100,000			100,000	Lee Higgins	The amount of Council Tax fraud identified and put forward for savings as part of the ongoing commitment to eradicating fraud	None	None	None	
79	Funding (NDR, Rates, C Tax)	Customer Services	Business Rates Base	40,978			40,978	Sophie Lane	New income collected as a result of our growth strategy	None	None	None	
80	Non-Staff	Customer Services	Carbon Reduction Commitment Scheme	43,000	(43,000)		0	Mal Yale	One off in year benefit from final year of carbon reduction commitment scheme payments.	None	None	None	
81	Income	Customer Services	PFI Insurance Credit	37,000			0	Mal Yale	One off in year benefit from PFI Insurance credit				
82	Non-Staff	Customer Services	ALD Savings	50,000	(50,000)		0	Deb Williams	Delivered as a result of the early implementation of the Re-ablement review which saw the service end with some staff leaving earlier than originally planned	One off in year savings	None	None	
83	Non-Staff	Customer Services	Bailiff Contract	30,000	(30,000)		0	Sophie Lane	Savings made as a result of changes to our enforcement activities	One off in year savings pending procurement exercise.	None	None	
Total Savings Customer Services				796,298	40,000	100,000	936,298						

No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Impact on the Community and possible alternative/mitigation	Staffing impact	Impact on other council service or partner budget	Other risks and impacts and possible mitigation
Development, Business & Employment													
84	Income	Development, Business & Employment	New Homes Bonus - over achievement on New Homes Bonus against projection	10,922	100,944	63,134	175,000	Katherine Kynaston	Figures based on out turn position for 2013/14 and projected residential completions for 2014/15 and 2015/16. Uplift arising from an increase in the average Council Tax Rates based on recent completions.	None	None	None	None
85	Funding (NDR, Rates, C Tax)	Development, Business & Employment	Business Rates - over achievement on business rates against projection	0	0	100,000	100,000	James Dunn	Figures based on pipeline developments being delivered as a result of our Business Winning, Business Supporting agenda as well as the positive outcomes being delivered through the Stewardship Agreement with Homes & Communities Agency.	None	None	None	None
86	Service Review/Redesign	Development, Business & Employment	Staffing savings associated with service redesign in Housing & Development Planning		0	60,010	60,010	Katherine Kynaston	Staffing savings arising from deletion of fixed term posts upon completion of discrete work streams and projects.	None	None - posts are fixed terms and associated with discrete work streams.	None	None
87	Service Review/Redesign	Development, Business & Employment	Staffing savings associated with service redesign in Housing & Development Planning	133,566	(103,566)	(30,000)	0	Katherine Kynaston	Staffing savings arising from vacant posts as well as restructure now completed within Service.	None	Posts have been deleted and members of the team put at risk but no compulsory redundancies have arisen.	None	None
88	Income	Development, Business & Employment	Use of Green Deal Income to fund posts	75,000		(75,000)	0	Katherine Kynaston	One off £300k project management fee available. The funding can be clawed back if we do not achieve the target of 1,000 Green Deal Plans by 31/03/2015 but on target to achieve.	None	None	None	Risk that funding could be clawed back for non delivery but currently on target to deliver.
89	Service Review/Redesign	Development, Business & Employment	Post 16 Transport	73,921	(73,921)		0	Sue Marston	Fleet will provide the 703 service at a cost of £15k, no capital costs as the run has been added to the schedule before a social care run achieving a saving of £73k p.a. (£88k current cost of 702 and 703). Commence Sept 2014.	None - service maintained but delivered in a more cost effective way.	None	None	None
90	Service Review/Redesign	Development, Business & Employment	Post 16 Transport		34,338		34,338	Sue Marston	Savings from changes to buses 702 & 703 ongoing but agreed budget savings in 2015/16 mean the ongoing saving is reduced.	None - service maintained but delivered in a more cost effective way.	None	None	None
91	Service Review/Redesign	Development, Business & Employment	Connections for Youth (ALAG) - Overachievement on income over expenditure	40,000			40,000	Sue Marston	Connections for Youth - Overachievement on income over expenditure resulting in net benefit for the service. Assumed ongoing whilst service continues to be provided	None	None	None	None
92	Service Review/Redesign	Development, Business & Employment	Voluntary Redundancy Saving - Business Investment Service Delivery Specialist	28,639	20,000		48,639	Kate Callis	VE agreed - saving realised from 01/04/14. Part of saving used to fund backfill in Regeneration & Investment	None	None - part of saving used to fund backfill in Regeneration & Investment to ensure capacity ongoing.	None	None
93	Service Review/Redesign	Development, Business & Employment	One off savings within Business Investment	2,267	(2,267)		0	Kate Callis	One off expenditure savings across a number of codes within the Business Investment SDU	None	None	None	None
94	Property Rationalisation	Development, Business & Employment	ALD Properties - Operational revenue savings associated with the disposal of Halesfield 22, Lakeside, Admaston Pru & The Bridges			51,420	51,420	Chris Goulson	Cabinet approval granted in September 2014 for service redesign and associated property rationalisation in ALD. Figures represent net savings excluding asset rental plus ongoing running costs of new location/premises	Impacts dealt with in Cabinet Report (September 2014)	Staffing impacts arising out of service redesign being delivered by Customer Services.	None	None
95	Income	Development, Business & Employment	One off overachievement in planning fees	60,000	(30,000)	(30,000)	0	Dave Fletcher	Rise in residential planning applications as a direct result of pro growth National Planning Policy Framework and also Business Winning, Business Supporting activity which is having a positive impact on the number of commercial applications received.	None	Pressures in the planning team as a result of increase in pre application enquiries and planning application - increase in fees being used to fund additional resources.	None	None
96	Service Review/Redesign	Development, Business & Employment	Leisure Tourism budget available from Supplies & Services	10,000			10,000	Katherine Kynaston	Projected saving in relation to Supplies & Services within Tourism.	None	None	None	None
97	Service Review/Redesign	Development, Business & Employment	Savings associated with the Railfreight Terminal due to transferring responsibility to costs to the operator through retendering process.	16,490			16,490	James Dunn	Savings associated with the Railfreight Terminal due to transferring responsibility to costs to the operator through retendering process.	None	None	None	None
98	Income	Development, Business & Employment	Overachievement on West Mercia Energy Income Target.	131,652	34,000	0	165,652	Kate Callis	Benefits based on known trading performance in 2013/14 and projected trading performance in 2014/15	None	None	None	None
Total Savings Development, Business & Employment				582,457	(20,472)	139,564	701,549						
OVERALL TOTAL SAVINGS				6,492,255	750,585	28,382	7,271,222						
SAVINGS APPROVED IN FEBRUARY 2014					6,644,121	353,000	6,997,121						
CHANGES TO SAVINGS ALREADY APPROVED				- 214,123	- 1,381,627	-	- 1,595,750						
PRESSURES				- 255,000	- 3,499,600	2,572,400	- 1,182,200						
TOTAL NET ADDITIONAL SAVINGS				6,023,132	- 4,130,642	2,600,782	4,493,272						

Old Ref.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				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
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £						
Neighbourhood & Leisure Services													
170	Service Redesign/Review	Neighbourhood & Leisure Services	Review the current management model at Telford Ski Centre. Consider transferring to a social enterprise or closure if no suitable alternative can be identified.	-	20,000	-	20,000		50k saving would only be realised if facility were to close. Therefore revised potential level of saving.				
	Service Redesign/Review	Neighbourhood & Leisure Services	Service restructure - Leisure and Landscape review	-	20,000	-	20,000		none envisaged	To be considered as part of the review and associated consultation.	Na	Consultation required with Trade Unions	
Total Adjustments Neighbourhood & Leisure				-	-	-	-						
Law, Democracy & People Services													
8	Income	Law, Democracy & People Services	Charging for leases on PIP, s278 agreements and s106 agreements and other income	-	9,000	-	9,000	Matt Cumberbatch	See income figures	None	Increases the workload but can be managed through existing capacity for the time being	Some income (legal costs for lease agreements) is not collected as it is waived to secure PIP investments	None
9	Income	Law, Democracy & People Services	Supporting PCs and Vol Orgs with clerking capacity	-	750	-	750	Phil Griffiths	No opportunity or capacity to provide this service	This facility is available if required but is not being marketed due to capacity issues within the team	Certainly in the short term with secondments the capacity to provide this service is not there	None	None
205	Service Redesign/Review	Law, Democracy & People Services	Review of electoral and member services structures, working practices and non staffing budgets ready for a new administration	-	49,000	-	49,000	Phil Griffiths	Larger review of the service area postponed until after the election at the request of members	None	If changes are made there will be an impact upon staff but this will be done working in consultation with the team	None	None
Total Law, Democracy & People Services				-	58,750	-	49,000						
Public Health, Wellbeing & Public Protection													
	Service Redesign/Review	Public Health, Wellbeing & Public Protection	Public Protection - Migration of front office services to First Point	-	50,706	-	50,706	Nicky Minshall	The migration to First Point is unlikely to release this quantum of savings				
	Staffing	Public Health, Wellbeing & Public Protection	Release of further savings from 2014 Restructure in Public Protection	-	50,706	-	50,706	Nicky Minshall	Restructure of Public Protection team reducing management posts and other posts	Reduced capacity may increase time for delivery of the service pending new ways of working.	Restructure has been implemented but savings have been profiled across 2 years to mitigate the impact on service delivery.	Impact on capacity and service delivery	None
Total Public Health, Wellbeing & Public Protection				-	-	-	-						
Adult Social Services													
106	Non-Staff	Adult Social Services	Review of Block Contracts to maximise utilisation or decommission	-	386,000	-	386,000						
115	Non-Staff	Adult Social Services	Pay providers net of contributions and transfer risks of collection of debt	-	150,000	-	150,000						
178	Service Redesign/Review	Adult Social Services	Reduction to the cost of packages where Homecare is being supported financially and the cost is above the average residential weekly cost	-	300,000	-	300,000						
181	Service Redesign/Review	Adult Social Services	Invest in Assistive Technology	-	400,000	-	400,000						
142	Adult Social Services	Adult Social Services		-	200,000	-	200,000						
177	Adult Social Services	Adult Social Services		-	150,000	-	150,000						
	Non-Staff	Adult Social Services	Shortfall on Delivery of Savings covered by one off resources	-	3,140,000	-	3,140,000						
	Non-Staff	Adult Social Services	Allocation of One off resources	-	3,140,000	-	3,140,000						
Total Adult Social Services				-	1,586,000	-	1,586,000						
Customer Services													
109	Service Redesign/Review	Customer Services	New Provider Model ALD	-	550,000	-	350,000	Deb Williams	Original savings target now being delivered from alternative proposals below.				
		Customer Services	Management Restructure	-	40,418	-	56,585	Deb Williams	There is a need to reduce the management overheads in this service to support the drive to reduce unit costs for provider services in order to compete with other local providers				
		Customer Services	Admin Restructure	-	3,454	-	10,361	Deb Williams	There is a need to reduce the amount of spend on administration to support the drive to reduce unit costings as outlined above				
		Customer Services	Review of Re-Ablement Service	-	321,733	-	450,427	Deb Williams	This has already been completed following a formal review of the service which could not demonstrate value for money or compete with private Dom Care providers				
129	Procurement	Customer 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)	-	53,000	-	53,000	Kirsty King	Delay in roll out has lead to the need to rephase this saving to be delivered in 2015/16				
130	Procurement	Customer Services	ICT - Broadband & telephony contract - tender process commences Jan 2013.	-	60,000	-	60,000	Kirsty King	Delay in procurement process has lead to the need to rephase this saving to be delivered in 2015/16				
207	Service Redesign/Review	Customer Services	Reduction in staffing within the customer Quality Service	-	8,000	-	8,000	Andrew Meredith	£8k can be pulled forward from 2015/16 from an early VR request				
210	Service Redesign/Review	Customer Services	Introduction of Automated Telephony Reporting Services	-	42,000	-	42,000	Andrew Meredith	This will not be delivered due to increased demand on the contact centre. This will be met from alternative savings and in fact this has been highlighted as a pressure and business case for investment				
212	Service Redesign/Review	Customer Services	Service Redesign ICT	-	125,000	-	75,000	Kirsty King	Only £100k will be delivered against the original proposals of £300k as further reductions in this part of the business would impact widely across the council and schools leading to complaints/poor quality/loss of skills				
	Funding (NDR, Rates, C Tax)	Customer Services	Business Rates Base	-	259,022	-	259,022	Sophie Lane	This is the outcome of work to ensure all those who should pay business rates are doing so.				
Total Customer Services				-	155,373	-	155,373						
Development, Business & Employment													
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: TCAT Building.	-	27,000	-	27,000	Chris Goulson	Savings already taken. Therefore budgeted savings for 2014/15 are not achievable.	None	None	None	None
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Brookside Community Centre.	-	16,610	-	16,610	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.	None	None	None	None
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Sutton Hill Community Centre.	-	15,000	-	15,000	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.	None	None	None	None
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Leegomery Community centre .	-	2,845	-	2,845	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.	None	None	None	None
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: West Road.	-	7,500	-	7,500	Chris Goulson	Building to be retained as no suitable alternative can be identified. Budgeted savings can not be realised.	None	None	Property related saving was to be shared with Children's Safeguarding & Specialist Services and may also impact on savings targets in that area.	None

Old Ref.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				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
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £						
1	Property Rationalisation	Development, Business & Employment	Other ongoing savings on operational properties identified to mitigate savings not achievable in relation to Operational Property Rationalisation savings Phase 2.	14,655			14,655	Chris Goulson	Other savings on operational and admin buildings identified against monitoring.	None	None	None	None
2	Property Rationalisation	Development, Business & Employment	Saving in consultant fees	29,300			29,300	Chris Goulson	Saving against budget for consultant fees due to the reduction in use of consultants for major schemes	None	None	None	None
3	Staffing	Development, Business & Employment	In year salary savings associated with vacant posts	25,000	- 25,000		-	Chris Goulson	In year salary savings associated with vacant posts - to be reviewed as part of restructure.	None	None	None	None
4	Income	Development, Business & Employment	New Homes Bonus - over achievement on New Homes Bonus against projection		25,000		25,000	Katherine Kynaston	Figures based on out turn position for 2013/14 and projected residential completions for 2014/15 and 2015/16. Uplift arising from an increase in the average Council Tax Rates based on recent completions. Part shown here to balance approved savings with balance below	None	None	None	None
Total Development, Business & Employment				- 0	-	-	0						
OVERALL TOTAL ADDITIONAL SAVINGS				- 214,123	- 1,381,627	-	- 1,595,750						

CONFIDENTIAL - PRESSURES SUPPORTED BY S&FP GROUP

APPENDIX 2c

No.	Service Area	Description	2014/15	2015/16	2016/17	Total	Lead Officer
			£	£	£	£	
Neighbourhood & Leisure Services							
1	Neighbourhood & Leisure Services	Current and ongoing pressures on the Waste and Recycling collection ,disposal and CRC services as a result of new forecasted Housing growth		10,100	38,600	48,700	Debbie Germany
2	Neighbourhood & Leisure Services	Current and ongoing pressures on Environmental and Cleansing services as a result of new forecasted Housing growth		34,500	44,000	78,500	Dave Hanley
Total Neighbourhood & Leisure Services			-	44,600	82,600	127,200	
Childrens Safeguarding & Specialist Services							
3	Placements	Draw Down Budget to cover cost of children who are in expensive placements who are not possible to step down pending delivery of further ongoing savings from cost improvement plan		750,000	-750,000	0	Karen Perry
Total Childrens Safeguarding & Specialist Services			0	750,000	-750000	0	
Adult Social Services							
4	Adult Social Services	Purchasing Pressure arising from high cost placement need, lack of supply in key market areas and transitional costs arising from transition from childrens' services		700,000	0	700,000	Paul Taylor
5	Adult Social Services	Draw Down Budget to cover cost pressures arising from high cost placement need, lack of supply in key market areas and transitional costs arising from transition from childrens' services pending delivery of further ongoing savings from cost improvement plan.		1,250,000	-1,250,000	0	Paul Taylor
6	Adult Social Services	Loss of funding relating to health needs		355,000		355,000	Paul Taylor
Total Adult Social Services			-	2,305,000	- 1,250,000	1,055,000	
Customer Services							
7	Customer Services	Savings included within the cost improvement plan that are being achieved through alternative savings included within the Customer Services Savings Template	255,000		-255,000	0	Angie Astley

No.	Service Area	Description	2014/15 £	2015/16 £	2016/17 £	Total £	Lead Officer
8	Customer Services	Contact Centre - enquiries to the contact centre are projecting an increase of 27,000 by the end of this year. Channel shift is starting to happen, however calls have increased. The waiting times for the 2 main hot lines (Env. & Highways and Revs. & Bens) have reached unacceptable levels with delays in excess of 20 minutes in some instances. Capacity Funding ends in March 2015 which funds 3 customer service officers - this will result in calls not being answered and waiting times increasing further. The pressure could increase if the Government don't provide new burdens funding for the ongoing welfare reforms.		150,000	-150,000	0	Angie Astley
Total Customer Services			255,000	150,000	- 405,000	-	
Development, Business & Employment							
9	Development, Business & Employment	Further investment in initiatives to promote Telford as a place to visit, live, work and invest in.	0	250,000	-250,000	0	Kate Callis
Total Customer Services			-	250,000	- 250,000	-	
TOTAL PRESSURES			255,000	3,499,600	- 2,572,400	1,182,200	

Appendix 3 - Individual Proposals - Equality Impact Analysis

i) Summary of previously identified savings proposals and actions

Ref No.	Service	Description of Saving	Action Required	Status Update
14/15 68	Care & Support	Savings from reducing the average rates paid for homecare.	Equalities officer to follow up with Care and Support Brokerage	<p>Efficiency saving derived from the introduction of the Domiciliary Care Framework relating to suppliers.</p> <p>Cabinet report – Domiciliary Care Preferred Provider Frameworks – 26 June 2014</p> <p>Quality outcomes for clients will not be compromised, assured through the contacting and monitoring process. Contract management will assess overall performance. Quality Officers will monitor individual service delivery. Will potentially improve quality by removing poor suppliers from the framework arrangement. Report and consultation to be reviewed including particular attention to Individual Placement Arrangements.</p> <p>Resolved</p>
14/15 178	Care & Support	Reduction to the cost of packages where Homecare is being supported financially and the cost is above the average residential weekly cost.	Detailed impact analysis required.	<p>Individual needs assessment and duty related to unmet social care need.</p> <p>Personalised budget management and sign-posting services provide a choice alternative.</p> <p>Resource Allocation System Impact Analysis is awaiting confirmation. It is particularly relevant to the saving being conducted in an equitable fashion.</p>

Ref No.	Service	Description of Saving	Action Required	Status Update
14/15 182	Care & Support	Integration - Review of service areas where further integration within the council and with health partners to generate further management savings	To be recorded in the SFP report appendices – Equalities Officer to work with Lead Officer to embed principles.	Lead officer briefed – changes are related to management efficiencies, integrating practices and pooled funding pots. Mid year check in with Clare Hall-Salter due October 2014
14/15 215	Family & Cohesion Services	Commissioning Review of Transport and Public Transport	Detailed impact analysis required.	Relevant meeting have been held with responsible Assistant Directors.
14/15 185	Family & Cohesion Services	Highways & Transport: Subsidised Bus Services - consider reducing / removing the subsidy on existing subsidised routes	Detailed impact analysis required on each change as they are developed.	<p>The review identifies a number of potential saving opportunities of which the following have been identified as having relevance to our Equality Duty.</p> <p>Further investigation identified that the following proposals have no or insignificant impact on our equality duties and mitigations are integrated into their development.</p> <ul style="list-style-type: none"> • Schools Further investigation identified low level organisational changes that would have no impact on the service users. • Special Education Needs Demand driven savings linked to delivery of SEND reforms. • Adult Social Care Demand driven savings responding to personal budget implementation. • Fleet Re-organisation of services to improve utilisation

Ref No.	Service	Description of Saving	Action Required	Status Update
				<p>and commercial viability. Improving sustainability and becoming more customer focussed with a increased diversity of vehicles and service flexibility to better manage customer needs.</p> <p>These proposals were identified as having potential significant impacts on customers and the equality duty.</p> <ul style="list-style-type: none"> • Post 16 Transport Adjustments to the proposal have mitigated the potential impact whilst still delivering some savings by using more cost effective methods. Ref 15/16 Proposal 89 & 90 • Subsidised public transport services Impact analysis will be conducted for each proposed change to subsidised services. Ref 14/15 Proposal 185 & 15/16 Proposal 19 <p>Equalities Officer will continue to work with relevant commissioning officers on an on-going basis to ensure consistent application of equality principles.</p>
14/15 229	Family & Cohesion Services	In line with 2011 proposals for establishing network of community ambassadors. Linked to emerging Early Help Offer opportunity will be taken to review structure across range of EH services including impact of those joining LA in 15/16	Equalities Officer to engage with lead officer as proposal develops	<p>Linked to 234 (below)</p> <p>Saving is for delivery in 2015/16.</p> <ul style="list-style-type: none"> • Equalities Officer to link with Lead Officer/s.

Ref No.	Service	Description of Saving	Action Required	Status Update
14/15 193	Family & Cohesion Services	Public Health Contracts - use existing services to provide some of package currently contracted out including smoking, sexual health, school nursing etc	Equalities Officer to follow up with Family & Cohesion Services AD	Contracts are at various stages of letting. Questions related to equality are included in the letting process. It is crucial that equality principles continue to be incorporated into the specification setting and contract monitoring for each contract.
14/15 199	Public Health	Changes and cessation of some contracts and agreements in Sexual Health, Health Checks, Nutrition & Obesity and Miscellaneous Health and Wellbeing services. Changes arise mainly from review work carried out as part of the transition process.	Equalities Officer to follow up with Public Health AD	<ul style="list-style-type: none"> Equalities Officer will continue to work with Public Health Commissioning on an on-going basis to ensure consistent application of equality principles.
14/15 234	Safeguarding	Partnership approach to delivery of EDT (20%)	Safeguarding AD to be updated in March 2014	Safeguarding Assistant Director updated in March, as requested, in relation to current equality practice. Area of attention relates to continued levels of good service for vulnerable people and post transition impact monitoring.
14/15 194	Safeguarding	Partnership approach to delivery of Adoption Services (20%)	Partnership IA to be ratified by CYP management team by 21/01/13 on its way to Cabinet 20/02/13. Copy of IA to be sent to Equalities Officer to add into the evidence document for the budget report.	Information received showing broadly favourable outcomes for the borough. Cabinet Report – West Mercia Adoption Project – 24 April 2014. The pool of potential Adopters will increase significantly with more diverse range of participants and better access. This will ensure a greater number of appropriate matches. Resolved

Ref No.	Service	Description of Saving	Action Required	Status Update
14/15 58	Public Health	Drugs and Alcohol Support Services contract review/service re-design	Equalities Officer to contact Lead Officer and take forward.	<p>Statement received for inclusion in 2015/16 Service and Financial Planning Report.</p> <p>Broadly positive improvements changing the approach to a more efficient proactive system managing recovery rather than maintenance.</p> <p>Resolved</p>

ii) **Savings proposals Identified for investigation in the 2015/16 updated savings proposals**

The following savings proposals have been identified as having some relevance to the Equality Duty or there is insufficient information to make a judgement so further investigation is required.

No.	Description of Saving	Action Required
Neighbourhood & Leisure Services		
19	Increase Target for public transport service review beyond 50k already agreed in previous savings targets	Linked to 14/15 Proposal 185 Detailed impact analysis required on each change as they are developed.
Law, Democracy & People Services		
31	Review of single status implementation	Equalities Officer to contact Lead Officer and take forward.
Education and Corporate Parenting		
38	Reduce the funding of redundancy costs in schools by a more exacting approach to determining the eligibility of these payments for local authority funding from April 2015	Equalities Officer to contact Lead Officer and take forward.
39	Schools to fund all new premature retirement costs from April 2015	Equalities Officer to contact Lead Officer and take forward.
40	Cease to fund remission of payments for pupils for music and Arthog by passing responsibility for this to schools from April 2015	Further investigation required.
41	Schools to pay directly for their own swimming provision from September 2015 rather than via joint use contributions, which are currently partly funded by the LA	Potential impact on vulnerable young people's equality of opportunity.

No.	Description of Saving	Action Required
Family, Cohesion & Commissioning Services		
14/15 230	Implementation of Youth Offer	Further investigation required.
48	Based upon 2013/14 outturn and monitoring capacity exists within youth budgets for a reduction in funding for positive experiences. This funding will be required in 2015/16 to offset savings target	Cumulative aspects to be considered in full service and Financial Planning IA.
50	One off contribution from reserves held for supporting positive activities for vulnerable youth and a number of one off projects	
Adult Social Services		
60	Voluntary Sector Contract Review	Detailed impact analysis required. Identified by Service.
61	Separation of Support Planning from Assessment & Case Management	Equalities Officer to link with Lead Officer/s.
62	Improved procurement of Supporting people services	

iii) Equality Analysis completed– detailed

Proposal 58 (2014/15) – Substance Misuse Services, Public Health

Drug and Alcohol Support Service, contract review /service redesign; proposal identified in 2014/15 savings proposals.

Substance misuse services in Telford and Wrekin consist of the following provision currently:

- In-House Adult provided at Portico House
- IMPACT AAS provide the adult alcohol counselling and support service including support to carers, family and friends
- NACRO provide the Young Peoples substance misuse service and adult service around employability and training
- TACT represents Telford After Care Team, who supports service users recovering from substance misuse and are normalising their lives. They also facilitate access to Mutual Aid
- Probation services – support offenders with substance misuse issues and ensure referrals are made into services
- Additional services provided within Portico House and around Telford are:
 - GP Shared Care – Specialist treatment in the community at local surgeries
 - Supervised Consumption at Pharmacies, who monitor and supervise individuals whilst they are taking their scripts
 - Housing Support
 - Inpatient Detoxification
 - Psychological Support

The focus recently has changed from a maintenance service to a service based around recovery. The services are being reconfigured going forward and a budget has been agreed providing minimum impact to the overall budget. In the main most contracts will be extended for a further 1 year and the in-house service is being enhanced. The savings target for all extensions and in-house services have been managed by an efficiency saving, where negotiations have been carried out with service providers who in turn have made their own efficiency savings and agreement has been reached where a lower contract value has been agreed for the same level of services.

Where services are high in price or require revising totally, these services have been given their notice and tenders will be carried out to manage these changes and appoint new service providers and in turn achieving the savings

When defining all of the services the service user has been the centre of all decisions and shaping of services ensuring that we use a person centred approach. User consultations through TACT have been carried out as well as stakeholder meetings to agree a way forward. In Line with the Needs Assessment that has been carried out, a strategy with a comprehensive action plan is in development to be approved by cabinet.

The overall vision is to have a more community focussed service with two thirds of clients accessing services being treated for their addiction in the community through their local GP surgeries and services will also work on a satellite arrangement.

Information prepared by Bhavna Taank, Commissioning Specialist - Substance Misuse

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £				
Neighbourhood & Leisure Services											
1	Non-Staff	Neighbourhood & Leisure Services	Rationalisation of Arthog and Arthog Outreach expenditure and income budgets		50,000		50,000	Stuart	Capacity and quality of centre increased as a result of recent and planned future investment	None	None
2	Non-Staff	Neighbourhood & Leisure Services	Replace current Parks for People revenue fund with future capital investment commitment		20,000		20,000	Stuart	The sinking fund was established as a requirement of HLF funding to ensure ongoing maintenance beyond 2021, therefore will require the equivalent capital investment from 2021	None	None
3	Non-Staff	Neighbourhood & Leisure Services	Balance of Parks For People refurbishment fund with future capital investment commitment - providing savings linked into current in year revenue accounts	80,000	(80,000)		0	Stuart	One off use of reserves, will require equivalent amount of capital post 2021	None	None
4	Income	Neighbourhood & Leisure Services	Tennis Centre Office Space rental income opportunity		5,000		5,000	Stuart	Estimate. Requires LTA approval to let space once vacant.	None	None
5	Non-Staff	Neighbourhood & Leisure Services	Balance of Tennis Centre Court refurbishment fund with future capital investment commitment, providing savings linked into current in year revenue accounts	25,000	(25,000)		0	Stuart	One off use of reserves, would require future capital investment for specialist surface replacement.	None	None
6	Income	Neighbourhood & Leisure Services	Ice Rink Invest to save		25,000	5,000	30,000	Stuart	Invest to save scheme based upon 10 year partnership agreement with Red Hockey Ltd (Telford Tigers) comprising income share from gate receipts and advertising, rental and hire income.	None	None
7	Service Review/Redesign	Neighbourhood & Leisure Services	Medium Term Invest to save opportunity for upgrading footway lights and Traffic lights to LED's resulting in efficiencies and environmental and safety improvements		60,000		60,000	Dave	would require a Invest to save scheme with capital of circa 650k	None	Positive - reduction in energy usage
8	Income	Neighbourhood & Leisure Services	Introduce Pre development support services and charges in line with emerging legislation for developer contributions for SUDS / SABS -		20,000		20,000	Dave	Legislation is coming in to force which means the authority is to approve, adopt and maintain Sustainable Drainage Systems (SuDS) through the setting up of SuDS Approval Bodies (SABs). In turn every development > one dwelling requires a SUD. Further income can be attained if through positive dialogue as part of the pre planning & planning process our in house tem can act as agent and or scheme designer	Impact on developers	None
9	Income	Neighbourhood & Leisure Services	Utilise Highway Inspectors to generate greater NSWRA income from utilities		20,000		20,000	Dave	Assuming we can sustain the same number of highway officers - maximise mobile working and follow up on utility works 'eyes on the ground'	Impact on utility companies	Positive - improve utility reinstatements to roads and footpaths
10	Service Review/Redesign	Neighbourhood & Leisure Services	Review scope and nature of the Maintenance and Service contracts, efficiencies Green Waste, Contract Monitoring efficiencies and review of Current contracts leading to 2019 renewal deadline.		50,000	150,000	200,000	Dave	Full review of current service and maintenance contracts are required in light of Waste changes, Contract delivery model changes, Contract end date of 2019 and performance against existing and proposed standards.Market testing/comparing needs to evaluate VfM	Impact on current contractor	None
11	Service Review/Redesign	Neighbourhood & Leisure Services	Review scope and nature of the maintenance and service contracts, efficiencies Green Waste, Contract Monitoring efficiencies and review of Current contract leading to 2019 renewal deadline providing savings linked into current in year revenue accounts one off	50,000	(50,000)		0	Dave	Full review of current service and maintenance contracts are required in light of Waste changes, Contract delivery model changes, Contract end date of 2019 and performance against existing and proposed standards.Market testing/comparing needs to evaluate VfM	Impact on current contractor	None
12	Service Review/Redesign	Neighbourhood & Leisure Services	Seek to reduce additional works in the Environmental Maintenance contract			40,000	40,000	Dave	savings already identified in 15/16 are £40K and this is a further £40k from Additional Works budget.	Impact on current contractor	Will lessen the ability to react to unforeseen maintenance issues and to commission local improvements beyond current standards. Mitigated through Pride related investment
13	Service Review/Redesign	Neighbourhood & Leisure Services	Seek to rationalise back office support staff requirements from 2.5 to 1.5FTE following contract and operational changes. - - one off savings during both years with current year one off providing savings linked into current in year revenue accounts	15,000	23,000	(38,000)	0	Debbie	Savings brought forward early from 16/17	None	None
14	Service Review/Redesign	Neighbourhood & Leisure Services	Rationalise the functionality of Environmental Public Realm, Waste Operations to deliver on future priorities - one off savings providing savings linked into in year revenue accounts		40,572	(40,572)	0	Debbie	Savings brought forward early from 16/17	None	Will allow rationalisation of resources and which can be directed towards Local Environmental Quality and cross cutting Neighbourhood Service initiatives.
15	Service Review/Redesign	Neighbourhood & Leisure Services	Rationalise back office support costs		5,000	45,000	50,000	Debbie	Review of Neighbourhood Services support priorities and rationalise costs.	None	None

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15	2015/16	2016/17	Total Ongoing Saving				
16	Service Review/Redesign	Neighbourhood & Leisure Services	Transport & Highway Development: Rationalise the Transport policy annual surveys 14/15 saving providing savings linked into current in year revenue accounts	5,000	5,000		10,000	Keith Harris	Further reduction in Transport Policy survey budget currently at £44,200	None	None
17	Staffing	Neighbourhood & Leisure Services	Transport & Highway Development: Staff rationalisation 14/15 saving providing savings linked into current in year revenue accounts	10,000	10,000		20,000	Keith Harris	Looking again at different ways of working, particularly cross-team working between Transport Policy & Highways Development Control	None	Positive impact, e.g. Improved resourcing of front line services, such as Streetworks will provide better quality reinstatements giving better quality roads and less congestion.
18	Income	Neighbourhood & Leisure Services	Transport & Highway Development: Increased use of Structures & Geotechnics team to comment on planning applications and input into Council managed design work, rather than this work going to external consultants		5,000		5,000	Keith Harris	Structures & Geotechnics team have the skills necessary and in many cases are the only source of information relating to mineshafes and other geotechnical information. Using external consultants can therefore be not only more expensive for the Council but result in poor quality advice to developers and internal teams as external consultants may not have access to all the required information.	Impact on contractors	None
19	Service Review/Redesign	Neighbourhood & Leisure Services	Increase Target for public transport service review beyond 50k already agreed in previous savings targets		35,000	35,000	70,000	Keith Harris	Analysing current subsidise services and make changes which provide savings whilst minimising community impact. Exploring other funding sources such as S105 developer funding which can offset subsidy reductions.	Impact on Arriva	None
20	Income	Neighbourhood & Leisure Services	Transport & Highway Development: Introduce a Streetworks permit scheme		30,000	30,000	60,000	Keith Harris	The current Streetworks system only involves fines being levied against Utility Companies that do not comply with national legislation processes. Under a Streetworks permit scheme Public Utility companies have to pay the Council a fee on a sliding scale to obtain permission to undertake works in the highway. All costs of operating the permit scheme can be charged against the scheme, which will release Council revenue.	Impact on utility companies	Positive impact on road maintenance and reducing the Council's spend on improving roads as any initiative that leads to improved management of Utility companies should improve the overall condition of the road network.
21	Income	Neighbourhood & Leisure Services	Invest to save in theatre, box office, Oakengates Library / Cafe - Redevelopment of the theatre foyer and reception areas to enhance the theatre experience to stimulate attendance and income, to modernise the library offer and introduce extended catering opportunities for theatre and library customers as well as providing a local service for Oakengates Box office improvements at the theatre, SW1 will also be part of the proposals. Invest to save capital of £0.1m will be required		10,000		10,000	Psyche Hudson	Investment into improving the environment for theatre customers, together with investing in Library and new Catering provision will help generate additional savings in the form of increased theatre income and catering income. Alongside the investment there will be a rationalisation of Box office staff to reflect the demand management work that has been going on to support online bookings and to further promote self service opportunities within the library. The proposal also links to a previous theatre income target of 15k.	None	None
Finance, Audit & Information Governance											
22	Staffing	Finance, Audit & IG	Employee reduction following internal team reviews.	61,100			61,100	Tracey Smart/Julie Pugh	Structures reviewed as vacant posts arise and voluntary redundancy opportunity taken.	None	None
23	Non-Staff	Finance, Audit & IG	Various other savings across the service area	18,000			18,000	Ken Clarke	In line with year end projections	None	None
24	Non-Staff	Finance, Audit & IG	Change to Minimum Revenue Provision calculation methodology for borrowing allocations	1,392,000	(1,150,000)	0	242,000	Ken Clarke	Extending the change in the calculation of MRP applied to prudential borrowing in 2013/14 to include government allocations.	None	None
Law, Democracy & People Services											
25	Income	Law, Democracy & People Services	Income from West Mercia Energy - Officer support costs	2,400			2,400	Sarah Bass	Charging the costs of procurement support provided to this company to the surplus that we receive	None	None
26	Income	Law, Democracy & People Services	Income from CFA - officer support costs	1,000	1,000		2,000	Sarah Bass	Providing procurement trainee to CFO to support procurement team there	None	None
27	Non-Staff	Law, Democracy & People Services	One off reduction in training budget	3,000	(3,000)		0	Sarah Bass	Training budget	None	None
28	Non-Staff	Law, Democracy & People Services	Scrutiny consultants budget and other scrutiny salary savings	9,000			9,000	Phil Griffiths	Traditionally not spent except in exceptional circumstances	None	None
29	Non-Staff	Law, Democracy & People Services	Savings on Members' Allowances Budget	10,000	(10,000)		0	Phil Griffiths	Offering up a projected underspend	None	None
30	Service Review/Redesign	Law, Democracy & People Services	Savings from further review of service			56,390	56,390	Jonathan Eatough	Review of Structure in the team	None	None

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15	2015/16	2016/17	Total Ongoing Saving				
31	Non-Staff	Law, Democracy & People Services	Review of single status implementation	1,950,000	(1,000,000)	(500,000)	450,000	Jonathan Eatough	Change in approach to design a bespoke, modern system for Telford has delayed implementation	None	None
Cooperative Council & Commercial Delivery Team											
32	Income	Cooperative Council and Commercial Delivery Team	Income generation - this is the saving excluding debt charges. The net saving after debt charges is £160k by 2016/17. The associated debt charges have been included in the overall strategy within Treasury projections.	125,000	250,000	6,000	381,000		Income that is expected to be delivered by the solar farm, which is scheduled to be completed by end November 2014 and all testing/commissioning completed by end December 2014. The figure for 2014/15 assumes income will be delivered from January-March 2015. Income in 2015/16 is expected to be in the region of £150,000. It is expected that this will increase by a further £10,000 in 2016/17.	None	None
33	Income	Cooperative Council and Commercial Delivery Team	Savings	38,000			38,000		Savings identified from staffing and operational budgets	None	None
Children's Safeguarding & Specialist Services											
34	Service Review/Redesign	Childrens Safeguarding & Specialist Services	CAMHS - Contribution to Stafford Park no longer necessary	0	25,000		25,000	Karen Perry	Contribution to Stafford Park no longer necessary	None	None
35	Non-Staff	Childrens Safeguarding & Specialist Services	Identification of alternative source of funding	30,000	(30,000)		0	Karen Perry	identification of alternative source of funding	None	None
36	Procurement	Childrens Safeguarding & Specialist Services	By managing demand in line with our plans we would expect to see a further reduction in CiC per 10,000 of population. We would also expect to see a reduction in high cost residential placements.	0	300,000		300,000	Karen Perry	By following our Cost Improvement Plan these savings should materialise. We have validated this model against other LA who are on a similar journey	None	None
37	Procurement	Childrens Safeguarding & Specialist Services	Shortbreaks (SEND)- making a further reduction in the shortbreaks budget which has underspent in 2012/13 and 2013/14	50,000			50,000	Di Partridge/Viv McKay	Budget underspent in 2012/13 and 2013/14. Still able to meet needs of disabled children and young people in accordance with Shortbreaks Statement	None	None
Education & Corporate Parenting											
38	Non-Staff	Education & Corporate Parenting	Reduce the funding of redundancy costs in schools by a more exacting approach to determining the eligibility of these payments for local authority funding from April 2015		100,000		100,000	Jim Collins	Whilst the LA is still responsible for the payment of redundancy costs where staffing reductions arise from a deficit caused by factors within the schools control the responsibility no longer applies. These costs will therefore need to be borne in future by the individual schools	None	None
39	Non-Staff	Education & Corporate Parenting	Schools to fund all new premature retirement costs from April 2015		43,586		43,586	Jim Collins	Historically the LA has agreed to pay premature retirement costs in certain circumstances but there is no legal requirement for us to do so therefore no new premature retirement claims will be supported although clearly we will need to honour those previously agreed	None	None
40	Non-Staff	Education & Corporate Parenting	Cease to fund remission of payments for pupils for music and Arthog by passing responsibility for this to schools from April 2015		53,982		53,982	Jim Collins	The LA has no legal obligation to provide assistance with the costs of either music tuition or outdoor education activities and all schools have been given increased pupil premium grant which can be used for this purpose.	None	None
41	Non-Staff	Education & Corporate Parenting	Schools to pay directly for their own swimming provision from September 2015 rather than via joint use contributions, which are currently partly funded by the LA		72,917		72,917	Jim Collins	The joint use agreements are a historical arrangement which need to be reviewed in the light of changes to the schools formula funding model. It is likely that the funding will be pass ported straight to schools who will then make their own arrangements	None	None
42	Non-Staff	Education & Corporate Parenting	Use of One off resources	130,000	(130,000)		0			None	None
Family, Cohesion & Commissioning Services											
43	Service Review/Redesign	Family, Cohesion & Commissioning Services	Youth Offending Service	228,000	(175,000)	0	53,000	Jas Bedesha	Return of unspent balances, plus ongoing negotiated lower contribution and savings target for 2015/16 agreed by West Mercia YOS Board as a target	None	None

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15	2015/16	2016/17	Total Ongoing Saving				
44	Service Review/Redesign	Family, Cohesion & Commissioning Services	Review of Commissioning	200,000	(200,000)	0	0	Viv Mckay	2015/16 savings achieved ahead of time enhanced by late recruitment to some posts	None	None
45	Procurement	Family, Cohesion & Commissioning Services	Fuel efficiency programme in Fleet Services to reduce fuel consumption and/or limit impact of fuel inflation.		40,000	0	40,000	Nicola White	Ongoing review of fleet services operational plan . Fuel efficiencies already evident in 14/15 monitoring	None	Positive - reduction in fuel usage
46	Service Review/Redesign	Family, Cohesion & Commissioning Services	Children & Family Centre Localities - early achievement of 2015/16 staffing savings	126,000	(126,000)		0	Debbie Lloyd	Part of 2015/16 restructure completed early	None	None
47	Property Rationalisation	Family, Cohesion & Commissioning Services	Youth Base @ HLC vacated, space handed over to HLC - Pfi contribution to be funded from DSG		19,000		19,000	Jim Collins/Tim Davis/Jas Bedesha	Space now used by HLC, additional DSG (£1.3m) allocated to Telford in 2015/16	None	None
48	Service Review/Redesign	Family, Cohesion & Commissioning Services	Based upon 2013/14 outturn and monitoring capacity exists within youth budgets for a reduction in funding for positive experiences. This funding will be required in 2015/16 to offset savings target	100,000	(100,000)		0	Jas Bedesha	2013/14 significant under spend projected to continue	None	None
49	Service Review/Redesign	Family, Cohesion & Commissioning Services	Children & Family Centre Localities - holding spend on purchasing budgets at 2013/14 levels. Part of the budget will be required in 2015/16 to offset savings targets	150,000	(50,000)		100,000	Debbie Lloyd	2013/14 significant under spend, in part used to fund additional community social worker post.	None	None
50	Income	Family, Cohesion & Commissioning Services	One off contribution from reserves held for supporting positive activities for vulnerable youth and a number of one off projects	100,000	(100,000)		0	Clive Jones	Reserves no longer required.	None	None
51	Procurement	Family, Cohesion & Commissioning Services	Small reduction in commissioning budget for parent and carer forum	5,000			5,000	Viv Mckay	Post holder left and following review of need post no longer required. Activity can be undertaken through other partnership programmes	None	None
Public Health, Wellbeing & Public Protection											
52	Staffing	Public Health, Wellbeing & Public Protection	One off underspend in Public Health	73,037	(73,037)		0	Liz Noakes	Delay in recruitment has produced an underspend against Public Health staffing	None	None
53	Income	Public Health, Wellbeing & Public Protection	One off income in Public Health from outside LA	44,169	(44,169)		0	Helen Onions/Stacey Norwood	Additional income expected from the CCG for element of service (Eneursis) which is not Public Health responsibility	None	None
54	Non-Staff	Public Health, Wellbeing & Public Protection	One off savings in Public Health in 2014/15	42,742	(42,742)		0	Liz Noakes	Slippage from posts funded by Public Health Grant based within other teams eg contracting, Public Protection, Planning & Delivery	None	None
55	Non-Staff	Public Health, Wellbeing & Public Protection	One off use of balances in 2014/15	24,052	(24,052)		0	Liz Noakes	Reduction in Early Help Partnership and Substance Misuse Reserve	None	None
56	Staffing	Public Health, Wellbeing & Public Protection	One off savings in Public Protection	15,000	(15,000)		0	Nicky Minshall	In year savings in employee costs releasing a one off benefit	None	None
57	Non-Staff	Public Health, Wellbeing & Public Protection	One off savings in Civil Resilience	1,000	(1,000)		0	Heather Gumsley	Underspend in Civil Resilience	None	None
58	Service Review/Redesign	Public Health, Wellbeing & Public Protection	Drug and Alcohol services - decrease in budget lines across various services, including inpatient detox, DARS and external provider contracts (including clinical staff)		200,000		200,000	Helen Onions	More primary care focussed work for shared care clients, decrease in demand and cost price for inpatient detox with new contracts, underspend in services and underperformance on contracts	None	None
Adult Social Services											
59	Non-Staff	Adult Social Services	Allocation of One off resources		(3,140,000)		(3,140,000)	Richard Smith	Required to support introduction of saving proposal	None	None
60	Non-Staff	Adult Social Services	Voluntary Sector Contract Review		80,000		80,000	Viv McKay	Neighbouring LA & CCG have reviewed voluntary sector contracts to ensure an outcome focus. It is anticipated that a similar review of T&W contracts voluntary sector contracts could deliver a saving which will be offset by an increase in income from a client's direct payment or personal budget or through savings made through the integration of health and social care	None	None
61	Service Review/Redesign	Adult Social Services	Separation of Support Planning from Assessment & Case Management		3,293,000		3,293,000	Viv McKay/Richard Smith & Clive Jones	Evidence from other LAs indicates a saving of approximately 20% of the purchasing budget can be achieved where support planning has been separated from assessment. This will enable people eligible for funded services to have greater choice and control over services purchased with an increase in the use of Direct Payments and Personal Assistants	None	None

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15	2015/16	2016/17	Total Ongoing Saving				
62	Procurement	Adult Social Services	Improved procurement of Supporting people services		800,000		800,000	Viv McKay	Discretionary preventive spend which has already been subject to substantial savings. Nevertheless there are still options for reducing spend in this discretionary area of spend	None	None
63	Staffing	Adult Social Services	Restructure across Adult Social Services		292,000		292,000	Richard Smith	Restructure of Adult Social Services to create a structure fit for purpose and able to take forward the changes required.	None	None
64	Non-Staff	Adult Social Services	Introduction of Electronic Homecare monitoring		250,000		250,000	Viv McKay	Evidence for other LAs indicate significant savings can be obtained by improved monitoring of homecare providers service delivery	None	None
65	Procurement	Adult Social Services	Targeted review of Contracts		99,000		99,000	Viv McKay	Focus on specific contracts and review of guidance and policies associated with supplementary care	None	None
66	Non-Staff	Adult Social Services	Removal of Subsidy to low level care services		60,000		60,000	Richard Smith	Movement to full cost recovery and in line with reduction in the Council paying for this type of low level care.	None	None
67	Procurement	Adult Social Services	Reduced cost of care packages through effective commissioning and review including targeting of high cost placements		307,000		307,000	Viv McKay/Richard Smith	Reviewing existing terms and conditions, carrying out needs analysis, proactive negotiation with providers around cost breakdown. Telford spends more per head on Adult Residential care than comparable LAs. A move to more independent living is not only cost effective but results in better outcomes.	None	None
68	Procurement	Adult Social Services	Implementation of a new Domiciliary Care Framework		400,000		400,000	Viv McKay	New domiciliary framework was successfully implemented on 1st October with a reduced hourly rate	None	None
69	Non-Staff	Adult Social Services	Redesign of Access processes to assist the management of demand		200,000		200,000	Richard Smith	New operating model introduced to ensure people contacting the Council in relation to Social Care needs are signposted to appropriate help as quickly as possible.	None	None

Customer Services											
70	Staffing	Customer Services	Customer Quality VR	19,260			19,260	Andrew Meredith	There is an opportunity to make a small reduction in the customer quality team but still maintain response times and standards	None	None
71	Staffing	Customer Services	Revenues VR	21,060			21,060	Sophie Lane	An opportunity to consider VR was taken in a part of the Revenues Service which will shortly benefit from new technology and the opportunity to explore on line billing and self service for customers	None	None
72	Income	Customer Services	Court Fees Income	100,000			100,000	Sophie Lane	Additional income receive from court fees. This is consistent with 2013/14	None	None
73	Non-Staff	Customer Services	Reduction in waste costs due to the new waste contract, budget is held within the Cleaning Management Account.	20,000			20,000	Mal Yale	This follows robust negotiations which have seen this reduction in spend	None	None
74	Funding (NDR, Rates, C Tax)	Customer Services	Growth from Council Tax in relation to the New Homes Bonus		163,000	137,000	300,000	Sophie Lane	New income collected as a result of our growth strategy	Positive - as part of Council's wider growth strategy	None
75	Income	Customer Services	Revenues & Benefits Sanctions	5,000			5,000	Sophie Lane	An opportunity to offer this up as a small savings	None	None
76	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Reviews	300,000			300,000	Lee Higgins	All requests for council tax support are now reviewed on an annual basis and as a result we have established that number of customers circumstances have changed and they should no longer be receiving the amount of benefit, hence a reduction in overall benefits now being paid each year	None	None
77	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Amnesty	30,000			30,000	Lee Higgins	The saving that occurred as a result of the council tax amnesty exercise	None	None
78	Funding (NDR, Rates, C Tax)	Customer Services	Council Tax Support Fraud	100,000			100,000	Lee Higgins	The amount of Council Tax fraud identified and put forward for savings as part of the ongoing commitment to eradicating fraud	None	None
79	Funding (NDR, Rates, C Tax)	Customer Services	Business Rates Base	40,978			40,978	Sophie Lane	New income collected as a result of our growth strategy	Potential impact of additional costs to identified businesses	None
80	Non-Staff	Customer Services	Carbon Reduction Commitment Scheme	43,000	(43,000)		0	Mal Yale	One off in year benefit from final year of carbon reduction commitment scheme payments.		Positive - Carbon Reduction
81	Income	Customer Services	PFI Insurance Credit	37,000		(37,000)	0	Mal Yale	One off in year benefit from PFI Insurance credit	None	
82	Non-Staff	Customer Services	ALD Savings	50,000	(50,000)		0	Deb Williams	Delivered as a result of the early implementation of the Re-ablement review which saw the service end with some staff leaving earlier than originally planned	None	None
83	Non-Staff	Customer Services	Bailiff Contract	30,000	(30,000)		0	Sophie Lane	Savings made as a result of changes to our enforcement activities	None	None

No.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15	2015/16	2016/17	Total Ongoing Saving				
Development, Business & Employment											
84	Income	Development, Business & Employment	New Homes Bonus - over achievement on New Homes Bonus against projection	10,922	100,944	63,134	175,000	Katherine Kynaston	Figures based on out turn position for 2013/14 and projected residential completions for 2014/15 and 2015/16. Uplift arising from an increase in the average Council Tax Rates based on recent completions.	Positive - as part of Council's wider growth strategy	None
85	Funding (NDR, Rates, C Tax)	Development, Business & Employment	Business Rates - over achievement on business rates against projection	0	0	100,000	100,000	James Dunn	Figures based on pipeline developments being delivered as a result of our Business Winning, Business Supporting agenda as well as the positive outcomes being delivered through the Stewardship Agreement with Homes & Communities Agency.	Positive - as part of Council's wider growth strategy	None
86	Service Review/Redesign	Development, Business & Employment	Staffing savings associated with service redesign in Housing & Development Planning		0	60,010	60,010	Katherine Kynaston	Staffing savings arising from deletion of fixed term posts upon completion of discrete work streams and projects.	None	None
87	Service Review/Redesign	Development, Business & Employment	Staffing savings associated with service redesign in Housing & Development Planning	133,566	(103,566)	(30,000)	0	Katherine Kynaston	Staffing savings arising from vacant posts as well as restructure now completed within Service.	None	None
88	Income	Development, Business & Employment	Use of Green Deal Income to fund posts	75,000		(75,000)	0	Katherine Kynaston	One off £300k project management fee available. The funding can be clawed back if we do not achieve the target of 1,000 Green Deal Plans by 31/03/2015 but on target to achieve.	None	Positive impact through Green deal
89	Service Review/Redesign	Development, Business & Employment	Post 16 Transport	73,921	(73,921)		0	Sue Marston	Fleet will provide the 703 service at a cost of £15k, no capital costs as the run has been added to the schedule before a social care run achieving a saving of £73k p.a. (£88k current cost of 702 and 703). Commence Sept 2014	None	None
90	Service Review/Redesign	Development, Business & Employment	Post 16 Transport		34,338		34,338	Sue Marston	Savings from changes to buses 702 & 703 ongoing but agreed budget savings in 2015/16 mean the ongoing saving is reduced.	None	None
91	Service Review/Redesign	Development, Business & Employment	Connections for Youth (ALAG) - Overachievement on income over expenditure	40,000			40,000	Sue Marston	Connections for Youth - Overachievement on income over expenditure resulting in net benefit for the service. Assumed ongoing whilst service continues to be provided	None	None
92	Service Review/Redesign	Development, Business & Employment	Voluntary Redundancy Saving - Business Investment Service Delivery Specialist	28,639	20,000		48,639	Kate Callis	VE agreed - saving realised from 01/04/14. Part of saving used to fund backfill in Regeneration & Investment	None	None
93	Service Review/Redesign	Development, Business & Employment	One off savings within Business Investment	2,267	(2,267)		0	Kate Callis	One off expenditure savings across a number of codes within the Business Investment SDU	None	None
94	Property Rationalisation	Development, Business & Employment	ALD Properties - Operational revenue savings associated with the disposal of Halesfield 22, Lakeside, Admaston Pru & The Bridges			51,420	51,420	Chris Goulson	Cabinet approval granted in September 2014 for service redesign and associated property rationalisation in ALD. Figures represent net savings excluding asset rental plus ongoing running costs of new location/premises	None	None
95	Income	Development, Business & Employment	One off overachievement in planning fees	60,000	(30,000)	(30,000)	0	Dave Fletcher	Rise in residential planning applications as a direct result of pro growth National Planning Policy Framework and also Business Winning, Business Supporting activity which is having a positive impact on the number of commercial applications received.	None	None
96	Service Review/Redesign	Development, Business & Employment	Leisure Tourism budget available from Supplies & Services	10,000			10,000	Katherine Kynaston	Projected saving in relation to Supplies & Services within Tourism.	None	None
97	Service Review/Redesign	Development, Business & Employment	Savings associated with the Railfreight Terminal due to transferring responsibility to costs to the operator through retendering process.	16,490			16,490	James Dunn	Savings associated with the Railfreight Terminal due to transferring responsibility to costs to the operator through retendering process.	None	None
98	Income	Development, Business & Employment	Overachievement on West Mercia Energy Income Target.	131,652	34,000	0	165,652	Kate Callis	Benefits based on known trading performance in 2013/14 and projected trading performance in 2014/15	None	None

Old Ref.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £				
Neighbourhood & Leisure Services											
170	Service Redesign/Review	Neighbourhood & Leisure Services	Review the current management model at Telford Ski Centre. Consider transferring to a social enterprise or closure if no suitable alternative can be identified.		- 20,000		- 20,000		50k saving would only be realised if facility were to close. Therefore revised potential level of saving.		
	Service Redesign/Review	Neighbourhood & Leisure Services	Service restructure - Leisure and Landscape review		20,000		20,000			None	None
Law, Democracy & People Services											
8	Income	Law, Democracy & People Services	Charging for leases on PIP, s278 agreements and s106 agreements and other income	- 9,000			- 9,000	Matt Cumberbatch	See income figures		
9	Income	Law, Democracy & People Services	Supporting PCs and Vol Orgs with clerking capacity	- 750			- 750	Phil Griffiths	No opportunity or capacity to provide this service		
205	Service Redesign/Review	Law, Democracy & People Services	Review of electoral and member services structures, working practices and non staffing budgets ready for a new administration	- 49,000	49,000		-	Phil Griffiths	Larger review of the service area postponed until after the election at the request of members	None	None
Public Health, Wellbeing & Public Protection											
	Service Redesign/Review	Public Health, Wellbeing & Public Protection	Public Protection - Migration of front office services to First Point		- 50,706		- 50,706	Nicky Minshall	The migration to First Point is unlikely to release this quantum of savings		
	Staffing	Public Health, Wellbeing & Public Protection	Release of further savings from 2014 Restructure in Public Protection		50,706		50,706	Nicky Minshall	Restructure of Public Protection team reducing management posts and other posts	None	None
Adult Social Services											
106	Non-Staff	Adult Social Services	Review of Block Contracts to maximise utilisation or decommission		- 386,000		- 386,000				
115	Non-Staff	Adult Social Services	Pay providers net of contributions and transfer risks of collection of debt		- 150,000		- 150,000				
178	Service Redesign/Review	Adult Social Services	Reduction to the cost of packages where Homecare is being supported financially and the cost is above the average residential weekly cost		- 300,000		- 300,000				
181	Service Redesign/Review	Adult Social Services	Invest in Assistive Technology		- 400,000		- 400,000				
142		Adult Social Services			- 200,000		- 200,000				
177		Adult Social Services			- 150,000		- 150,000				
	Non-Staff	Adult Social Services	Shortfall on Delivery of Savings covered by one off resources	- 3,140,000			- 3,140,000				
	Non-Staff	Adult Social Services	Allocation of One off resources	3,140,000			3,140,000			None	None
Customer Services											
109	Service Redesign/Review	Customer Services	New Provider Model ALD	- 550,000	- 350,000		- 900,000	Deb Williams	Original savings target now being delivered from alternative proposals below.		
		Customer Services	Management Restructure	40,418	56,585		97,003	Deb Williams	There is a need to reduce the management overheads in this service to support the drive to reduce unit costs for provider services in order to compete with other local providers	None	None
		Customer Services	Admin Restructure	3,454	10,361		13,815	Deb Williams	There is a need to reduce the amount of spend on administration to support the drive to reduce unit costings as outlined above	None	None
		Customer Services	Review of Re-Ablement Service	321,733	450,427		772,160	Deb Williams	This has already been completed following a formal review of the service which could not demonstrate value for money or compete with private Dom Care providers	None	None
129	Procurement	Customer 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)	- 53,000	53,000		-	Kirsty King	Delay in roll out has lead to the need to rephase this saving to be delivered in 2015/16		
130	Procurement	Customer Services	ICT - Broadband & telephony contract - tender process commences Jan 2013.	- 60,000	60,000		-	Kirsty King	Delay in procurement process has lead to the need to rephase this saving to be delivered in 2015/16		
207	Service Redesign/Review	Customer Services	Reduction in staffing within the customer Quality Service	8,000	- 8,000		-	Andrew Meredith	£8k can be pulled forward from 2015/16 from an early VR request		
210	Service Redesign/Review	Customer Services	Introduction of Automated Telephony Reporting Services		- 42,000		- 42,000	Andrew Meredith	This will not be delivered due to increased demand on the contact centre. This will be met from alternative savings and in fact this has been highlighted as a pressure and business case for investment		

Old Ref.	Savings Type	Service Area	Description of Saving	Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £				
212	Service Redesign/Review	Customer Services	Service Redesign ICT	- 125,000	- 75,000		- 200,000	Kirsty King	Only £100k will be delivered against the original proposals of £300k as further reductions in this part of the business would impact widely across the council and schools leading to complaints/poor quality/loss of skills		
	Funding (NDR, Rates, C Tax)	Customer Services	Business Rates Base	259,022			259,022	Sophie Lane	This is the outcome of work to ensure all those who should pay business rates are doing so.	Potential impact of additional costs to identified businesses	None
Development, Business & Employment											
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: TCAT Building.	- 27,000			- 27,000	Chris Goulson	Savings already taken. Therefore budgeted savings for 2014/15 are not achievable.		
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Brookside Community Centre.	- 16,610			- 16,610	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.		
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Sutton Hill Community Centre.	- 15,000			- 15,000	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.		
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: Leegomery Community centre .	- 2,845			- 2,845	Chris Goulson	Potential savings to be realised following transfer of Community Centres to Town & Parish Council. Future management of community centres not decided. Saving for 14/15 removed.		
151	Property Rationalisation	Development, Business & Employment	Operational Property Rationalisation Phase 2: West Road.	- 7,500			- 7,500	Chris Goulson	Building to be retained as no suitable alternative can be identified. Budgeted savings can not be realised.		
1	Property Rationalisation	Development, Business & Employment	Other ongoing savings on operational properties identified to mitigate savings not achievable in relation to Operational Property Rationalisation savings Phase 2.	14,655			14,655	Chris Goulson	Other savings on operational and admin buildings identified against monitoring.	None	None
2	Property Rationalisation	Development, Business & Employment	Saving in consultant fees	29,300			29,300	Chris Goulson	Saving against budget for consultant fees due to the reduction in use of consultants for major schemes	None	None
3	Staffing	Development, Business & Employment	In year salary savings associated with vacant posts	25,000	- 25,000		-	Chris Goulson	In year salary savings associated with vacant posts - to be reviewed as part of restructure.	None	None
4	Income	Development, Business & Employment	New Homes Bonus - over achievement on New Homes Bonus against projection		25,000		25,000	Katherine Kynaston	Figures based on out turn position for 2013/14 and projected residential completions for 2014/15 and 2015/16. Uplift arising from an increase in the average Council Tax Rates based on recent completions. Part shown here to balance approved savings with balance below	Positive - as part of Council's wider growth strategy	None

Capital Programme - 2014/15 to 2017/18 & Later Years

Policy Area	Total £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Later Years £'000
Adult Social Services	3,008	1,899	1,059	50	0	0
Development Business & Employment	43,544	32,958	8,170	997	1,670	(250)
Neighbourhood & Leisure Services	82,752	30,881	26,591	15,494	7,008	2,778
Education & Corporate Parenting	90,803	64,807	24,595	469	529	403
Customer Services	4,945	2,127	1,138	680	1,000	0
Co operative Delivery & Commercial Unit	4,039	4,039	0	0	0	0
Corporate	115	115	0	0	0	0
	229,207	136,827	61,552	17,690	10,207	2,931
Resources						
Borrowing Approval	1,476	208	1,268	0	0	0
Government Grant	132,188	86,410	24,540	12,849	4,586	3,803
Prudential	18,000	42,839	3,664	(28,777)	1,146	(872)
Cap Receipts	66,203	2,084	28,201	31,643	4,275	0
Revenue	1,031	895	136	0	0	0
External	10,308	4,390	3,743	1,975	200	0
Total funding	229,207	136,827	61,552	17,690	10,207	2,931

**Capital Programme - 2014/15 to 2017/18 & Later Years
Scheme Summary showing major schemes separately**

Assistant Director	Scheme	Expenditure						Funding					
		Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £'000	Grant £'000	Prudential £'000	Receipts £'000	Borrowing £'000	S106/Other £'000	Revenue/External £'000
Adult Social Services	Social Care Capital Grant	652	221	431	0	0	0	652	0	0	0	0	0
	ICT Social Care Review	960	760	150	50	0	0	410	550	0	0	0	0
	Autism Innovation	19	19	0	0	0	0	19	0	0	0	0	0
	Day Opportunities for Adults with Learning Disabilities	1,378	900	478	0	0	0	350	0	1,028	0	0	0
		3,008	1,899	1,059	50	0	0	1,430	550	1,028	0	0	0
Development Business & Employment	Supported Independent Living - Disabled Facilities Grant	2,597	1,748	849	0	0	0	1,570	1,027	0	0	0	0
	Extra Care	200	200	0	0	0	0	0	200	0	0	0	0
	Town Centre - Phase 1 & Accommodation Strategy	4,053	4,053	0	0	0	0	469	-1,449	4,973	0	60	0
	Development Business and Employment other schemes	3,602	542	1,120	1,170	770	0	0	1,835	1,767	0	0	0
	Every Day Telford - Pride Hollinswood Centre	2,189	1,579	610	0	0	0	0	1,579	502	0	108	0
	Every Day Telford - Pride Dawley	0	0	0	0	0	0	0	0	0	0	0	0
	Superfast Broadband Programme	3,610	549	3,061	0	0	0	2,000	760	390	0	461	0
	Housing Related Schemes	8,639	8,479	160	0	0	0	6,488	1,071	1,035	0	45	0
	Sutton Hill	169	169	0	0	0	0	0	169	0	0	0	0
	Hadley Local Centre Phase 1 & 2	845	845	0	0	0	0	261	584	0	0	0	0
	Woodside	58	58	0	0	0	0	0	4	54	0	0	0
	Brookside	3,000	3,000	0	0	0	0	0	2,020	980	0	0	0
	Borough Towns Initiative	113	113	0	0	0	0	0	-11,574	11,687	0	0	0
	Improve Local People's Prospects All Other Schemes	9,919	9,172	1,670	-873	200	-250	4,306	24	1	79	5,508	0
	Asset Management Plan - General Works & Surveys	2,550	450	700	700	700	0	0	2,550	0	0	0	0
	Property Investment Programme	2,000	2,000	0	0	0	0	0	2,000	0	0	0	0
		43,544	32,958	8,170	997	1,670	-250	15,095	800	21,388	79	0	6,183
Neighbourhood & Leisure Services	Oakengates	210	210	0	0	0	0	0	210	0	0	0	0
	Parks for People	1,933	983	950	0	0	0	1,189	471	273	0	0	0
	Horsehay Fitness Facility	698	698	0	0	0	0	0	698	0	0	0	0
	Neighbourhood & Leisure Services Other Schemes	360	360	0	0	0	0	0	304	0	0	56	0
	Transport & Highways Schemes	46,446	7,450	14,716	15,494	6,008	2,778	34,031	9,073	0	130	3,213	0
	Every Day Telford - Pride in your Community	8,260	3,260	4,000	0	1,000	0	0	8,000	0	0	260	0
	Ironbridge Gorge Stability	15,206	8,281	6,925	0	0	0	9,606	5,600	0	0	0	0
	Box Road	9,640	9,640	0	0	0	0	5,535	2,687	0	0	1,418	0
		82,752	30,881	26,591	15,494	7,008	2,778	50,360	27,042	273	130	0	4,947
Education & Corporate Parenting	Building Schools For The Future	90,803	64,807	24,595	469	529	403	65,304	-5,216	29,774	1,268	0	-326
		90,803	64,807	24,595	469	529	403	65,304	-5,216	29,774	1,268	0	-326
Customer Services	ICT/ eGov	4,904	2,087	1,138	680	1,000	0	0	4,369	0	0	0	535
	ICT/ eGov Other Schemes	41	41	0	0	0	0	0	41	0	0	0	0
		4,945	2,127	1,138	680	1,000	0	0	4,410	0	0	0	535
Co operative Delivery & Commercial Unit	Commercial & Business Fund	4,039	4,039	0	0	0	0	0	3,719	320	0	0	0
		4,039	4,039	0	0	0	0	0	3,719	320	0	0	0
Corporate	Managing the funding of the Capital Programme	115	115	0	0	0	0	0	-13,305	13,420	0	0	0
		115	115	0	0	0	0	0	-13,305	13,420	0	0	0
		229,207	136,827	61,552	17,690	10,207	2,931	132,188	18,000	66,203	1,476	0	11,339

Capital Programme - 2014/15 to 2017/18 & Later Years

MD/AD	Scheme	funding stream	Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £000
Adult Social Services								
	Social Care Capital Grant	Gov Grant	652	221	431	0	0	0
	Autism Innovation	Gov Grant	19	19	0	0	0	0
	ICT Social Care Review	Prudential	550	350	150	50	0	0
		Gov Grant	410	410	0	0	0	0
Total	Sub Total ICT Social Care Review		960	760	150	50	0	0
	Day Opportunities for Adults with Learning Disabilities	Cap Receipts	1,028	550	478	0	0	0
	Day Opportunities for Adults with Learning Disabilities	Gov Grant	350	350	0	0	0	0
Total Adult Social Services			3,008	1,899	1,059	50	0	0
Development Business & Employment								
	Supported Independent Living - Disabled Facilities Grant	Gov Grant	1,570	721	849	0	0	0
	Supported Independent Living - Disabled Facilities Grant	Prudential	1,027	1,027	0	0	0	0
Total	Sub Total Town Centre - Phase 1		2,597	1,748	849	0	0	0
	Extra Care	Prudential	200	200	0			0
	Town Centre - Phase 1	Prudential	-1,718	-1,718	0	0	0	0
		Gov Grant	469	469	0	0	0	0
		Revenue	60	60	0	0	0	0
		Cap Receipts	4,973	4,973	0	0	0	0
Total	Sub Total Town Centre - Phase 1		3,784	3,784	0	0	0	0
	Town Centre - Accommodation Strategy	Prudential	269	269	0	0	0	0
Total	Sub Total Town Centre - Accommodation Strategy		269	269	0	0	0	0
	Telford Ice Rink	Prudential	5	5	0	0	0	0
	Sub Total - Telford Ice Rink		5	5	0	0	0	0
	Dawley Ground works	Prudential	-7,300	-7,300	0	0	0	0
	Dawley	Cap Receipts	11,383	11,383	0	0	0	0
	Dawley-Town Park Access section 106	Prudential	-4,000	-4,000	0	0	0	0
Total	Sub Total Dawley		83	83	0	0	0	0

Capital Programme - 2014/15 to 2017/18 & Later Years

MD/AD	Scheme	funding stream	Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £000
	Malinslee Local Centre	Cap Receipts	304	304	0	0	0	0
		Prudential	-274	-274	0	0	0	0
Total	Sub Total Other BTI		30	30	0	0	0	0
	Loan Contingency grant	External	45	45	0	0	0	0
	Housing	Prudential	1,071	1,796	50	0	-775	0
	Housing	Cap Receipts	1,035	150	110	0	775	0
	Housing	Gov Grant	6,488	6,488	0	0	0	0
	Sub Total Housing Schemes		8,639	8,479	160	0	0	0
	Superfast Broadband Programme	Cap Receipts	390	390	0	0	0	0
	Superfast Broadband Programme	Prudential	760	160	600	0	0	0
	Superfast Broadband Programme	Revenue	461	0	461	0	0	0
	Superfast Broadband Programme	Gov Grant	2,000	0	2,000	0	0	0
	Sutton Hill	Prudential	165	165	0	0	0	0
	Sutton Hill Local Centre	Prudential	5	5	0	0	0	0
Total	Sub Total Sutton Hill & Local Centre		169	169	0	0	0	0
	Hadley Local Centre Phase 1 & 2	Prudential	584	584	0	0	0	0
		Gov Grant	261	261	0	0	0	0
Total	Sub Total Hadley Local Centre		845	845	0	0	0	0
	Every Day Telford - Pride Hollinswood Centre	Prudential	1,579	1,579	0	0	0	0
	Every Day Telford - Pride Hollinswood Centre	Cap Receipts	502	0	502	0	0	0
	Every Day Telford - Pride Hollinswood Centre	External	100	0	100	0	0	0
	Every Day Telford - Pride Hollinswood Centre	Revenue	8	0	8	0	0	0
	Woodside Local Centre & Project Manag.	Cap Receipts	54	54	0	0	0	0
	Woodside Local Centre & Project Manag.	Prudential	4	4	0	0	0	0
Total	Sub Total Woodside		58	58	610	0	0	0
	Brookside	Prudential	2,020	2,020	0	0	0	0
		Cap Receipts	980	980	0	0	0	0
Total	Sub Total - Brookside		3,000	3,000	0	0	0	0
	All Other School schemes	Borrow App	79	79	0	0	0	0
	All Other School schemes	Prudential	24	1,877	270	-1,873	0	-250
	All Other School schemes	Gov Grant	4,306	4,306	0	0	0	0
	All Other School schemes	External	5,508	2,908	1,400	1,000	200	0
	All Other School schemes	Cap Receipts	1	1	0	0	0	0
	Sub Total All Other School Schemes		9,919	9,172	1,670	-873	200	-250
	Asset Management Plan - General Works & Surveys	Prudential	2,550	450	700	700	700	0
	Finance Fees	Prudential	380	70	170	70	70	0
	Property & Design Fees	Prudential	800	200	200	200	200	0
	St Georges Regeneration	Prudential	650	0	250	400	0	0
	Property Investment Programme	Prudential	2,000	2,000	0	0	0	0
	Capital Receipts Site Preparation	Cap Receipts	1,767	267	500	500	500	0

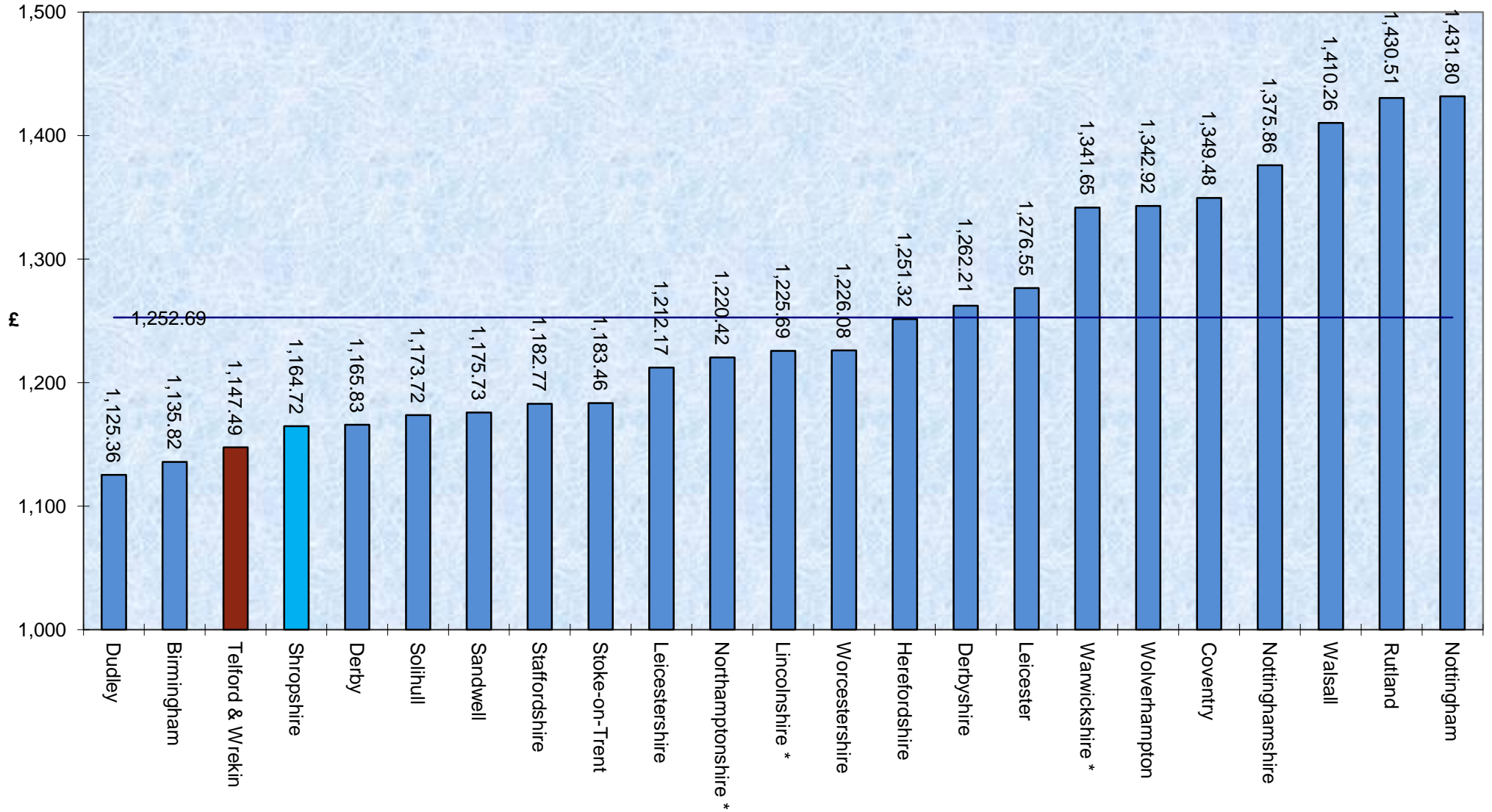
Capital Programme - 2014/15 to 2017/18 & Later Years

MD/AD	Scheme	funding stream	Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £000
Total Development Business & Employment			43,544	32,958	8,170	997	1,670	-250
Neighbourhood & Leisure Services								
	Oakengates	Prudential	210	210	0	0	0	0
	Ironbridge Gorge Stability	Gov Grant	9,606	8,281	1,325	0	0	0
	Ironbridge Gorge Stability	Prudential	5,600	0	5,600	0	0	0
Total	Sub Total Ironbridge Gorge Stability		15,206	8,281	6,925	0	0	0
	Every Day Telford - Pride in your Community	Prudential	8,000	3,000	4,000	0	1,000	0
	Every Day Telford - Pride in your Community	Revenue	260	260	0	0	0	0
	Integrated Transport	Borrow App	130	130	0	0	0	0
	Integrated Transport	Prudential	549	549	0	0	0	0
	Integrated Transport	Gov Grant	3,954	1,437	729	849	939	0
	Integrated Transport	External	28	28	0	0	0	0
	Street Lighting Energy Programme	Prudential	856	206	325	325	0	0
	Highways & Bridges Capital Maintenance	External	10	10	0	0	0	0
	Highways & Bridges Capital Maintenance	Gov Grant	14,774	2,310	3,452	3,165	3,069	2,778
	Highways / Footpaths	Prudential	7,668	1,668	2,000	2,000	2,000	0
	Highways Maintenance	Gov Grant	543	543	0	0	0	0
	Telford Growth Package	Gov Grant	300	0	210	90	0	0
	Telford Growth Package	External	3,175	0	2,200	975	0	0
	Telford Growth Package	Gov Grant	13,890	0	5,800	8,090	0	0
	Box Road	Revenue	40	40	0	0	0	0
	Box Road	Gov Grant	5,535	5,535	0	0	0	0
	Box Road	External	1,378	1,378	0	0	0	0
	Box Road	Prudential	2,687	2,687	0	0	0	0
	Local Sustainable Transport Fund	Gov Grant	569	569	0	0	0	0
	Sub Total Transport & Highways Schemes		56,086	17,090	14,716	15,494	6,008	2,778
	Parks for People	Prudential	471	77	394	0	0	0
		Cap Receipts	273	273	0	0	0	0
		Gov Grant	1,189	633	556	0	0	0
	Sub Total - Parks for People		1,933	983	950	0	0	0
	Dawley Tennis Courts	External	3	3	0	0	0	0
	Telford Ice Rink Phase 2	Prudential	180	180	0	0	0	0
	Newport Fitness facility	Prudential	101	101	0	0	0	0
	Horsehay Fitness Facility	Prudential	698	698	0	0	0	0
	Brindleyford	External	53	53	0	0	0	0
	Brindleyford	Prudential	6	6	0	0	0	0
	Parks & Play Areas	Prudential	17	17	0	0	0	0
	Sub Total Other Schemes		1,057	1,057	0	0	0	0
Total Neighbourhood & Leisure Services			82,752	30,881	26,591	15,494	7,008	2,778

Capital Programme - 2014/15 to 2017/18 & Later Years

MD/AD	Scheme	funding stream	Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £000
Education & Corporate Parenting								
	Building Schools for the Future	Prudential	-5,216	-487	3,378	-1,436	-6,049	-622
	Building Schools for the Future	Gov Grant	65,304	53,858	9,188	655	578	1,025
	Building Schools for the Future	External	7	-36	43	0	0	0
	Building Schools for the Future	Revenue	-333	0	-333	0	0	0
	Building Schools for the Future	Cap Receipts	29,774	11,473	11,051	1,250	6,000	0
	Building Schools for the Future	Borrow App	1,268	0	1,268	0	0	0
Total Education & Corporate Parenting			90,803	64,807	24,595	469	529	403
Customer Services								
	Aggresso Project	Prudential	41	41	0	0	0	0
	ICT/ eGov	Prudential	4,369	1,551	1,138	680	1,000	0
	ICT/ eGov	Revenue	535	535	0	0	0	0
Total Customer Services			4,945	2,127	1,138	680	1,000	0
Co operative Delivery & Commercial Unit								
	Commercial & Business Fund	Cap Receipts	320	320	0	0	0	0
	Solar farm	Prudential	3,719	3,719	0	0	0	0
Total Co operative Council			4,039	4,039	0	0	0	0
Corporate								
	Managing the funding of the Capital Programme	Prudential	-13,305	29,148	-15,560	-29,893	3,000	0
	Managing the funding of the Capital Programme	Cap Receipts	13,420	-29,033	15,560	29,893	-3,000	0
Total Corporate			115,000	115	0	0	0	0
OVERALL TOTAL			229,207	136,827	61,552	17,690	10,207	2,931

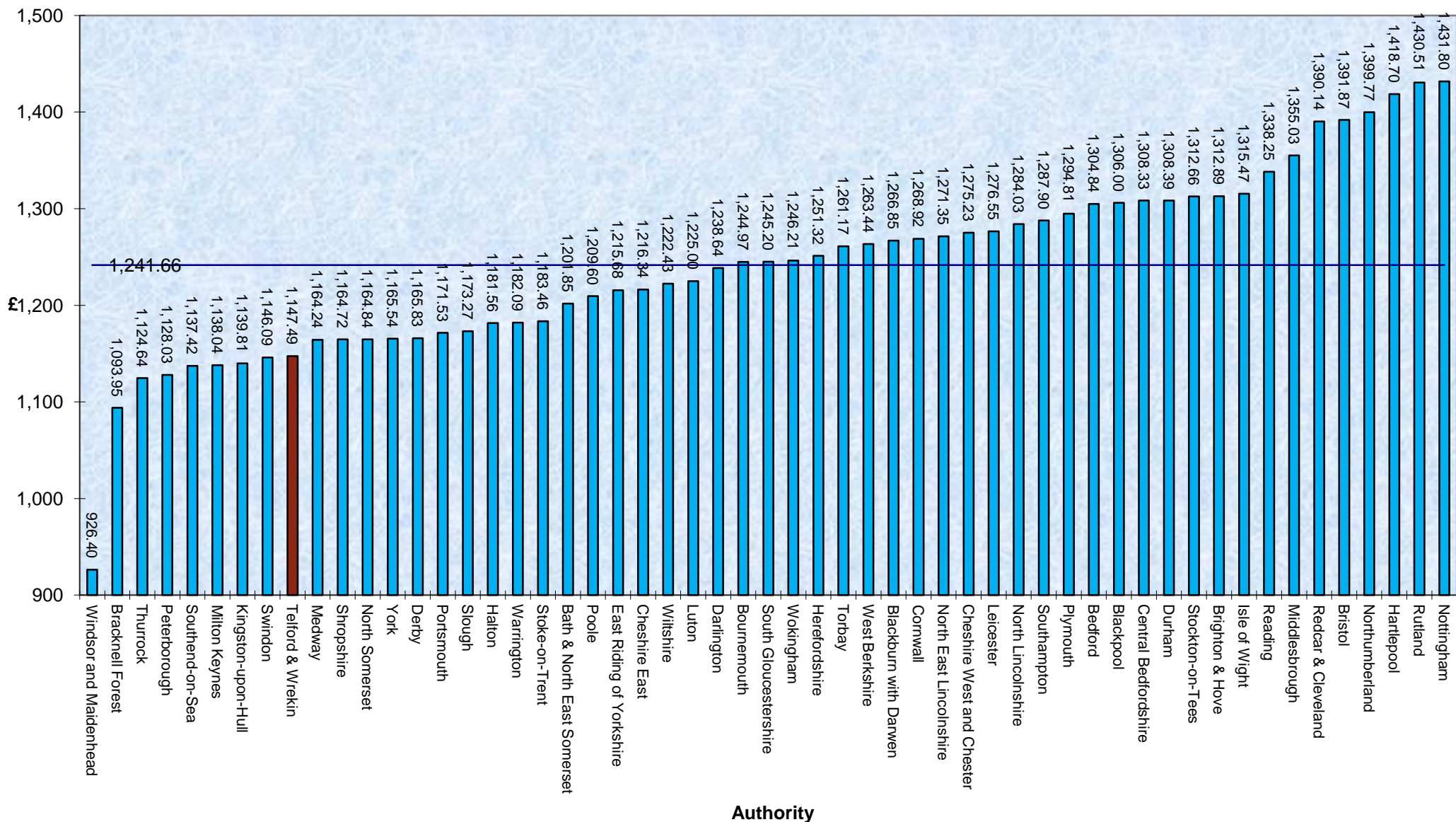
APPENDIX 6
Midlands Authorities 2014/15 Band D Council Tax for Equivalent Unitary Services
(Excluding Police, Fire* and Parish Precepts)



Authority
*** includes fire expenses**

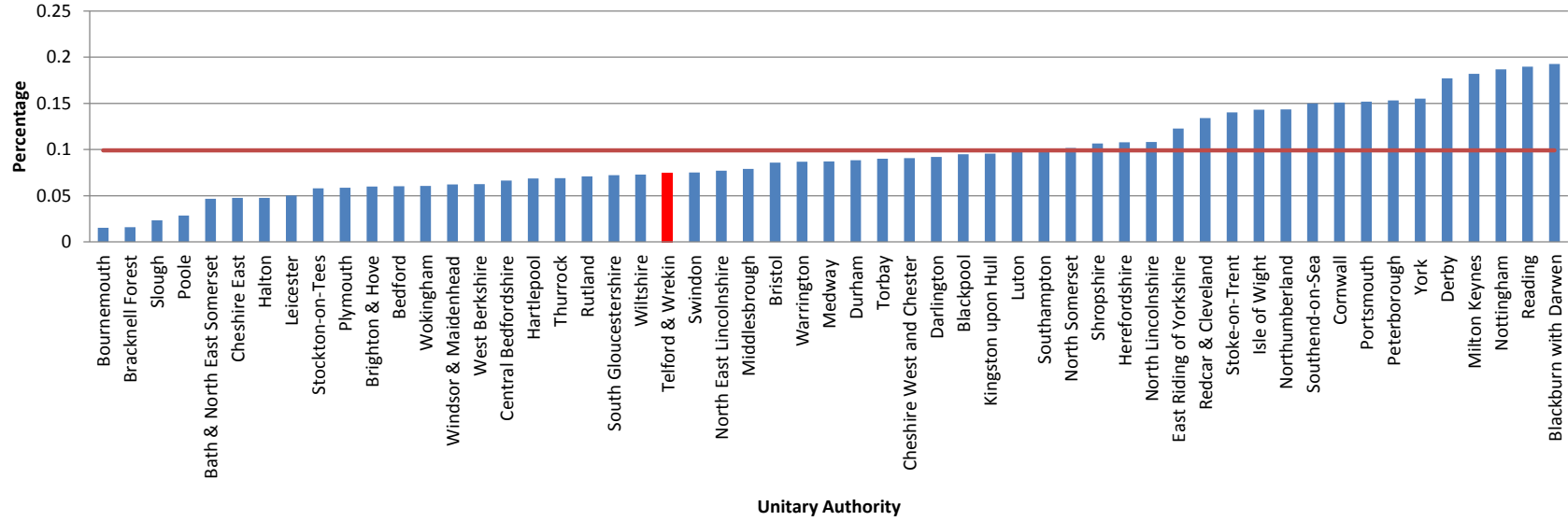
**Unitary Authorities 2014/15 Band D Council Tax
(Excluding Police, Fire and Parish precepts)**

APPENDIX 7



Financing Costs to Net Revenue Stream - 2014/15

Appendix 8



Base Budget Movements from 2014/15

	<u>£'000</u>	<u>£'000</u>
2014/15 Base Budget		129,186
Less use of Balances - MRP Reserve being used to fund Pride In Community borrowing costs		(195)
Less One-Offs in 2014/15 Budget:		
Safeguarding contingency	(1,200)	
Telford Pride in Your Community - Revenue Investment	(1,608)	
Youth Unemployment Revenue Investment	(1,305)	
		(4,113)
Transfer to Collection Fund Reserve		1,862
		126,740
<u>Inflation</u>		
General	991	
Pay Inflation	880	
		1,871
<u>Council Wide Items</u>		
Pensions - Increase in employers contribution	300	
TWS Pension Liability	24	
Crisis Assistance Funding	100	
Housing Benefit/CTS Admin Grant Reduction	130	
Other	(1,374)	
		(820)
<u>Capital/Treasury</u>		
Cost of Capital Programme	1,150	
		1,150
<u>Service Pressures</u>		
Reduction in Education Services Grant	580	
		580
Base Budget		129,521
<u>Less Savings</u>		
Savings Proposals - approved in February 2014	(6,644)	
		(6,644)
<u>Less Funding</u>		
Council Tax Income	(50,841)	
Council Tax Freeze Grant	(1,215)	
Collection Fund	(2,262)	
Revenue Support Grant/Retained Rates/Top Up	(66,018)	
Total Funding		(120,336)
Base Funding Requirement		2,541

**TELFORD & WREKIN COUNCIL
REVENUE BASE BUDGET**

Service Delivery Unit	<u>2015/16</u> <u>GROSS</u> <u>EXPENDITURE</u> £	<u>2015/16</u> <u>GROSS</u> <u>INCOME</u> £	<u>2015/16</u> <u>NET</u> <u>EXPENDITURE</u> £
Public Health, Wellbeing & Public Protection	11,812,859	9,747,879	2,064,980
Law, Democracy & People Services	5,352,030	4,993,610	358,420
Neighbourhood & Leisure Services	43,926,920	13,997,010	29,929,910
Development, Business & Employment	24,704,500	23,100,500	1,604,000
Customer Services	106,271,790	100,843,680	5,428,110
Finance, Audit & Information Governance	5,114,980	5,114,980	0
Adult Social Services	52,438,616	15,248,106	37,190,510
Family, Cohesion & Commissioning	14,935,673	4,478,653	10,457,020
Childrens Safeguarding & Specialist Services	26,268,952	5,732,762	20,536,190
Education & Corporate Parenting	118,736,013	108,508,153	10,227,860
Co-operative Council	4,118,170	2,836,760	1,281,410
Council Wide Items	13,739,250	4,913,370	8,825,880
Netting off of Internal Recharges included above	(25,413,250)	(25,413,250)	0
Total	402,006,503	274,102,213	127,904,290
Less Use of Balances	1,862,000	245,110	1,616,890
Net Total	403,868,503	274,347,323	129,521,180

		Balance at 1 April 2018 £m
Total Reserves and Balances		43.63
Less Commitments/Earmarked Funds:		
School Funds	Balances held on behalf of schools; therefore not available to the Council	- 9.17
Funds held for other sectors/partnership working	Includes funds for the Local Safeguarding Partnership, Telford Energy Advice Centre, Arthog, PVI Early Years sector and Section 38 Funds	- 0.41
Building Schools for the Future Funds	Procurement, capital and lifecycle costs which are fully committed to delivering the BSF programme	- 0.11
Grant funding	Grant funding received and fully committed in the budget strategy	- 0.12
Insurance Reserves	Required to cover policy excesses and other potential costs such as MMI liabilities and claims prior to 1998 (unitary)	- 1.84
Severance Fund	Funds set aside to meet one off severance costs associated with service redesign which delivers ongoing savings	- 3.03
Hadley PFI Sinking Fund	Based on funding model; fully committed equalisation fund	- 0.74
Other Corporate Items	For example, Collection Fund	- 2.61
Single Status	Provision for equal pay settlement	- 11.95
Other Provisions	For example NDR Appeals, Bad Debts and Funding Reserve	- 8.88
Specific Earmarked Service Balances	Residual balances held by services following a rigorous review of balances undertaken	- 0.48
Residual General Working Balances		4.29

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	Type	category	April 2014 Opening		April 2015 Opening		April 2016 Opening		April 2017 Opening		April 2018 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/14	Estimated Change during 2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	Estimated Change during 2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	Estimated Change during 2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	Estimated Change during 2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18			
General / Special Fund Balances															
Special Fund Bal	Special Fund Balance	2	SF Balance	(476,129.52)		(476,129.52)		(476,129.52)		(476,129.52)		(476,129.52)		Working balance	Sufficient
General Fund Bal	General Fund Balance	2	GF Balance	(2,747,552.53)	250,000.00	(2,497,552.53)		(2,497,552.53)		(2,497,552.53)		(2,497,552.53)		General Fund Working Balance	Forms part of minimum level of balances required
Reserves	Budget Strategy Reserve	2	Budg Strat	(830,230.45)		(830,230.45)		(830,230.45)		(830,230.45)		(830,230.45)		Available for budget strategy	
Reserves	Additional Contingency	2	Budg Strat	(3,125,397.30)	3,125,397.30	0.00		0.00		0.00		0.00		Committed	Forms part of medium term financial strategy
Reserves	General Reserves		Conting	(433,590.13)	(50,000.00)	(483,590.13)		(483,590.13)		(483,590.13)		(483,590.13)			
Total General / Special Fund Balances				(7,612,899.93)	3,325,397.30	(4,287,502.63)	0.00	(4,287,502.63)	0.00	(4,287,502.63)	0.00	(4,287,502.63)	0.00		
Specific Commitments not Available															
Collection Fund	Council Tax Coll Fund Rev Acc	1	corporate	(1,634,933.05)	300,000.00	(1,334,933.05)	300,000.00	(1,034,933.05)		(1,034,933.05)		(1,034,933.05)		Collection fund surplus	T&W element of Collection fund balance; strategy for 14/15 uses £0.3m; use also in the strategy for subsequent 3 years.
Provision	NDR Appeals Provision	1	Provision	(2,010,960.00)		(2,010,960.00)		(2,010,960.00)		(2,010,960.00)		(2,010,960.00)			
Reserve	NDR Administration	1	corporate	(250,000.00)	250,000.00	0.00		0.00		0.00		0.00			
Reserve	Adult Social Services Draw Down Budget	1	corporate	(2,500,000.00)	2,500,000.00	0.00		0.00		0.00		0.00		Fully Committed	
Reserve	Accommodaton	1	corporate	(300,000.00)		(300,000.00)		(300,000.00)		(300,000.00)		(300,000.00)			
Reserve	Broadband Development	1	corporate	(400,000.00)		(400,000.00)		(400,000.00)		(400,000.00)		(400,000.00)		Broadband match funding	
Reserve	Healthy Eating Initiative/Pilot	1	corporate	(34,000.00)		(34,000.00)		(34,000.00)		(34,000.00)		(34,000.00)			
Provision	Single Status Provision - General Fund element	1	Provision	(11,947,379.52)		(11,947,379.52)		(11,947,379.52)		(11,947,379.52)		(11,947,379.52)			
Reserves	Skills Dvpt and Apprentices	1	corporate	(423,237.74)	227,688.00	(195,549.74)	195,549.74	0.00		0.00		0.00		To support employees facing redundancy and apprentice posts	
Usable Capital Receipts	PIP Reinvestment Programme	1	corporate		721,676.75	721,676.75	(1,567,000.00)	(845,323.25)		(845,323.25)		(845,323.25)			Used to re-invest in PIP to maximise returns
Reserves	Severance Fund	1	severance	(4,201,623.29)	1,168,000.00	(3,033,623.29)		(3,033,623.29)		(3,033,623.29)		(3,033,623.29)		Fund set up to meet the one off costs of redundancies arising from restructures in order to deliver ongoing savings	Monitored as restructures progress.
Provision	Redundancy Provision	1	severance	(366,799.03)	366,799.03	0.00		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 31/3/14	Fully committed in 14/15
Reserve	Pride in Your Community - Funding Reserve	1	Provision	(4,884,000.00)	50,000.00	(4,834,000.00)	245,000.00	(4,589,000.00)	434,000.00	(4,155,000.00)	434,000.00	(3,721,000.00)		Reserve created to fund debt charges associated with the Pride In Your Community initiative.	Will meet associated debt charges until 2026/27
Reserves	Insurance - Self Insurance Fund	1	insurance	(1,466,216.87)		(1,466,216.87)		(1,466,216.87)		(1,466,216.87)		(1,466,216.87)		Self insurance fund to cover insurance excesses - established in 2008/09 following decision to increase excesses.	Regularly reviewed - requirement depends on claims.
Reserves	Bad Debt Reserve	1	Provision	(500,000.00)	50,000.00	(450,000.00)		(450,000.00)		(450,000.00)		(450,000.00)			
Reserves	LPSA Reward Grant LSP element - revenue	1	grants	(224,890.54)	25,365.00	(199,525.54)	36,280.00	(163,245.54)	36,280.00	(126,965.54)	36,280.00	(90,685.54)		Committed to fund Community Engagement Team	Fully committed in budget
Reserves	LPSA Reward Grant LSP element - capital	1	grants	(54,732.24)	54,732.24	0.00		0.00		0.00		0.00		Not required for original purpose - will fund capital spend currently funded by revenue	
School Bals	School Balances	1	SF	(6,013,374.02)	1,000,000.00	(5,013,374.02)	750,000.00	(4,263,374.02)		(4,263,374.02)		(4,263,374.02)		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.)	
Reserves	Schools' Supply Insurance Fund	1	SF	(47,825.43)	5,000.00	(42,825.43)	5,000.00	(37,825.43)	5,000.00	(32,825.43)	5,000.00	(27,825.43)		Self Insurance Fund for supply teacher cover in Schools including maternity pay - fluctuates year on year dependant on levels of sickness and maternity leave	LA administered insurance fund to limit the additional costs incurred by schools resulting from contracted staff absence due to sickness. This is a fund constantly reviewed to ensure premiums are appropriate for the level of cover and claim
Reserves	Theft & Vandalism Fund	1	SF	(26,363.43)	5,000.00	(21,363.43)	5,000.00	(16,363.43)	5,000.00	(11,363.43)	5,000.00	(6,363.43)		Self Insurance fund to cover schools costs re theft and vandalism - would expect to hold small variance.	LA administered to limit losses losses to schools. Regular review to ensure premiums are at an appropriate level.
Provision	Single Status - DSG and Schools	1	SF	(4,328,303.73)		(4,328,303.73)		(4,328,303.73)		(4,328,303.73)		(4,328,303.73)		Provision for Single Staus costs in schools and DSG centrally funded staff	As per Corporate percentages
Reserves	Youth Offending	1	Others	(213,623.83)	213,623.83	0.00	0.00	0.00		0.00		0.00		T&W share of Partnership reserve for YOS - confirmed share of reserve following closure of Partnership - other Cms are Systemic Training - £80k, Edge of Care manager £53k. Rest to be utilised for various savings initiatives as pump priming.	

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	Type	category	April 2014 Opening		April 2015 Opening		April 2016 Opening		April 2017 Opening		April 2018 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/14	Estimated Change during 2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	Estimated Change during 2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	Estimated Change during 2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	Estimated Change during 2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18			
Reserves	Local Safeguarding Board	1	Others	(48,883.52)	10,000.00	(38,883.52)	5,000.00	(33,883.52)	5,000.00	(28,883.52)	5,000.00	(23,883.52)	T&W Share of Partnership reserve to support the work of the Local Safeguarding Board		
Reserves	SDG Balances	1	SF	(3,334.83)	1,500.00	(1,834.83)	1,500.00	(334.83)	334.83	0.00		0.00	School Development Group Fund - monies used to support development of Learning Communities by schools	Balance held on behalf of schools.	
Specified	Early Years	1	others	(113,622.49)	45,000.00	(68,622.49)	25,000.00	(43,622.49)	10,000.00	(33,622.49)	10,000.00	(23,622.49)	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	
Reserves	Service Transformation	1	Service	(251,502.07)	120,000.00	(131,502.07)	150,000.00	18,497.93	(18,497.93)	0.00		0.00	committed for Adults and Children's Service Review ICT Transformation provided.		
Lawley Nursery Reserves	Early Years	1	Service	(181,517.53)	80,000.00	(101,517.53)	75,000.00	(26,517.53)	26,517.53	0.00		0.00	To relocate nursery provision associated with a school site within BSF programme and sustain existing LA nursery provision		
Reserves	Match Funding Provision	1	Service	(84,583.24)		(84,583.24)		(84,583.24)		(84,583.24)		(84,583.24)	Committed to budget strategy		
Reserves	Arthog Trading Provision	1	Others	(145,059.30)	54,714.00	(90,345.30)		(90,345.30)		(90,345.30)		(90,345.30)	Working balance for trading operation	Commitments against provision could be reviewed.	
Reserves	Section 38 Income	1	Others	(265,201.68)		(265,201.68)		(265,201.68)		(265,201.68)		(265,201.68)	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.	
Reserves	Hadley PFI Sinking Fund	1	PFI	(1,524,536.36)	142,237.00	(1,382,299.36)	211,072.00	(1,171,227.36)	215,000.00	(956,227.36)	215,000.00	(741,227.36)	Equalisation account relating to Hadley PFI	Based on the funding model - fully committed	
Reserves	Lifelong Learning Grant	1	grants	(216,281.45)	216,281.45	0.00		0.00		0.00		0.00	Grant received from SFA, should have been identified as creditor at year end. Academic grant which has been spent in April - Aug 2014.		
Reserves	Active Involvement activities for Children with Disabilities	1	Others	(23,390.62)	10,000.00	(13,390.62)	10,000.00	(3,390.62)	0.00	(3,390.62)		(3,390.62)	£23k for specific Active involvement projects relating to Children with Disabilities.		
Reserves	Invest to Save Reserve	1	Service	(150,000.00)	150,000.00	0.00		0.00		0.00		0.00	Committed for Family Connect services and training associated service transformation		
Reserves	PIP Reserve Contribution Account	1	corporate	(419,331.90)	327,503.00	(91,828.90)	91,828.90	0.00		0.00		0.00	Reserve to be used to aid with the ongoing rationalisation of the PIP resulting pressures on Income and Service Charge voids.	Fully committed by 15/16	
Reserves	Dilapidations - PIP	1	corporate	(41,813.15)	30,000.00	(11,813.15)	11,813.15	0.00		0.00		0.00	Committed spend on Hollinswood House & Stafford Park 15 and a number of other properties in relation to dilapidations.	Fully committed by 15/16	
Reserves	Granville House	1	Service	(70,803.12)		(70,803.12)	70,803.12	0.00		0.00		0.00	Granville House refurbishment - will be utilised as part of accomodation strategy, Drunton	Revenue	
Reserves	Transforming Telford Reserve	1	Service	(56,755.99)	56,755.99	0.00		0.00		0.00		0.00	TT will be closed this year - hold for closure costs _Drunton	Revenue	
Reserves	Projects Capital - schools contributions	1	SF	(143,778.76)	143,778.76	0.00		0.00		0.00		0.00	Committed spend on Donnington Woods Infants new Early Years development - external funding received in advance.	Fully committed by 15/16	
Reserves	Corporate ICT Reserve	1	corporate	(520,000.00)	520,000.00	0.00		0.00		0.00		0.00	To support the ICT Capital Programme in 2014/15		
Total Specific Commitments				(46,088,658.73)	8,845,655.05	(37,243,003.68)	621,846.91	(36,621,156.77)	718,634.43	(35,902,522.34)	710,280.00	(35,192,242.34)			
Specific Earmarked Balances Identified as Risks															
Debtors	Bad Debt Provision	3	Provision	(2,696,897.94)		(2,696,897.94)		(2,696,897.94)		(2,696,897.94)		(2,696,897.94)	To cover bad debts	Level based on formula	
Reserves	Corporate Environmental Fund	3	Service	(19,917.33)	19,917.33	0.00		0.00		0.00		0.00	Committed to Environmental works.	Balance of £400k Environmental Fund 2012/13. Fully applied in 14/15.	
Reserves	Invest to Save Account Balance	3	ITS	(546,970.84)	246,930.00	(300,040.84)	300,040.84	0.00		0.00		0.00	Committed to ITS schemes which will generate future savings		
Reserves	Corporate Capacity Fund	3	Capacity	(1,146,249.09)	802,689.00	(343,560.09)	343,560.09	0.00		0.00		0.00	Various initiatives to build capacity. Spend agreed by cabinet on 11.07.12.		
Reserves/Provision/Creditor	Insurance Funds	3	insurance	(243,093.29)		(243,093.29)		(243,093.29)		(243,093.29)		(243,093.29)	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	
Reserves	General - Insurance - SCC liabilities	3	insurance	(227,084.39)	25,000.00	(202,084.39)	25,000.00	(177,084.39)	25,000.00	(152,084.39)	25,000.00	(127,084.39)	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.	
Reserves	Stop Loss Provision	31	SF	(946,738.68)	200,000.00	(746,738.68)	100,000.00	(646,738.68)	75,000.00	(571,738.68)	75,000.00	(496,738.68)	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		

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	Type	category	April 2014 Opening		April 2015 Opening		April 2016 Opening		April 2017 Opening		April 2018 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/14	Estimated Change during 2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	Estimated Change during 2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	Estimated Change during 2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	Estimated Change during 2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18			
Reserves	BSF Lifecycle and FM	31	BSF	(217,992.20)	71,009.00	(146,983.20)	40,000.00	(106,983.20)		(106,983.20)		(106,983.20)	The reserve reflects the Council's agreed approach to delivering FM & Lifecycle at secondary schools in line with EFA specifications - this will be reviewed 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.		
Reserves	Building Schools for the Future	31	BSF	(343,626.69)	145,916.00	(197,710.69)	149,601.00	(48,109.69)	48,109.69	0.00		0.00	Reserve set aside for procurement costs associated with BSF		
Total Specific Earmarked Balances Identified as Risks				(6,388,570.45)	1,511,461.33	(4,877,109.12)	958,201.93	(3,918,907.19)	148,109.69	(3,770,797.50)	100,000.00	(3,670,797.50)			
Specific Earmarked Service Balances															
Reserves	Elections Equalisation Reserve	4	Service	(147,583.14)		(147,583.14)	147,583.14	0.00		0.00		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	
Reserves	Single Status Project	4	Service	(230,000.00)		(230,000.00)	230,000.00	0.00		0.00		0.00	Required to fund single status project work (including legal and consultancy costs) and preparation for implementation		
Reserves	People Services	4	Service	(9,674.51)		(9,674.51)		(9,674.51)		(9,674.51)		(9,674.51)	No longer required - will be transferred into GF Bals		
Creditors	Community Right to Challenge	4	Service	(8,547.00)	8,547.00	0.00		0.00		0.00		0.00			
Reserves	Balance Control Mechanism / Residual balances from closed schools	4	SF	(51,281.17)	0.00	(51,281.17)		(51,281.17)		(51,281.17)		(51,281.17)	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.	
Reserves	Health Watch	4	Service	(7,679.13)	7,679.13	0.00		0.00		0.00		0.00	Specific funding for transition to health watch-funding required to meet the set up costs of the provider. Ongoing work re novation to new provider expect to fully utilise this year.		
Specified	Early Help Plan	4	Service	(80,000.00)	65,787.00	(14,213.00)	14,213.00	0.00		0.00		0.00	Required to Support Early Help Action Plan		
Reserves	Joint Commissioning Balance	4	Service	(26,598.59)	26,598.59	0.00		0.00		0.00		0.00	Committed into budget		
Reserves	Safer Communities cwfd	4	Service	(84,450.63)	50,000.00	(34,450.63)	34,450.63	0.00		0.00		0.00	Combination of two reserves - committed to fund Domestic Violence service and initiatives, Crucial Crew and other community safety costs to be incurred.		
Reserves	SIS - One vision	4	Service	(16,142.52)	16,142.52	0.00		0.00		0.00		0.00	Given by One Vision Charity to support children with vision impairment - committed		
Reserves	Youth Projects Support	4	Service	(174,482.75)	100,000.00	(74,482.75)	50,000.00	(24,482.75)		(24,482.75)		(24,482.75)	Some external projects funding but will be used to support work towards new Youth Offer as per savings schedule		
Reserves	Stafford Park Pooled Fund	4	Service	(45,532.43)	45,532.43	0.00		0.00		0.00		0.00	Reserve arising from Stafford Park arrangement - now being decommissioned which is likely to result in some costs to the Council - monies to be used to cover costs whilst marketing property		
Reserves - from creditors	Education Welfare Balance	4	Service	(50,354.14)	30,000.00	(20,354.14)	10,000.00	(10,354.14)	10,000.00	(354.14)		(354.14)	Income from fixed penalty notices re Truancy etc - held to fund training and resources costs associated with this process.		
Reserves	School Reorganisation Reserve	4	Service	(330,017.00)	0.00	(330,017.00)	330,017.00	0.00		0.00		0.00	Monies carried forward as a reserve against the possible unfavourable balance on schools conversions to academy status		
Reserves	Trainee Social Worker Reserve	4	Service	(104,191.60)	11,286.00	(92,905.60)	25,000.00	(67,905.60)	35,000.00	(32,905.60)	20,548.00	(12,357.60)	To support a bursary scheme for trainee social workers-SW's are incumbent in these posts and will require the reserve funding	Funds committed to specific posts - reflects 4 for 3 years	
Reserves	PCT monies	4	Others	(2,098,017.67)	1,000,000.00	(1,098,017.67)	1,098,017.67	0.00		0.00		0.00	Committed to budget strategy		
Reserves	Transforming Social Care Grant	4	Service	(213,189.39)	173,000.00	(40,189.39)	40,189.39	0.00		0.00		0.00	Grant paid to LA's to implement Transformation to Social care service delivery including Personalisation etc	The committed balance meets current committed costs against the implementation of RAS and Transformation project posts	
Reserves	Service Review and ICT Reserve	4	Service	(195,705.38)	100,000.00	(95,705.38)	95,705.38	0.00		0.00		0.00	Funding for ICT Project as part of Adults & Childrens Transformation		
Reserves	Public Health Transition Grant	4	grants	(29,204.73)	29,204.73	0.00		0.00		0.00		0.00	To fund pressures arising from any errors in information during transition.		
Reserves	Civil Resilience	4	Service	(397.00)	397.00	0.00		0.00		0.00		0.00	To purchase a new generator		
Reserves	Legal Reserve	4	Service	(50,135.83)	35,000.00	(15,135.83)		(15,135.83)		(15,135.83)		(15,135.83)	£34k grant received for personal search fees potential liability; balance for standards investigations	Fully committed	

Schedule of Provisions, Reserves and Balances

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				Actual Closing Balance 31/3/14	Estimated Change during 2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	Estimated Change during 2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	Estimated Change during 2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	Estimated Change during 2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18			
Reserves	R&B General Staffing	4	Service	(270,189.67)	120,661.00	(149,528.67)	100,000.00	(49,528.67)	49,528.67	0.00		0.00	To support additional staffing costs to meet Pis.		
Reserves	Inward Investment & Marketing	4	Service	(9,973.16)	9,973.16	0.00		0.00		0.00		0.00	To meet costs of fixed contract posts.	Fully committed in 14/15	
Reserves	Safeguarding Capacity Fund Investment	4	Service	(51,796.00)	51,796.00	0.00		0.00		0.00		0.00			
Reserves	ICT Equipment Reserve	4	Service	(75,000.00)	75,000.00	0.00		0.00		0.00		0.00	To support equipment replacement costs for schools and the schools pricing model.		
Reserves	Telford Loyalty Card Scheme	4	Service	(40,000.00)	40,000.00	0.00		0.00		0.00		0.00	To fund post in Corporate Comms supporting TLC Scheme and associated costs of scheme.		
Reserves	Coalbrookdale Water Course	4	grants	(163,808.87)	60,000.00	(103,808.87)	50,000.00	(53,808.87)	10,000.00	(43,808.87)	43,808.87	0.00	Coalbrookdale Water course drawdown as and when required each year.	Draining is completed bi annually.	
Reserves	Creative Development	4	grants	(14,810.24)	5,700.00	(9,110.24)		(9,110.24)		(9,110.24)		(9,110.24)			
Reserves	Stoneyhill Landfill	4	grants	(21,038.00)	0.00	(21,038.00)		(21,038.00)		(21,038.00)		(21,038.00)			
Reserves	Budget Strategy Reserve	4	Service	(100,000.00)	0.00	(100,000.00)	100,000.00	0.00		0.00		0.00	New Planning System development, however the current system is being upgraded to enable the latest version of GIS. The system will be reviewed as to its sustainability.	Appropriate value held.	
Reserves	Capacity Fund - Skills Analysis	4	Service	(42,800.00)	42,800.00	0.00		0.00		0.00		0.00	Committed against Skills gap analysis	Fully committed in 14/15	
Reserves	Capacity Fund - Targeted Marketing Campaign	4	Service	(118,080.46)	118,080.46	0.00		0.00		0.00		0.00	Committed against Targeted marketing campaign	Committed in 14/15 re Southwater	
Reserves	Capacity Fund - First Point for Business	4	Service	(10,114.99)	10,114.99	0.00		0.00		0.00		0.00	Committed against First Point for Business.	Fully committed in 14/15.	
Fund Balances	Destination Telford	4	Service	(64,509.51)	64,509.51	0.00		0.00		0.00		0.00	Destination Telford .	Fully committed in 14/15 Southwater	
Reserves	Environmental Services Gen Reserve	4	Service	(16,000.00)		(16,000.00)		(16,000.00)		(16,000.00)		(16,000.00)	Granville House refurbishment		
Reserves	Arts Grant Control Account	4	Service	(30,000.00)	30,000.00	0.00		0.00		0.00		0.00	Funding for Tive, fully committed in 14/15.	Committed in 14/15	
Reserves	Sponsorship Fund	4	Service	(20,305.31)	20,305.31	0.00		0.00		0.00		0.00	£4k cont. To AFC Telford re.Football in the community post (LEBD). £14k project grants applied to revenue. £2k for Playing pitch reports.	Committed in 14/15	
Reserves	Waste Contract Sinking Fund	4	Service	(350,016.74)	(49,983.26)	(400,000.00)	200,000.00	(200,000.00)	200,000.00	0.00		0.00	Enable the ongoing management of new Waste contract.	Fully committed for new Waste contract, interfaces between contractor and T&W plus staffing.	
Reserves	Pride in Your Community	4	Service	(40,504.15)	(709,495.85)	(750,000.00)	750,000.00	0.00		0.00		0.00	Balance of Urban Tree scheme funding from '£400k pot' to be used in 14/15 against Pride Urban Tree scheme. 750K C'fd into 15/16 to fund 2nd year Pride Revenue	Fully committed in 15/16 for PRIDE	
Reserves	SITA Pass Through Costs	4	Service	(171,819.00)		(171,819.00)	171,819.00	0.00		0.00		0.00	Balance set aside for Disputed Cost Pass through costs and legal expenses on EWAE	This is to fund a claim from Sita, relating to a contribution to landfill works. This is currently subject to investigation and response between lawyers. This has been retained for payment, which is still unknown at this point in time. The value held has been based upon a formula and is adequate.	
Reserves	Telford Town Park Commuted Sums	4	Service	(119,700.00)	70,010.00	(49,690.00)		(49,690.00)		(49,690.00)		(49,690.00)	Balance to be built up over 10 years to fund management and maintenance plan for further ten years after 2020, £30k one off contribution to Southwater Interface.	14/15 - £80k included as one off saving in year within latest savings proposals.	
Reserves	Parish Environmental Teams	4	Service	(51,087.55)	51,087.55	0.00		0.00		0.00		0.00		Fully applied in 14/15 to PET schemes to cover material costs.	
Reserves	Preventing Repossessions	4	Service	(18,500.00)	18,500.00	0.00		0.00		0.00		0.00	Amalgamated with Homeless Review Reserve		
Reserves	Transport	4	Service	(168,830.00)	75,000.00	(93,830.00)	40,000.00	(53,830.00)		(53,830.00)		(53,830.00)	Costs for purchase of Sat Nav system for Fleet vehicles and logical system change	Clive says needs to be retained by him for purposes identified	
Reserves	Transport Review Reserve	4	Service	(61,000.00)	50,000.00	(11,000.00)		(11,000.00)		(11,000.00)		(11,000.00)	To fund additional costs associated with review	This is for any initiatives to deliver Transport savings - accessible by other ADs	
Reserves	SEN Review Reserve	4	Service	(100,000.00)	100,000.00	0.00		0.00		0.00		0.00	To fund additional costs associated with review		
Reserves	Homelessness Review Reserve	4	Service	(100,000.00)	31,500.00	(68,500.00)	50,000.00	(18,500.00)		(18,500.00)		(18,500.00)	To fund additional costs associated with review and to supplement any preventative work, and support the implementation of the Homelessness Strategy	Now identified to deal with Housing Options staffing - 2 Scale 4 posts over 2 years	
Reserves	Substance Misuse Bond Scheme	4	Service	(24,351.81)	24,351.81	0.00		0.00		0.00		0.00	Supports charitable housing options e.g Manning Place & KIP project		
Reserves	New Technology	4	Service	(140,009.92)	20,000.00	(120,009.92)	100,000.00	(20,009.92)	20,009.92	0.00		0.00	Committed to Financial Management system		
Reserves	Cashless Catering system	4	Service	(33,386.90)	33,386.90	0.00		0.00		0.00		0.00	This will be used to offset service pressures in year.		

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	Type	category	April 2014 Opening		April 2015 Opening		April 2016 Opening		April 2017 Opening		April 2018 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
				Actual Closing Balance 31/3/14	Estimated Change during 2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	Estimated Change during 2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	Estimated Change during 2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	Estimated Change during 2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18			
Reserves	Catering Control Account	4	Service	(102,327.81)	100,000.00	(2,327.81)	2,327.81	0.00		0.00		0.00	0.00	Set up costs for Haughmond Hill, Telford Ice Rink. Funding for the Commercial Project Officer post and funding towards the Lets Cook Project.	
Reserve	Organisational Improvement Fund	4	Service	(228,881.17)	90,042.00	(138,839.17)	45,000.00	(93,839.17)	45,000.00	(48,839.17)	48,839.17	0.00	0.00	To fund Organisational Improvement Programme	
Reserves	Cooperative Council Initiatives	4	Service	(24,216.30)	24,216.30	0.00		0.00		0.00		0.00	0.00	Used for the Early Bird Pilot Schemes in schools in 2014/15	
Reserves	Mystery Shopper Exercise	4	Service	(3,000.00)	3,000.00	0.00		0.00		0.00		0.00	0.00	Committed to further mystery shopper exercises in 2014/15	
Reserves	Library Self Service Facilities	4	Service	(50,000.00)	50,000.00	0.00		0.00		0.00		0.00	0.00	To be used for the purchase of e books and to fund the SDM post from 01.04.14 to 31.10.14.	
Reserves	Graphic Design - PC Replacement Reserve	4	Service	(13,000.00)	13,000.00	0.00		0.00		0.00		0.00	0.00	For replacement Apple MACS in Graphic Design.	
Reserves	Corporate Communications Reserve	4	Service	(17,525.00)	17,525.00	0.00		0.00		0.00		0.00	0.00	To fund Gov Connect and training costs.	
Reserves	People Services Reserve	4	Service	(40,000.00)	40,000.00	0.00		0.00		0.00		0.00	0.00	Funding for scanning of personnel files.	
Reserves	Delivery & Planning Reserve	4	Service	(15,000.00)	15,000.00	0.00		0.00		0.00		0.00	0.00	IEWM Grant to fund training costs	
Reserves	Register Office	4	Service	(10,303.50)	10,303.50	0.00		0.00		0.00		0.00	0.00	£4k for replacement headstones and the balance is for backscanning of registration documents	
Reserves	Finance capacity reserve	4	Service	(79,811.00)	7,906.00	(71,905.00)	22,905.00	(49,000.00)		(49,000.00)		(49,000.00)	(49,000.00)	To provide additional capacity within Finance.	
Reserves	Library Book Fund	4	Service	(15,950.00)	15,950.00	0.00		0.00		0.00		0.00	0.00	For the purchase of new books in Southwater	
Reserves	Land Charges	4	Service	(38,500.00)		(38,500.00)		(38,500.00)		(38,500.00)		(38,500.00)	(38,500.00)	To support the pricing review of Land Charges	
Reserves	Reablement Reserve	4	Service	(562,618.16)	562,618.16	0.00		0.00		0.00		0.00	0.00		
Reserves	Transformation Posts Reserve	4	Service	(557,850.60)	473,000.00	(84,850.60)	84,850.60	0.00		0.00		0.00	0.00		
Reserve	Public Health Grant	4	Service	(31,000.63)	31,000.63	0.00		0.00		0.00		0.00	0.00		
Reserves	Joint Arrangement	4	Service	(3,967.00)	3,967.00	0.00		0.00		0.00		0.00	0.00	Small reserve as a one off for services in Joint Arrangement - currently awaiting notification from Shropshire of results of their review of costs - will be used in revenue account in year.	
Reserves	Early Help Partnership	4	Service	(69,263.53)	19,263.53	(50,000.00)	50,000.00	0.00		0.00		0.00	0.00	The development of the Early Help Offer including the identification training need in respect of the Emotional Health and Well being of CYP and delivery of "Team around the Child" and "Common Assessment Framework" training will incur costs but is investment required to ensure enable the delivery of the savings identified within the Councils medium term budget plan	
Reserves	Tennis Centre Sinking Fund	4	Service	(26,222.02)	26,222.02	0.00	(13,000.00)	(13,000.00)	(13,000.00)	(26,000.00)	(13,000.00)	(39,000.00)	(39,000.00)	Condition of grant that we build up a replacement fund. This will be applied when expenditure is incurred each year.	14/15 - included as one off saving in year within latest savings proposals.
Reserves	Rotary Club activities	4	Service	(331.04)	331.04	0.00		0.00		0.00		0.00	0.00	To be used for activities of Children in Care	
Reserves	Procurement Advice reserve	4	Service	(42,061.00)	18,500.00	(23,561.00)		(23,561.00)		(23,561.00)		(23,561.00)	(23,561.00)		
Reserves	World Heritage Lottery Fund	4	Service	(5,000.00)	5,000.00	0.00		0.00		0.00		0.00	0.00		Committed in 14/15 on DDAK World Heritage Management plan to cover costs of Heritage Lottery Fund bid.
Reserves	MOD Feasibility Project	4	Service	(79,782.08)	79,782.08	0.00		0.00		0.00		0.00	0.00	Remainder of £350k contingency funding for MOD project	Fully committed in 14/15 against DDBC MOD Project.
Reserves	Young Persons Substance Misuse	4	Service	(74,891.17)	35,000.00	(39,891.17)	4,891.17	(35,000.00)		(35,000.00)		(35,000.00)	(35,000.00)	Planned use to offset loss of Drugs funding	
Reserves	Community Safety Fund	4	Service	(21,051.27)	6,051.27	(15,000.00)	15,000.00	0.00		0.00		0.00	0.00	Funding used for projects agreed by the Community Safety Partnership.	
Total Specific Earmarked Service Balances				(8,493,370.17)	3,710,150.51	(4,783,219.66)	3,848,969.79	(934,249.87)	356,538.59	(577,711.28)	100,196.04	(477,515.24)			
Overall Total				(68,583,499.28)	17,392,664.19	(51,190,835.09)	5,429,018.63	(45,761,816.46)	1,223,282.71	(44,538,533.75)	910,476.04	(43,628,057.71)			

Budget Strategy – Communication and Engagement Plan – November 2014 to March 2015

APPENDIX 11

Task	Actions	Responsible person	Timescale
Scope equality impact assessment and engagement for savings		Andy Challenor (Engagement and Equalities Manager) and Richard Taylor-Murison (Equalities Officer)	October and December and February
Policy Review to agree the budget communication and consultation plan		Andy Challenor and Nigel Newman (Communications Manager)	28 November
Update online budget page	www.telford.gov.uk/budget	Andy Challenor	December
Agree key budget information and residents saving suggestions		Nigel Newman	December
Distribute – Your Voice – ‘Together we care’ cut out survey included		Nigel Newman	8 December
Online budget survey		Andy Challenor	8 December
Prepare and agree budget presentations for forums and community groups		Ken Clarke (Assistant Director – Finance, Audit & Information Governance), Andy Challenor, Nigel Newman and Cllr Bill McClements (Cabinet Member for Finance & Enterprise)	15 December
Prepare and agree budget road show materials		Ken Clarke (Assistant Director – Finance, Audit & Information Governance), Andy Challenor, Nigel Newman and Cllr Bill McClements (Cabinet Member for Finance & Enterprise)	15 December
Launch budget consultation		Andy Challenor and Nigel Newman	5 January

Budget press release		Nigel Newman	5 January
Rolling screen on Council website		Nigel Newman	During January
Distribute Community Panel survey		Andy Challenor and Jon Power (Delivery and Planning Manager)	Week beginning 5 January
Distribute consultation leaflets in key community buildings and community notice boards		Community Participation Team	Week beginning 5 January
Prepare easy read presentation		Deb Rudd (Engagement Officer) and Shirley Wilson (Marketing Officer)	6 January
Send out budget letter – key budget messages and signposting on how they can get further involved	<ul style="list-style-type: none"> • Parish, Town, Ward Members • Other key partners (LSP etc.) 	Nigel Newman	6 January
Budget information and consultation to go out to all employees		Andy Challenor and Nigel Newman	6 January
Send out budget ‘stakeholders’ email	Council database of 28,000	Nigel Newman	6 January
Send out budget ‘stakeholders’ email	Business Community	Andy Challenor	6 January
Send out budget ‘stakeholders’ email	Local forum database <ul style="list-style-type: none"> • Senior Citizens Forum • Parent and Carers Forum • PODS • Carers Contact Centre • CVS • RAFT • Listen not Label 	Andy Challenor	6 January

	• Healthwatch		
Send out budget stakeholders email to local organisations and community groups		Community Participation Team	6 January
Send out budget 'stakeholders' email to CapGemini and Lyreco and other 'business contacts		Wendy Tonge (Involvement Manager)	6 January
Attend Business Board	7.30am – 9.30am at Newport	Cllr Bill McClements, Richard Partington (Managing Director) and David Sidaway (Director: Development, Business and Customer Services)	7 January
Attend Parents with Children with Disabilities (PODS)	7pm – 9pm at Sainsbury's cafe	Cllr Bill McClements, Clive Jones and Karen Perry	8 January
Attend Senior Citizens Forum	10.30am – 12.30pm at Dawley Christian Centre	Cllr Bill McClements, Cllr Arnold England (Cabinet Member for Adult Social Care), Paul Taylor (Director: Care, Health and Well-being) and Ken Clarke	12 January
Attend Brookside Improvement Group	8pm – 9pm at the Mallard Pub Brookside	Cllr Bill McClements and Cllr Arnold England	12 January
Attend Taking Part Forum	1pm – 2 pm at Park Lane Woodside	Cllr Bill McClements and Deb Rudd	13 January
Attend Listen not Label	11.30am to 12.30pm at Meeting Point House	TBC	15 January
Attend Parish Forum	7pm – 9pm at Sutton Hill Community Centre	Cllr Bill McClements and Ken Clarke	21 January
Attend a joint unions meeting	2pm – 2.30pm venue to be confirmed	Cllr Bill McClements and Ken Clarke	22 January
Road show in Dawley	4.30pm – 6.30pm at Dawley House	Cllr Bill McClements and Cllr Shaun Davies (Cabinet member for Neighbourhood Services,	22 January

		Employment and Skills)	
Road show in Dawley	9am – 12pm at Dawley House	Cllr Bill McClements and Cllr Shaun Davies (Cabinet member for Neighbourhood Services, Employment and Skills)	23 January
Sutton Hill Residents Group	6.30pm – 7.30pm at Sutton Hill Community Centre	Cllr Bill McClements	26 January
Road show Telford Town Centre	TBC	Rota of Cabinet Members and Senior Management Team	27 January
Attend Young People’s Forum	5pm – 7pm The Salvation Army Building	Cllr Bill McClements and Cllr Paul Watling (Cabinet Member for Children, Young People and Families) and Clive Jones	28 January
Road show Woodside	12pm – 2pm and 5pm – 6.30pm	Cllr Bill McClements and Cllr Paul Watling	30 January
Road show Donnington	8.30am to 10am at Donnington Life Long Learning Centre	TBC	2 February
Road show Arleston	9am – 10.30am at Watling Community Centre	TBC	3 February
Road show Leegomery	9am – 11am at Leegomery Community Centre	TBC	4 February
Gathering the views of young people coordinated through the UKYP election process	TBC	Andy Challenor	January and February
Close of consultation			8 February
Share findings of consultation	With Cllr Kuldip Sahota (Leader of the Council), Cllr Bill McClements, Richard Partington and Ken Clarke	Jon Power and Andy Challenor	9 February

Policy Review			12 February
Cabinet			26 February
Full Council			5 March

Section 106 Education Monetary Contributions Received upto 31/10/14					APPENDIX 12
Scheme	Bal bf	Income	Expenditure	Bal Cf	
Wakins Nursery Apley Park	-£ 30,180	£ -	£ 33	-£ 30,146	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Marshbrook Way Donnington	-£ 390	£ -	£ -	-£ 390	Towards Muxton 3 class extension - completed
Land at Church Farm Yard	-£ 67,501	£ -	£ 67,510	£ 8	Preston St Lawrence CE Primary refurb - completed
Land off Sommerfield Road	-£ 125,470	£ -	£ 4,498	-£ 120,972	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Land at The Walker Institute (Phase 2)	£ -	-£ 37,805	£ -	-£ 37,805	Will be used for expansion in North East Telford - project yet to be confirmed.
Leegomery Centre	£ -	-£ 27,500	£ -	-£ 27,500	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
KMC	-£ 705,873	£ -	£ 706,681	£ 809	Meadows Primary Extension - completing shortly
Dawley Bingo Hall	-£ 13,703	£ -	£ 12,681	-£ 1,022	Captain Webb Primary redevelopment
Land at Britannia Way	-£ 206,156	-	£ -	-£ 206,156	To be used within vicinity of development - HLC
Land at The Pidgeon Box	-£ 58,713	£ -	£ 5,036	-£ 53,677	Will be used for expansion in North East Telford - project yet to be confirmed.
Capewell Works	-£ 392,806	£ -	£ 353,157	-£ 39,649	Teagues Bridge Primary - class extension - completed
Parkdale - Hadley	-£ 46,111	£ -	£ 18,865	-£ 27,246	To be used within vicinity of development - HLC
Land at Holyhead Rd (former garage)	-£ 18	£ -	£ 5	-£ 13	Meadows Primary Extension
Land at Maynards Croft Newport	-£ 13,189	£ -	£ 12,614	-£ 575	Newport Infant 2 class extension project - completed
Redhill - Education	£ 5	£ -	£ -	£ 5	Will be used for expansion in North East Telford - project yet to be confirmed.
Former White Hart Pub	£ -	-£ 19,600	£ -	-£ 19,600	Captain Webb Primary redevelopment
Land off Edgmond Rd Newport	£ -	-£ 202,451	£ -	-£ 202,451	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
Land off Church Walk Donnington	-£ 595	£ -	£ 312	-£ 283	Muxton 3 class extension - completed
Land at Hadley Park West (Oakehampton R	£ -	-£ 123,203	£ -	-£ 123,203	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Land at 121-125 Hadley Park Road	£ -	-£ 39,311	£ -	-£ 39,311	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Totals	-£ 1,660,701	-£ 449,870	£ 1,181,393	-£ 929,177	
To 31/10/14					

TELFORD & WREKIN COUNCIL

CABINET - 8th JANUARY 2015

HOUSING INVESTMENT PROGRAMME – BUSINESS CASE

REPORT OF DIRECTOR: DEVELOPMENT, BUSINESS & CUSTOMER SERVICES

LEAD CABINET MEMBERS – CLLR SHAUN DAVIES / CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1. This follows the Cabinet report for the Housing & Property Investment Programme approved on the 24th July 2014 for the delivery of a number of housing and commercial opportunities.
- 1.2. This report presents the Business Case (“BC”) to deliver approximately 425 private and affordable rented properties. The BC comprehensively identifies the governance and structure arrangements between the Council and the proposed Wholly Owned Company (“WOC”), building on information in the report approved by Cabinet on the 24th July 2014 and Full Council on the 11th September 2014. If this report is approved, the WOC will implement its Business Plan operating in accordance with this BC framework for the delivery.

2. RECOMMENDATIONS

- 2.1 That Cabinet approve the Business Case as attached at Appendix A
- 2.2 That Cabinet approve the revised terms of reference and governance arrangements for the Project Board Contained within Appendix A (A2)
- 2.3 That Cabinet delegate authority to the Managing Director in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise to approve any minor amendments to the Business Cases providing the borrowing is in accordance with the Cabinet report of 24th July 2014 and full Council of 11th September 2014
- 2.3 That Cabinet delegate authority to the Managing Director to establish the Wholly Owned Company (“WOC”) as detailed within the Business Case.
- 2.4 That Cabinet delegate authority to the Managing Director in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise to approve the Company’s Business Plan providing that it is in line with the Business Case and the borrowing is in line with the Cabinet report of 24th July 2014 and full Council report of 11th September 2014. Cabinet to note that the business plan will include the Company’s lettings and allocations policy, rent setting policy, tenancy terms and enforcement policy. Governance and monitoring of the Business Plan and Company’s performance will be in accordance with the Business Case and the Project Board’s terms of reference and governance arrangements
- 2.5 That Cabinet delegate authority to the Managing Director to appoint and replace the directors of the Company on the Council’s behalf.

SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing and amenities.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	Creation of Wholly Owned Company - January 2015 Appointment of Contractor – January/February 2015 Commencement on Site - Spring 2015 Expected delivery of first houses - Autumn 2015	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Full financial details are included in the finance comment and as part of the Business Case (Appendix A)
LEGAL ISSUES	Yes	Full legal details are contained within the legal section of the report and as part of the Business Case (Appendix A)
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Full details of the risks and opportunities are contained within Business Case as included in Appendix A (at A4)
IMPACT ON SPECIFIC WARDS	Yes	Southwater (Malinslee Ward) – Cllr K Sahota & Cllr S Davies Hollinswood and Randlay Lorry Park (The Nedge Ward) – Cllr N England, Cllr B McClements & Cllr C Turley Woodlands (Woodside Ward) – Cllr K Guy & Cllr R Evans Springfields Newport (Newport South) – Cllr A Meredith Madeley Court (Madeley) - Cllr Paul Watling & Cllr G Green

PART B) – ADDITIONAL INFORMATION

3. INFORMATION

- 3.1. The Housing & Property Investment Programme will deliver a number of objectives by providing a significant number of quality private rent and affordable rent homes, responding to the housing needs in the Borough. It will also deliver Commercial development opportunities that will provide an enhanced investment as part of the regeneration.
- 3.2. The programme will develop sites which are owned by the Council, bringing forward development and creating regeneration opportunities. The project will create a number of jobs during the construction and operational phase stimulating economic growth. During the operational stage, the programme will deliver income and capital growth for the Council for re-investment in, and protection of, frontline services.
- 3.3. The approved cabinet report of the 24th July 2014 is to deliver approximately 425 houses and a number of commercial opportunities, this BC relates to the houses which will be managed through the WOC. All commercial opportunities will be managed via the Council's existing Property Investment Portfolio ("PIP"). This report seeks approval for the BC which provides the framework, monitoring procedures and Governance for the Council along with the establishment of the WOC and provision to the WOC of the funding as approved by Cabinet to enable commencement of activities.

4. FINANCE

- 4.1. The previous Cabinet report presented the consolidated financial position for both the commercial and the housing development elements of the programme. There are financial, regeneration and economic benefits of physically delivering these elements together, however the Cabinet report concluded that a different delivery vehicle was required for these, being:

- Housing – The Council will establish a wholly owned General Fund Special Purpose Housing Company (“Wholly Owned Company” WOC) to develop new homes on Council owned land. The Council will invest in the housing company by transferring land from its General Fund in return for shares in the WOC and by providing cash equity and debt to the WOC. The Council will also lease a number of apartments above the retail units (Southwater) for the WOC to manage as part of its portfolio.
- Commercial – The Council will deliver all commercial units through the PIP.

4.2. The BC at Appendix A sets out the proposals for the Council to set up a WOC limited by shares to develop new homes. Finance have worked extensively with professional advisors to inform this BC, confirming the commercial, accounting, and taxation positions of the proposals. The results of this work confirms that the net returns detailed in the Cabinet report of 24th July 2014 remain achievable, and will generate a surplus to the Council over the period of the project. Wider economic benefits of increased New Homes Bonus and Council Tax on housing stock will also be achieved which will enable these additional sums to be invested in Council Services.

The capital cost estimate and source of funding for each element of the programme can be summarised as:

Projected Cost (£'000s)	Housing Investment	Commercial	Combined
Construction cost estimate	48,493	6,680	55,173
Land Value and retention of Council owned land for commercial developments	4,125	2,650 (2,650)	6,775 (2,650)
Total Cost	52,618	6,680	59,298
Source of Funds			
PWLB Borrowing	45,743	6,180	51,923
Capital receipt	4,125	500	4,625
Developer contribution	2,750	-	2,750
Total Funding	52,618	6,680	59,298

4.3. A review of the key modelling assumptions has been performed by the Project Team in conjunction with external specialists. As part of this review, the rate at which the Council will borrow from the PWLB has been revised to reflect current rates which have reduced since the original modelling was performed. This reduction in the borrowing rate has enabled an annual allowance to be made to accommodate client management costs associated with appropriate central support services to manage the WOC. All remaining assumptions contained in the Cabinet Report of 24th July 2014 remain valid. Further financial modelling details are contained in the BC attached to this report. Advice has been received on the following key commercial considerations:

- The Council is likely to prudentially borrow from the Public Works Loan Board (“PWLB”), unless an alternative which is more financially viable to the Council is identified, in order to finance the WOC’s construction activities. The financing of the WOC’s activities will be structured as a mixture of loan finance and cash equity in order to optimise the equity returns generated by the WOC and to match the capital structure of a private sector developer.
- In order to ensure the commercial structure is state aid compliant, the General Fund will be required to include a margin over the PWLB interest rate when pricing the loan to the WOC.
- In practice the Council will manage its borrowing requirement through its Treasury management function.

The key commercial metrics for the assumptions within the BC may be summarised as:

Metric	Output
PWLB loan rate	Interest only, 30 year maturity, 3.96%
WOC loan rate	Interest only, 30 year maturity, 5.69%
Equity Internal Rate of Return (IRR%)	5.61%

4.4. The Council's external auditors (KPMG) have been consulted and have confirmed that they are satisfied that the project will deliver an appreciating asset and that the following accounting treatments are acceptable:

- An interest only loan is an appropriate method of finance for the Housing model
- Interest earned during construction may be rolled up into the cost of such construction
- Where the Council has undertaken additional borrowing to fund capital expenditure, it will ordinarily be expected to set aside an annual Minimum Revenue Provision (MRP) for the repayment of such borrowing. However, KPMG have confirmed that for the Housing model, no Minimum Revenue Provision is required to be set aside, on the basis that the housing stock is an appreciating asset and any proceeds on sale will be used to repay the PWLB loan.

4.5. An external review of House Price inflation statistics has confirmed that a more realistic figure of 2.5% in line with RPI inflation could be incorporated in the modelling (2% is included in the previous modelling). This would improve the return on equity investment to the Authority to 6.5% from the 5.61% in the business case.

4.6. The General Fund impact of the housing element of the project over the 30 year term can be confirmed as:

£'000s	Years 1-10	Years 11-20	Years 21-30	Cumulative
Benefit to General Fund Income and Expenditure Account	2,668	7,661	55,864	66,194
Council Tax	3,030	3,836	3,836	10,702
New Homes Bonus	2,922	-	-	2,922
Net income retained by the Council	8,620	11,497	59,700	79,818

The finance model includes revenue benefit from New Homes Bonus (NHB), which has been assumed to be received in financial years up to and including 2022/23. Should the allocation of NHB be extended or curtailed, the model will be refined accordingly. The finance model allows for the growth in income to the Council from Council Tax on the developments throughout the modelling period (30 years). There is a risk that future changes to the Local Government Finance System (LGFS) will reset the base for Council Tax and that this will have the effect of reducing the additional income from this tax. Currently there are indications that the LGFS may be reset in 2019/20 taking effect in 2020/21. However there is no information currently available to allow the implications of any reset to be reflected in the model.

A one-off investment income on the sale of the houses of £41m gross, (£38m net of applicable taxes) is included in the returns above. These returns are in line with those contained within the 24th July 2014 Cabinet report, full financial support will be provided as the project continues. Full details are contained within the BC attached at Appendix A.

Appendix A1 provides details of the annual benefit to the Council's General Fund Income and Expenditure Account for the years 1-10 and 5 yearly thereafter for the life of the project (30 years), analysed between the Housing and Commercial elements of the programme, which are in line with the returns contained within the 24th July 2014 Cabinet Report.

5. LEGAL

5.1. The Council has powers to form, fund and sponsor the WOC under sections 1 and 4 of the Localism Act 2011, section 95 of the Local Government Act 2003, section 24 of the Local Government Act 1988 and sections 2 and 3 of the Local Authorities (Land) Act 1963.

5.2. The Council must approve a business case before the WOC commences any activities. This is the business case presented with this report.

5.3. The Council must also approve the WOC's business plan. This report recommends that this approval is delegated to the Managing Director in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise subject to the business plan being

consistent with the approved business case and approvals given by Full Council at its meeting in September 2014.

- 5.4. All dealings between the Council and the WOC must be on a commercial basis so as to avoid the provision of unlawful state aid by the Council to the WOC. The Project Board will ensure that the terms of the commercial agreements between the Council and the WOC are on this basis under previous delegations given by Cabinet and Full Council.
- 5.5. The Council has been advised that formal EU procurement for this project should not be needed. As with many procurement issues, the procurement without advertisement is not entirely free from risk though the risk is considered small and manageable.
- 5.6. The WOC must have at least one director. The Council has been advised that having a minimum of three directors would be appropriate in order to ensure both the necessary range of skills are available and that the WOC is able to take operational decisions quickly in what is a commercial environment. As sole shareholder in the WOC, the Council has power to appoint (and indeed remove) directors. The initial directors need to be identified and it is proposed that the Managing Director will appoint existing officers as set out in the recommendations. The Managing Director may decide that he should be one of the initial directors.
- 5.7. Given the importance of this project in terms of the social and economic benefits to the Borough and the significant investment of the Council in the WOC it is right that the Council (through Cabinet) should retain a power of decisive influence over the WOC including approval of the initial strategic direction and purpose of the WOC, any amendments to its direction and purpose, approval of the business case and any amendments to it, the governance structure, the Council's investment (both in terms of cash and land) in the WOC, monitoring overall performance and deciding what action to take should the WOC's activities vary materially from the assumptions made in the business case, the business plan or the financial projections. The WOC would otherwise have relative freedom to operate subject to remaining consistent with the business case and business plan.
- 5.8. As the WOC will be a commercial venture it will need to take decisions outside of the normal Cabinet meeting schedule. Some of those decisions may need to be referred to the Council for approval. In addition, and in particular in the early stages of the WOC's life, the Council will monitor the WOC's performance in more detail and on a regular basis. The Project Board would be a suitable body for this role. It is also proposed that delegation of the approval of the WOC's business plan and any amendments to it are delegated to the Managing Director as the Senior Officer of the Project Board in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise.
- 5.9. This report therefore recommends a governance structure which splits these responsibilities between Cabinet, a more formalised Project Board and the WOC Board of Directors. The accompanying revised terms of reference describes this split and the suggested composition of the Project Board and a more detailed list of potential decisions which fall outside of this Board is contained at Appendix A3.

6 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

The opportunities and risks associated with a project of this size and complexity are significant and were indicated in the Cabinet report of the 24th July 2014. As part of the work undertaken to date, these have been considered and mitigated or reduced. There are still a number of key risks that relate to the delivery stage of the programme that are fully detailed within Appendix A4 of the BC and should be considered by Cabinet as part of the decision making process.

7 PREVIOUS MINUTES

Housing Investment Programme Cabinet report 25th April 2013.
Housing & Property Investment Programme Cabinet report 24th July 2014.
Housing Investment Programme Full Council Report 11th September 2014.

**Business Case for the establishment of a Wholly Owned Company
(WOC) to deliver Housing Investment Proposals for Telford & Wrekin
Council**

January 2015

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1. Executive Summary

This Business Case sets out the proposals for Telford & Wrekin Council to establish a Wholly Owned General Fund Special Purpose Housing Company (“WOC”) limited by shares to develop new homes to meet the Council’s regeneration and growth objectives. The company will operate as a business and, accordingly, this Business Case sets out:

- (a) the objectives of the business;
- (b) the investment and other resources required to achieve those objectives;
- (c) any risks the business might face and how significant these risks are; and
- (d) the expected financial results of the business, together with any other relevant outcomes that the business is expected to achieve.

The establishment of the WOC will enable Telford & Wrekin Council to procure the construction and management of private rent and affordable rent homes responding to the housing needs in the Borough. Approximately 425 houses and apartments will be constructed on up to 8 sites initially. The WOC will create a number of jobs during the construction and operational phase, stimulating economic growth and regeneration opportunity.

The principal purpose behind the establishment of the WOC is the provision of housing and the wider associated social, economic and environmental benefits flowing from this. Based on the financial viability work undertaken to date, the WOC is anticipated to deliver a return on the investment. The income and capital growth generated can be reinvested in delivering Council services.

The WOC will construct, operate and maintain the housing units for the life of the project reporting to the Council as the sole shareholder. The apartments within Southwater will offer a concept that will be new to Telford by creating town centre living. The remainder of the properties will offer resident’s high quality rented accommodation aiming to raise standards within the rental sector.

To facilitate the building of the assets, the Council is likely to prudentially borrow from the Public Works Loan Board (“PWLB”), unless an alternative which is more financially viable to the Council is identified, in order to finance the WOC’s construction activities. This Business Case therefore also enables the Council to determine whether or not the requisite investment of up to £52.6m should be made, comprising of an estimated total construction value of £48.5m and Council owned land at a value of £4.1m.

A robust governance structure will be implemented within the WOC which will consist of three Directors, with clear lines of reporting and monitoring procedures established through to the Council’s Cabinet. It is anticipated the WOC will contract its services (e.g. letting, maintenance) from the Council utilising existing resources where possible. A Project Board has already been established which is made up of Council Officers and elected Members and the terms of reference and decision making responsibility will be refined and finalised with approval from Cabinet to give the Project Board a more defined role in this project.

This Business Case establishes the fine detail, building on the viability work that has been completed and reported to Full Council in September 2014. It sets out the context of the project, the Council’s vision and the proposed Governance arrangements. It demonstrates the legal frameworks that the Company will operate within and that the proposals meet with legal and financial requirements.

The content of this Business Case has been prepared having regard to guidance issued by the Secretary of State under Section 96 of the Local Government Act 2003.

2. Background

Telford & Wrekin Council is delivering an ambitious growth agenda which has seen major investment in Telford in support of the Council's vision. This has made the Borough one of the fastest growing areas in the West Midlands and recognised as a national growth point. Key to delivering this agenda is:

- a) to provide the right quality homes;
- b) to provide places to live; and
- c) to improve the attractiveness of Telford to inward investors.

To continue this investment, the Council has recognised that it can influence and support economic regeneration by promoting housing investment using stalled and brownfield sites that it currently owns and therefore embarked on the Property & Housing Investment Programme ("HIP").

As part of the viability the Council commissioned Savills to undertake extensive research on the national, regional and Telford housing market. This information focused on the rental market sector and has been used to underpin and establish the Housing Investment Programme assumptions. The key objectives of the research were:

- d) Segment the market in terms of the structure of local demand classifying the type of demand in the market in terms of socio demographic and economic characteristics such as household type / size, income profile and reliance on housing benefit;
- e) Identify typical rents, capital values and yields for different types and sizes of properties in the Telford & Wrekin market;
- f) Assess the type and size of units most appropriate to locations based on the current profile of stock available in the market;
- g) Identify historic rates of capital growth for new and second hand properties;
- h) Examine the future supply pipeline in each location to assess future competition and produce local market forecasts for rents and capital values;
- i) Identify the appropriate mix of units for each site based on the current shape of demand to avoid potential over-supply which might impact on let up rates, void rates and rent levels.
- j) Provide research based site specific recommendations on an appropriate mix of units, achievable rental values and likely market absorption of PRS units on the sites, taking into account the overall build programme.

This research has shown that the number of households in the market rented sector increased by 63% nationally and by 68% in the West Midlands between 2001 and 2011. In Telford & Wrekin the market has effectively doubled from 5,839 to 10,793 households. The market rented sector has grown at a much faster pace in Telford & Wrekin than any other tenure; households have migrated from other tenures as well as new forming households.

In addition to assisting in the solution of a growing private rental market, the programme will create a number of jobs during the construction phase stimulating economic growth. During the operational stage of the project, the programme will deliver income and capital growth for the Council generating funding for the protection of frontline services which may have otherwise been affected by budgetary constraints. The WOC will also "buy in" services from the Council utilising existing staff to deliver its services as it will not directly employ staff itself.

Other Councils embarking on similar initiatives and private rental landlords which operate similar schemes have been contacted and visited throughout the viability phase of this work in order to help gain market knowledge and to inform this Business Case.

3. Summary of Proposals

3.1 The Business Idea

The main objective of the company will initially be to develop and deliver approximately 425 private and affordable rental houses. There is an option to deliver additional sites through the WOC in the future should the opportunity arise, however a further business plan for each site would be required, and would need to be approved by the Council and Cabinet.

The WOC set up by the Council to deliver the HIP will be 100% owned by the Council who will transfer the freehold of the land to the WOC in return for shares (as two separate transactions); security will also be taken to protect the Council's investment.

Funding for the WOC is likely to be made available from the Council via the use of borrowing from the Public Works Loan Board ("PWLB"), unless an improved position can be obtained from an alternative source which is more financially viable to the Council, the funding will be 'on lent' at a commercially comparable rate to construct the houses. This commercial rate is necessary to address state aid requirements. The WOC will then construct and rent the homes out, using the rental income to fund the interest repayments to the Council, undertake repair and maintenance and manage the property portfolio.

The WOC will borrow from the Council on an interest only basis on the assumption that housing is an appreciating asset. The WOC is expected to have a life of 30 years when the assumption is the assets will be disposed of for a capital receipt to repay the loan to the Council (which will remain for the life of the project due to it being interest only). Dependent on market conditions, alternate options could include partial disposal or refinance of the appreciating assets. Should an early exit strategy be developed (e.g. because there is a good business reason to part with the assets) this would form part of the Business Planning process and be reported through the governance structure.

Any net surpluses, after the servicing of interest by the WOC, generated throughout the project from rental income or disposal of assets will generate a return to the Council as part of its equity investment. The project received Full Council approval in September 2014.

3.2 What makes the business different?

There are a number of competitors within Telford offering private rental property however the WOC will aim to compete against these by raising the quality of the sector.

The private rental market within Telford is of mixed quality and research has identified that the rental market is an increasing sector within Telford. The WOC will provide high quality private market rented homes which are maintained to a high standard. Although the WOC will act as a company in its own right, it will give tenants the comfort that it is backed by Telford & Wrekin Council, which is a Co-operative Council and will work together with its residents, partners and local organisations to collectively deliver the best they can for Telford & Wrekin. The WOC will aim to be the best landlord within the local market.

4. Strategic Case

The borough is located in the West Midlands, on the borders of Staffordshire and Shropshire, 30 miles west of Birmingham and 15 miles east of Shrewsbury. The M54 motorway which runs through Telford links to the M6 and M5 motorways establishing Telford's position as an important economic growth hub within the West Midlands. The Borough is connected to the national rail network and is less than forty minutes to Birmingham International Airport.

A key priority of Telford & Wrekin Council's Medium Term Plan for 2013/14 to 2015/16 is to *"...protect and create jobs as a Business Supporting, Business Winning Council"*.

This means working co-operatively with local people, organisations and partners in the public, private and third sectors to support existing businesses and to attract new businesses and investment into the Borough in order to create jobs and provide a quality housing provision is a key part of this strategy.

The National Planning Policy Framework requires that the Council *"...plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community"* and the plan should *"...identify the size, type, tenure and range of housing that is required"* which this programme aims to deliver.

The economic recession has reduced the availability of mortgage finance and falling or constrained incomes has meant that for many, especially first time buyers, the difficulty of being able to purchase a property has increased. In Telford & Wrekin, the affordability issue for first time buyers is particularly acute. The size of the deposit required to purchase the average property has risen from circa £12,000 in 2007 to over £19,000 at present. Therefore although average incomes could support mortgage repayments, the size of the deposit is preventing large numbers of households from entering the owner occupier market.

With the population of Telford predicted to rise to over 200,000, the demand for new housing and the limited availability of mortgage offers, the opportunity for growth within the private rental sector looks set to continue.

5. The Economic Case

5.1 Options Analysis of Delivery Route

As part of the Full Business Case a number of funding and delivery structures were investigated which had the potential to deliver the Council's project objectives. These were reported to Cabinet as part of the Full Council approval and have been examined by the Project Team whilst applying knowledge and best practice from similar projects developed by other Local Authorities and taking legal and financial advice.

The WOC has emerged as the most appropriate method of delivering the project and, whilst each of the other options have their merits in delivering housing investment, each has a particular weakness which reduces its appeal for the Council. The WOC offers less potential to share risk than the other options which involve a private sector partner however the advantages regarding the flexibility outweigh this.

Details of the governance and legal considerations for the WOC route as the delivery vehicle are given in the Legal Considerations (Section 8).

The WOC will be an organisation (see section 8.6 Company Structure) utilising existing resource where possible from within the Council to undertake the management of the property portfolio, charging the WOC for its services at a commercial level. This has been incorporated within the

financial modelling and will utilise existing staff resources within the Council, supporting the base budget position.

5.2 The Sites

A number of sites have been identified that are in the Council's ownership which are suitable for inclusion within the Property & Housing Investment Programme. The considerations for the selection have been based on a number of criteria which include both the financial, economic and regeneration benefits.

Table 1 – Sites Included as part of Business Case

Site	Development Type	Description
Southwater (Apartments) including retail and associated car parking	Mixed use development	115 Apartments with associated car parking, double height retail units on the ground floor, (which will be sold to the Council's Property Investment Portfolio)
Hollinswood	Housing Development	12 market rental / 32 affordable rental units
Randlay (lorry park)	Housing Development	31 market rental units
Woodlands (former Woodland Primary School)	Housing Development	101 market rental units
Madeley Court (former Madeley Court and Leisure site)	Housing Development	50 market rental housing units
Newport, Springfields	Housing Development	29 affordable rental units
Matlock Avenue, Malinslee (former Malinslee Primary School)	Housing Development	30 market rental units (first stage of development)
Wildwood, Woodside	Housing Development	25 affordable rental units

6. The Commercial Case

The rationale for setting up a WOC has both legal considerations (i.e. the requirement to set up a separate company when trading) and commercial considerations. The legal considerations were fully considered as part of the option analysis approved by Cabinet and Full Council. This section therefore analyses the commercial considerations for the programme.

6.1 The Delivery Vehicle

The key consideration for the formation of a delivery vehicle is to create a legally sound structure for the Council to stimulate economic growth and regeneration through the delivery of new housing on Council owned assets. There is a statutory requirement for the Council to establish a separate company to operate in the ways required to deliver the project.

6.2 The Funding Route

As part of the investigation of the available options a number of different funding routes for the project have been investigated. This has demonstrated that the private investment route is not the most financially viable long term funding route and has disadvantages when compared to other options that are available, the main ones being the limited control over the estate, the step-in rights and power of the private investor and the borrowing profile of a bond financed route which, if linked to inflation over the life of the borrowing, would prove to be uneconomical in the latter years of the project.

The two main options considered have included the raising of external finance (linked to movements in RPI), and the drawdown of PWLB funding. The advantages and disadvantages of each route have been appraised internally in addition to drawing on the expertise of external financial and legal advisors. The appraisal has supported the use of PWLB finance on the basis that the use of this finance will enable the Council to deliver the programme in a flexible way whilst maintaining control of the overall estate. Furthermore, the use of fixed rate PWLB financing, which is not linked to RPI, reduces the risk of future interest rate movements which may adversely affect the financial viability of the WOC (and consequently the returns to the Council).

6.3 Telford Private Rental Market

The Council commissioned Savills in November 2013 to undertake a comprehensive analysis of the national housing market and the Telford housing market. The report concluded that the rental market in Telford had effectively doubled in the period between 2001 and 2011 and now represents circa 10,793 households. This makes the rented sector within Telford the fastest growing sector. Looking at this market share, 2 and 3 bedroom homes have seen the strongest growth, with Telford having a larger family market than the West Midlands average.

Affordability pressures restricting new buyers into the housing market and mortgage restrictions have pushed more houses into the “other” category. Savills’s have interpreted this into the category of “household sharers “, which are made up of students or young working households.

Regarding the tenure mix, there has been a rent reduction in 1 and 4 bedroom properties with the biggest growth in the 2 and 3 bedroom properties. This clearly indicates 2 & 3 bedroom units as the preference for the programme.

The rental levels have been set in accordance with advice from external consultants and market research and are included within the financial models for the sites.

7. The Financial Case

To enable full viability assessments to be conducted and this Business Case to be prepared and finalised, extensive financial modelling work has been performed in consultation with sector specialists and financial advisors. The modelling has been led by a group of senior officers supported by external advisors. PricewaterhouseCoopers LLP (PWC) have been engaged to provide commercial and financial advice on the programme, to include consideration of the taxation related advice, in consultation with external legal advisors.

Model inputs have been interrogated and confirmed by the following advisors:

- a) Savills – rental values, lettings phasing, benchmarking of operating costs of private rented estate; and
- b) MACE – construction cost analysis, maintenance charges and procurement.

The analysis has involved extensive financial modelling of the project cashflows to ensure that optimisation of project returns is achieved and risks have been properly identified and quantified.

The results of the modelling have supported the decision to establish a wholly owned General Fund Special Purpose Housing Company to develop new homes on Council owned land. The Council will invest in the WOC by transferring land from its General Fund in return for shares in the WOC. This will be considered as two transactions occurring simultaneously as shown in 8.6 Company Structure:

- a) The Council purchases shares in the WOC, and
- b) The Council disposes of the land and receives cash proceeds

It is also important to note that the Council will take security over the WOC's assets (specifically the land) to protect its investment.

The WOC will not take ownership of the land where the apartments are constructed above the retail unit developments in Southwater, but will instead agree to lease from the Council the appropriate roof space. The WOC will own and manage the residential development sited above the retail units.

The key commercial aspects of the project are reflected in the modelling as follows:

- a) The Council is likely to prudentially borrow from the Public works Loan Board (PWLB) in order to finance the WOC's development / construction activities (PWLB Loan). The financing of the WOC activities has been structured (in conjunction with external professional advisors) as a mix of loan finance (WOC Loan) and cash equity in order to optimise the equity returns generated by the WOC and to broadly match the capital structure of a typical private sector developer.
- b) The WOC will access funding through the Council's General Fund (GF), likely to be prudentially borrowed and provided to the WOC through a mixture of debt and equity.
- c) In order to ensure the commercial structure is state aid compliant, the General Fund will be required to include a margin over the PWLB interest rate when pricing the WOC loan.
- d) The Council will invest in the WOC by transferring land from its General Fund in return for shares in the WOC, as part of a two stages transaction referred to above. The WOC will be constituted as a company limited by shares in which the Council will own the entire share capital.
- e) The Council will also grant an operating lease (for the land on which the apartments are sited) to the WOC for the apartments in Southwater, above the retail units managed by the Council's property investment portfolio. The land upon which the retail units and apartments are sited remains in the ownership of the Council.
- f) The servicing of the WOC loan is achieved through the generation of net rental income and the receipts arising from the sale of the properties by the WOC at the end of the 30 year period. The WOC will rent the houses out in order to repay the debt interest.
- g) Net rental income after operating costs will be used to repay interest and the surplus will be returned to the Council as dividend on equity investment, (note that in the early years net rents are insufficient to pay interest, so interest is rolled up).
- h) The WOC will act as an investment company, retaining the properties developed by the WOC for letting under new tenures at affordable and private rents and outside the Right to Buy provisions.
- i) Repayment of the General Fund loan finance is met by the sale of the properties at the end of the investment period, which is assumed to be 30 years.
- j) The WOC will be consolidated into the Council's accounts, Group accounts will have to be prepared for this purpose. The WOC will be recognised as a debtor and fixed asset investment within the Council's accounts.

The key financial assumptions underlying the housing element of the programme modelling are shown in the table 2. The financial assumptions are based on information provided by property and financial consultants utilising industry benchmarking and data.

Table 2 - Programme Assumptions

Activity	Viability Outcome
Funding rate	PWLB, financing, on-lent to the WOC at a margin, in order to mitigate a State Aid challenge.
PWLB Funding rate/term	30 years, interest only, 3.96% (PWLB 30 year rates at 11 December 3.64%)
WOC Funding rate	30 years, 5.69% interest only.
Land cost	Based upon independent valuations
Construction costs	Based upon tender prices as received and applied to the entire programme.
Rents/ letting profile	Rents are based upon current market rents, uplifted to the letting date and then uplifted at 1.5% per annum Letting profile is based upon industry advice received and benchmark data.
Tenure mix	As per individual site numbers, determined in accordance with market information and to maximise the return.
Annual maintenance/ operating costs	Management, maintenance, client management and lifecycle costs reflect analysis of Council costs and benchmarked data, uplifted at 2.0% per annum.
Void Rate/ Bad debts	5% of gross rental per annum. Based upon benchmark information.
Management fee	9% of gross rental income per annum. Based upon benchmark information.
Client Management costs	5% of gross rental income per annum, to reflect costs associated with increased central support services
Maintenance charge	£10 per sqm per annum. (RPI indexed). Based upon benchmark information.
WOC operating costs	3% of gross rental income per annum, based upon benchmark data.
House Price inflation	2.0% per annum.

The key input and calculation assumptions contained within the modelling relating to the General Fund are:

- a) Any net positive cashflows arising from rental income generated by the WOC in the first 3 years are recycled to fund construction where possible
- b) During the period when the WOC is constructing properties it is assumed, from a cashflow perspective, that interest on the WOC's loan will be rolled up and added to the overall debt balance to be repaid. It is assumed that interest is paid by the WOC when construction is complete
- c) The loan from the General Fund to the WOC is repaid when all the properties are disposed
- d) Distributions from the WOC to the General Fund are restricted where the WOC has insufficient distributable reserves
- e) The WOC's lifespan is limited to 30 years

The capital cost estimate for the programme and the anticipated sources of funding are:

Table 3 – Capital cost and funding sources

Projected Cost (£'000s)	Business Case
Construction Estimate (including fees and S106s, and interest during construction)	48,493
Land Value	4,125
Total Cost	52,618
Source of Funds	
PWLB Borrowing (Housing)	45,743
Capital receipt	4,125
Developer Contribution	2,750
Total Funding	52,618

The capital costs contained in the current tender exercise (see Legal Considerations) amount to around two thirds of the total construction estimate, which provides cost certainty for this element of the build. The actual amount of PWLB loan drawn down in the model will vary from the amount shown above due to the WOC recycling cashflows from rental incomes in the first 3 years.

The Commercial and Financial Business Case development has been led by senior officers supported by external professional advisors. The key financial data contains details of annual project cashflow, corporation tax (at the applicable rate) and accounting implications for the WOC for the entire quantum of the development. The assumptions underlying the inputs are detailed above and have been subject to review and challenge throughout the preparation of the business case. The cashflow implications for the General Fund have also been modelled alongside the WOC cashflows. Detailed papers to support this modelling have been prepared by independent financial advisors.

The Base Business Case KPI's may be summarised as:

Table 4 – Business Case KPI's

KPI	
WOC gearing	76%
WOC Loan to Value (LTV)	61%
PWLB Loan Rate	3.96%
WOC Loan Rate	5.69%
WOC Loan Retirement Date	31 March 2044
Equity return (Internal Rate of Return)	5.61%
Cumulative General Fund Income & Expenditure impact	£66,193k

The General Fund impact may be summarised as:

Table 5 – General Fund Impact

£'000s	Years 1-10	Years 11-20	Years 21-30	Cumulative
Investment Income	131	2,400	45,936	48,467
Net interest/lease income and Client Management	2,537	5,261	9,928	17,726
General Fund Income and Expenditure impact	2,668	7,661	55,864	66,193

Investment income includes £41m gross (£38.7m after tax) one-off income from the disposal of the housing properties at the end of the 30 year term. The impact on the General Fund is in accordance with the net returns contained in the consolidated position as detailed in the Cabinet Report dated 24 July 2014.

Important highlights from the information presented above are:

- a) The base case assumes the General Fund is likely to prudentially borrow up to £45.7m which is used to fund the WOC in the form of a loan and cash equity investment. The exact mix is assumed to generate a gearing ratio of 76%;
- b) The sale of properties by the WOC after the 30 year term enables the repayment of its loan and a distribution to the Council to enable it to repay its PWLB loan;
- c) The WOC makes significant distributions to the General Fund. These distributions increase as the WOC matures. As a result the cumulative income and expenditure impact is positive (£66,193k post tax) at the end of the project; and
- d) Total cash returns (dividends and share capital) amount to £53m compared to an equity subscription of £11m (cash and land). On this basis the equity return amounts to 5.61% (nominal, post tax).

Sensitivity analysis has been undertaken in relation to the financial projections. The analysis considers changes in the key financial assumptions upon which the model is based. These sensitivities consider largely the impact of downside movements on key input variables against the key metrics of the base case.

Whilst the WOC is an investment vehicle, the drivers behind a number of key metrics are centred on various capital elements such as development costs, sale values and House Price Inflation (HPI). To reflect this point the impact of reducing rental income inflation to 1% does have a materially adverse effect as the reduction in rental income results in lower equity returns and General Fund Income and Expenditure return.

However an increase in rental income inflation to 2% or a 0.5% increase in HPI provide a significant increase on both IRR and return to the General Fund. The business case assumptions on rental income inflation and HPI can be considered prudent given current housing market trends and market analysis conducted by Savills.

The results of the sensitivity analysis on the Base Case may be summarised as in the table below.

Table 7 – Sensitivity Analysis

	General Fund I&E (5 year balance)	General Fund I&E (project end)	Equity Return (IRR)
Business Case	840	66,193	5.61%
HPI +0.5%	840	85,714	6.50%
Build costs +5%	913	67,877	5.03%
Rent inflation + 0.5%	839	79,384	6.24%
OPEX +7%	848	63,729	4.84%
Management and maintenance +1%	841	70,789	5.49%

The conclusion of the analysis is that the proposed funding to the WOC is viable with an overall positive impact on Council's General Fund.

8. Legal Considerations

The Council's external and internal legal advisors have provided extensive legal advice throughout the development of the project. There are a number of specific matters upon which advice has been taken, as detailed below; however, there are a number of other legal considerations which are included within other parts of this Business Case. The following specific legal matters have been considered:-

- a) Powers to undertake the proposal – vires issues are fully detailed in the accompanying Cabinet report
- b) Powers to make any land transfers - vires issues are fully detailed in the accompanying Cabinet report
- c) State aid compliance – detailed within Business Case and below
- d) Whether any Secretary of State consents are required – none are considered to be required
- e) Company structure and governance – detailed within Business Case and below

In addition, the following legal implications should also be considered:-

8.1 Risk Analysis

A detailed risk matrix is included at Appendix A4

8.2 Procurement

The Council is relying on a specific provision (the so-called “Teckal Exemption”) for not being required to put this project out to tender (i.e. not tendering the Housing Investment Programme Project as a whole and awarding it to the WOC to operate). There are three conditions that must be satisfied for this exemption to apply:-

- a. The authority must exercise control over the WOC that is similar to that which it has over itself. In practice, this means that the Council must have decisive influence over the strategic objectives and significant decisions of the WOC. There are a number of factors which give rise to the Council being able to demonstrate this – 100% ownership of the Company, control over the identity and appointment of the Directors of the Company and also a robust governance structure.
- b. The essential parts of the WOC's activities have to be confined to tasks conferred on it by the Council. In assessing this, activities carried out as part of any contracts awarded the Council would ordinarily be considered; however, in this situation it is the activities contained within the Business Plan which are pertinent.
- c. The final condition is that there must be no private participation in the company, which there is not, so this element of the test is satisfied.

8.3 State Aid

External advice has been received in consultation with financial/legal advisors confirming that the project is considered to be state aid compliant; however, on-going legal advice will be taken in this regard.

8.4 Governance Procedures

One of the key legal aspects of this project is ensuring robust governance procedures are in place. This protects the Council regarding its investment, its officers by way of ensuring Member support and the Company's Directors as far as possible from any personal liability arising. It is envisaged that the Project Board that is already in existence will be more formally constituted and terms of reference for this Board are included at Appendix A2. In addition, a list of decisions anticipated and the body that will be making them is included at Appendix A3. Where appropriate, decisions will be made by Full Council and/or Cabinet.

8.5 Governance Operation Procedures

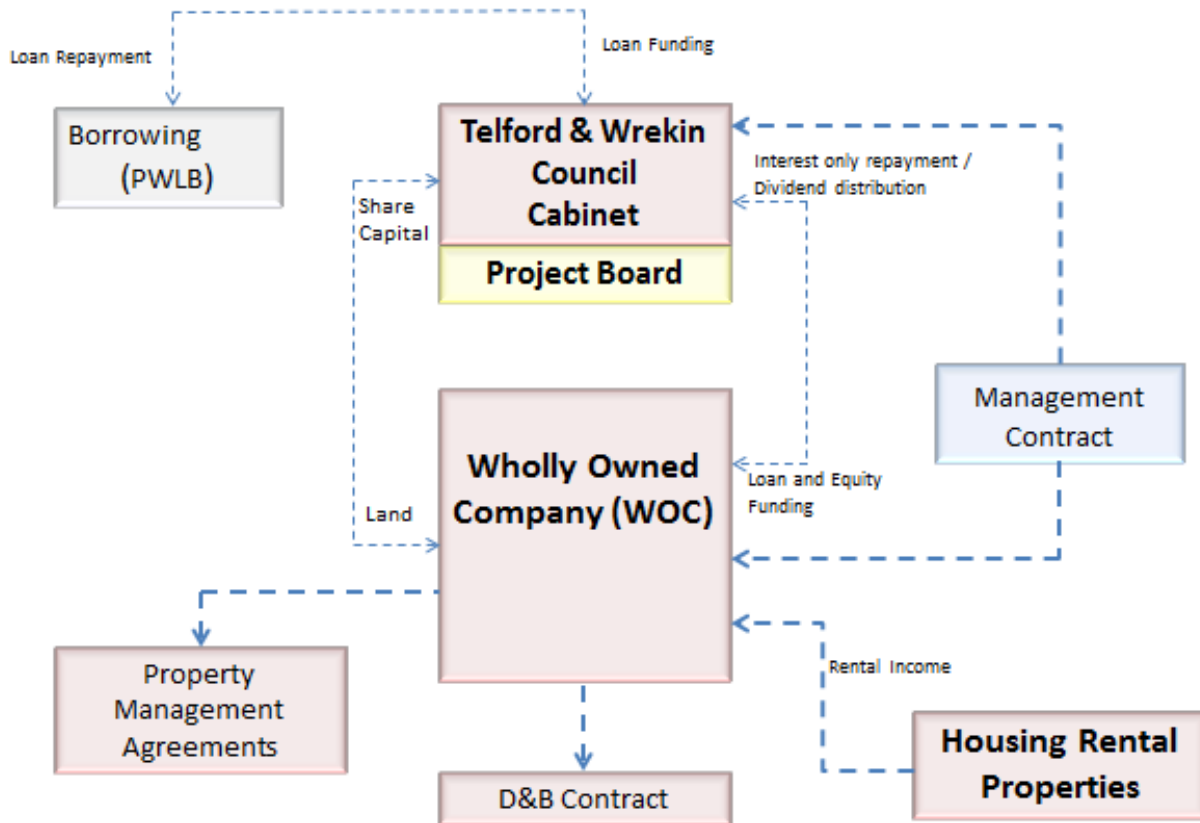
The WOC will be constituted as a company limited by shares and will not be a charity or other “not for profit” entity. The Council will own the entire share capital, thus the WOC will be a wholly owned company of the Council who will have ultimate control. It is recommended that there is a minimum of three directors, with a quorum of two, with company secretarial services being bought in from legal services. Although they will be directors for the company in its own right, they will be existing appointments from within the Council and not new created posts.

The Directors of the WOC will require appropriate insurance for their actions either in the form of liability insurance or an indemnity from the Council. It is intended that the WOC will purchase liability insurance for its Directors.

The proposed company structure is set out in 8.6 and should be considered in conjunction with the proposed terms of reference for the Project Board detailed at Appendix A2. There will be a robust process for approving amendments to the Business Case (or a new one) and the implementation and monitoring of the Business Plan against a set of robust key performance indicators (KPI's) to ensure that the Council's investment is protected.

8.6 Company Structure

The figure below shows the WOC structure in detail:



From a Council perspective the key elements of the structure are:

- a) The Council is likely to prudentially borrow from the PWLB in order to finance the WOC's development / construction activities. The financing of the WOC activities is structured as a mix of loan finance and cash equity.
- b) The Council will transfer land to the WOC in consideration for a capital receipt which will be used by the Council in order to subscribe for share capital in the WOC.
- c) The servicing of the WOC loan is achieved through the generation of net rental income on the housing rental properties.
- d) The returns generated by the WOC on the General Fund cash and land equity are reflected in the form of dividend distributions generated by the WOC.
- e) The WOC will enter into a Design & Build (D&B) contract with the selected Contractor to construct the houses.
- f) The WOC will enter in to a number of Property Management Agreements (PMA) for the management of the houses during the operational phase. These PMA's will be for services such as lettings and repair and maintenance. It is anticipated that these will be with the Authority utilising existing staff resource. The WOC will have no employees directly employed to undertake this function.
- g) The WOC will buy in services from the Council under a Management Agreement(s), these will be services such as legal, finance, repair & maintenance and estate management

This vehicle will not replace the need for 'social rented' properties let under secure tenancies but will meet a different need by responding to a wider demand for accommodation for those people that would not normally qualify for a Registered Provider's property.

The Council will retain a strategic role over the company and the HIP in a number of ways. Firstly, it will approve this initial Business Case which sets the direction of the WOC but will also (via the WOC set-up documents) set the parameters and constraints within which the WOC can operate.

Secondly, the Managing Director in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise (see terms of reference at Appendix A2) will approve the initial Business Plan which will set the direction within which the company will go. The Project Board will also have an on-going involvement and will receive reports on progress of the business objectives together with making decisions on matters of sufficient importance that senior officer and Member involvement is appropriate. Finally, reports will also be presented to Cabinet (and Full Council when appropriate) in relation to matters for which Council approval is required but are not within the remit of the Project Board.

It is critical to note that the WOC is a commercial business and must be able to operate as such and have sufficient flexibility on an operational level to take actions and make decisions enabling it to comply with its constitutional requirements (which will be fixed by the Council at company set up stage).

The Cabinet will be the strategic supervisory body with ultimate responsibility for ensuring compliance with the Business Plan and Business Case. However, the Directors of the Company will owe a duty to the Company to perform in accordance with its constitution and wider company law. It should also be acknowledged that there is a very real possibility that conflicts of interest may arise between the requirements of the WOC and those of the Council and measures must be put in place to protect the WOC Directors from this potential conflict arising. It is therefore critical that the Directors of the Company have a separate and distinct role from the Project Team and Project Board. This role will be without prejudice to Cabinet's normal decision making powers and the role of Overview and Scrutiny as set out in the Council's constitution.

The WOC Directors will review and report on performance under the Business Plan to promote a full understanding and awareness of the activities and performance of the Company and to ensure that the Council is fully satisfied that its investment is properly protected. Legal advice has been received that the WOC Directors will play a critical role in the initial stages of the Project and therefore careful consideration should be given by the Council as to the identity of these Directors to ensure that they have sufficient status and ability to drive the Project forward to ensure success of the WOC.

8.7 Company Business Plan

The Business Plan will act as a live document which is regularly reviewed by the Company and the Council. This Business Case contains the initial programme and assumptions that will inform the Business Plan. The Business Plan will be formally reviewed by the Company Directors at least every 12 months and reported to the Project Board. The Business Case will be revised, or a separate business case will be prepared for any new proposals or issues that arise which are exceptions to the current adopted Business Case and will be provided where circumstances require. The Business Case and Business Plans will be presented to Cabinet for approval on an annual basis.

Where new proposals or opportunities for investment through the WOC are realised the approval will follow a similar process. A revised or separate business case will be submitted by the WOC to the Project Board for consideration. At this point the Managing Director in consultation with the Cabinet Members for Co-operative Council and Partnership and Finance and Enterprise will either approve / reject or request further information. If approval is given the Project Board will (with the assistance of the WOC) develop the proposals into a formal business case (or revision to the current business case) for consideration at Cabinet prior to implementation, if approved.

Appendix A1 – General Fund Income & Expenditure Account Extract

Year £'000s	Y1 2014/15	Y2	Y3	Y4 2017/18	Y5	Y6	Y7	Y8	Y9	Y10	Y15	Y20	Y30	Total
Housing Investment	-	124	205	262	249	308	323	339	399	460	725	1,057	42,468	66,194
Commercial	0	2	(44)	216	224	224	224	255	255	255	289	327	397	8,200
Total	-	126	161	478	473	532	547	594	654	715	1,014	1,384	42,865	74,394

Year 30 income includes a one-off investment income on the sale of the houses of £41m gross (£38m net of applicable taxes)

Appendix A2 – Project Board Terms of Reference

PROPERTY & HOUSING INVESTMENT PROGRAMME

TERMS OF REFERENCE

1. Membership

1.1. Members of the Board will be:

Member
Cabinet Member for Finance & Enterprise
Cabinet Member for Co-operative Council and Partnership
Managing Director*
Assistant Director; Development, Business and Employment
Assistant Director; Finance, Audit & Information Governance (also s151 Officer)
Commercial Solicitor
Assistant Director; Law, Democracy & Public Protection (also Monitoring Officer)
Finance Team Leader

*Chair

- 1.2. Only members of the Board will have the right to attend. However, other individuals may be invited to any meeting as and when appropriate. It is expected that at least one of the Directors of the Company will attend each meeting to provide updates as to progress. Members may nominate a relevant substitute if they are unavailable to attend a meeting.
- 1.3. The composition and terms of reference of the Board will be reviewed by the Board every 12 months or as appropriate if more frequently.
- 1.4. The Board will be chaired by the Managing Director. If the Chair is not present at any of the meetings of the Board then the remaining members shall elect one of themselves to chair the meeting.
- 1.5. The Managing Director in consultation with the Board will have specific responsibility for the following:-
- Agreeing the Company's initial Business Plan
 - Agreeing sensitive policy issues relating to the Project (e.g. rent setting, length of term, allocations, rental deposits, tenancy enforcement, tenancy enforcement)
 - Agreeing commercial terms for management agreements and funding (providing these are in accordance with the financial parameters set by the business case/plan)
 - Agreeing the price for each piece of land introduced to the WOC (to ensure best consideration obtained)
 - Agreeing terms for housing and operational management on specific sites (if not already covered by the overarching agreement)

- Receiving reports as to whether conditions precedent in the land transfer agreement have been complied with
- Use of Council resources to support the WOC via the management agreements i.e. staff, IT, finance systems, accommodation
- Agreeing any changes to the WOC's Business Plan (providing these are not regarded as material)
- Agreeing variations to the management agreements provided that they do not lead to the WOC being likely to deviate materially adversely from the financial projections contained within the Business Case
- Agree the appointment of External Auditors to the WOC
- Monitoring WOC's performance as against Business Case and Business Plan and taking intervening measures in the event of non-performance
- Monitoring compliance with the loan agreement(s)
- Agreeing any changes to the loan agreement (providing these are not material)
- Receiving and approving reports from the WOC (timing to be agreed)
- Attendance of Chair at AGM of WOC
- General guidance and strategic direction to WOC Directors

2.0 Support

2.1 An officer of the Council shall act as administrator for the Board allocated by the Chair.

3.0 Frequency of Meetings

3.1 The Board shall meet every 6 weeks for approximately 1.5 hours. More frequent meetings shall be scheduled when appropriate.

4.0 Housing Investment Programme Delivery & Implementation (Stage 2) Deliverables

4.1 The scope is to implement a major housing programme which will involve the construction of houses, apartments or commercial investments on land that is in the ownership of Telford & Wrekin Council. The delivery of the project will be in accordance with findings of the feasibility and recommendations approved by cabinet on the 24th July 2014 and Full Council on the 11th September 2014. This delivery stage is referred to as Stage 2 and will see the construction, marketing and rental of the properties.

5.0 Approvals

Approved by the Board on.....2015

Appendix A3 – Cabinet Decision Making Levels

Decision	Decision Making Body
Setting the initial strategic direction/purpose including: <ul style="list-style-type: none"> • The constitution of the WOC (and any changes to it) • Governance structure including appointment of directors of the WOC • Agreeing the Council's business case • Agreeing the WOC's initial business plan 	<ul style="list-style-type: none"> • Cabinet via report of January 2015
Identification of new sites (i.e. those not contained within initial Business Case)	<ul style="list-style-type: none"> • Full Council as will be outside of budgetary and policy framework
Lending to the WOC for each individual scheme (amount and terms, the latter if not covered by the overarching loan agreement)	<ul style="list-style-type: none"> • Cabinet
Investing equity in the WOC for the scheme (i.e. cash and agreeing to the transfer of the land once all final conditions have been satisfied)	<ul style="list-style-type: none"> • Cabinet
Agreeing any material amendments to the Council's business case (whether as a result of new sites becoming available or as a result of actual financial or operational performance)	<ul style="list-style-type: none"> • Full Council as will be outside of budgetary and policy framework
Approval of annual budget (within business case/business plan parameters)	<ul style="list-style-type: none"> • Cabinet then Full Council via service and financial planning updates
Enforcement of breaches of loan agreement	<ul style="list-style-type: none"> • Cabinet
Agreeing material changes to the loan agreement (or waivers/amendments)	<ul style="list-style-type: none"> • Cabinet unless be outside of budgetary and policy framework then Full Council
Receiving and approving quarterly reports from the WOC, (to include financial monitoring reports and draft accounts)	<ul style="list-style-type: none"> • Project Board, Cabinet then Full Council via service and financial planning updates
Decisions on significant variances from: <ul style="list-style-type: none"> • Business case/business plan • Compliance with loan agreement 	<ul style="list-style-type: none"> • Cabinet

Appendix A4 – Risk Analysis

Project Summary

The project involves setting up a Company to develop new homes on Council owned land to meet the needs of people across the Borough. The objective is to construct approximately 425 houses and apartments on up to 8 sites initially, creating regeneration opportunities. The WOC will create a number of jobs during the construction and operational phase, stimulating economic growth and regeneration and can contribute fully to strategic priorities.

The Company will retain the properties that it develops for letting under assured shorthold tenancies at both market and affordable rents. Social housing will continue to be provided through development by local registered providers.

The Company will be constituted as a company limited by shares. It will be wholly owned by the Council and will be funded by the Council (the Council is likely to use prudential borrowing through the General Fund to provide finance to the Company). The Company will be a very lean organisation and management (including management of the Company and development and operational activities) will be via management agreements with the Council.

The Business Plan model shows that rental income will service the interest on the Company's debt and sales of the properties over time will be used to repay debt and provide a return on the land investment.

The project will be set up so that it can evolve (or wind up) in future as necessary. Schemes will be put forward for development by the Company on a site by site basis and development will thus proceed at a pace to suit the market conditions.

Risk Register – Introduction

This risk register is for the project. Once the Company is established it will need its own risk register. Many of the risks will be the same, although the perspective may be different. At this stage, the Business Plan assumptions have been set at a level which matches these differing perspectives. However, this is a moving situation and, as the Company becomes operational, both it and the Council will need to monitor their own perspective of this risk and have mitigation measures in place to manage it. Review of the risk register will be a standing item on the agenda of both the Project Board and the Board of Directors of the Company.

The table below looks first at the risks in setting up the Company and moves onto the risks which will arise as the Company becomes operational. Some of the setting up risks will be closed down as the project moves into implementation but others, particularly those which are outside the Council's control, for example, change in law risk, will remain throughout the operational period. More detailed implementation and operational risks will be introduced and monitored, in particular by the Company, as the first schemes are developed.

The risk level has been categorised using the Telford & Wrekin risk matrix (detailed below).

Risk Register

No	Risk	Description	Risk Category Pre- Construction (PC) Operation (O)	Risk Level	Mitigation	Residual Risk
A. Setting Up Risks (Note some of these will continue into the Operational period)						
A.1 Legal/Regulatory Risks						
1	Ultra vires	Council is acting outside of its powers in establishing the Company and/or implementing the project	PC / O	7	Legal advice has been taken. Powers to invest in and/or undertake commercial activities in function related powers are established. Borrowing is via the general fund. Council will comply with prudential borrowing requirements.	6
2	State Aid	Challenge made by European Commission	PC	7	Legal advice has been taken. Rates will be on a full commercial basis. Also, could rely on the Services of General Economic Interest exemption for the affordable rent housing.	6
3	Necessary Consents	Secretary of State consent may be required for transfer of the land as 'gratuitous benefit'.	PC	6	Identify first site for development by the Company and seek early consent for transfer to the Company.	3
		Land transfer is not at the best consideration reasonably obtainable	PC	3	Valuations have been undertaken on the Land by an external RICS surveyor using the Red Book.	1
4	EU Procurement Challenge	A challenge is made that the project is not compliant with EU procurement requirements	PC	9	The Teckal exemption should be available in respect of transactions between the Council and the Company. In addition, all development activity will be through competitively procured design and works contracts.	6
A.2 Financial, Economic & Legislative						
5	Accounting and Tax Treatment	The accounting and tax treatment set out in the Business Case is challenged	PC / O	8	External financial advice obtained and considered as part of the Business Case	6

6	Financial Model	The assumptions in the financial model are not robust or the financial model is flawed.	PC / O	9	Business Plan model has been rigorously tested. Assumptions have also been challenged and set at prudent levels. Sensitivity analysis and testing has been undertaken and mitigation strategy for each scenario developed	6
7	External Contributions	The funding model is dependent upon an estimate of contributions to s106. These are subject to planning approval.	PC	5	Discussions with planners will be on-going. If the estimate compared to the final position is different then the estimate will be reassessed.	3
8	Funding	The Council is unable to provide finance for the project as planned.	PC	6	Financial advice has been obtained regarding prudential borrowing for the project and the impact on the General Fund A senior finance officer of the Council is a member of the Working Group and approval/budgetary arrangements are in place in respect of prudential borrowing by the Council to on-lend to the Company	3
9	PWLB Interest Rates	PWLB interest rates may increase such that the project is no longer financially viable	PC	9	The Council will manage its treasury requirements through its Treasury management function. Movements in interest rates and underlying market factors are monitored as part of this process. PWLB financing is likely to be used unless an alternative which is more financially viable is identified which will deliver an improved position to the Council.	7
10	General and specific inflation	If inflation assumptions are lower (in relation to income – rent and sales prices) or higher (in relation to costs – construction or management and maintenance costs) than Business Plan assumptions then viability of Company is reduced	PC / O	9	Inflation assumptions are deemed to be prudent. Inflation assumptions are in line or below Treasury forecasts and industry predictions, however increase are market driven and not controllable. In addition there will be further assessments on each occasion it is proposed to introduce a new site into the project and then again once planning permission has been obtained. Future schemes which form part of the overall business case but have not been formally tendered may be subject to inflation and will be monitored prior to investment.	6

11	Changes in Legislation or Government Policy	Changes in legislation could have many risk impacts ranging right across the project and Company's activities. Such changes could affect any or all of the Business Plan assumptions and its development and operational activities. For example, there could be changes to taxation, construction/building regulations, Government Policy which impact on rents and/or rent collection. Changes could occur with regards to NHB and Council Tax, or changes to the Local Government Finance System.	PC / O	5	Wherever possible changes in law will be passed onto third parties who may be better placed to manage them – for example, building contractors will be asked to price for changes in law which might occur during the construction contract. Changes in law may also be reflected in general inflation so there would be mitigation in terms of ability to adjust rents. In addition, the risk may be capable of management by sale of dwellings. The impact of any changes to the Local Government Finance System will be assessed as they occur, there is no information currently available to allow the implications of any Policy changes to be reflected in the model.	5
A.3 Strategic/Governance						
12	Decision Making	Governance structures do not enable the project to be properly set up or delivered.	PC	9	Governance structure has been considered and approved by Cabinet. Final Governance arrangements to be finalised as part of this BC.	1
13	Constitutional power of the Council to participate in external organisations such as the Company	The Council's constitution may not permit participation in the Company.	PC	6	Full Council approval has been obtained to participate in the project.	1
14	Decision Making	Conflicts of interest arise may arise between the Council and the Company and/or Company officers' primary duties to the Company cause operational issues.	PC / O	8	Members and officers of the Council and officers of the Council will receive briefings from the Council's legal team on how to manage such conflicts and duties. There will be formal terms of reference and clear Governance procedures relating to the project.	3
15	Site Availability	The number of sites does not fulfil strategic requirements and/or Business Plan projections.	PC	6	The number of sites in the latest Business Plan have been identified agreed and the first sites. Sensitivity testing shows that the Business Plan can remain viable on a site by site basis provided each site is individually viable. Viability appraisals for each site will be presented as part of the site approval process within the financial modelling.	3

16	Resources - manpower	The Council has inadequate resources to deliver the project.	PC / O	9	A Working Group has been established to deliver the project. The Council will identify existing resources for the delivery and the management of the properties. Costs have been built into the financial model.	6
17	Delay during delivery	The project suffers delay during construction preventing the WOC from repaying its loan.	O	9	Sensitivities have been tested which show that the WOC could repay debt if it suffered a minor delay (+6 months) in the delivery of the project. This forms part of the financial analysis.	6
B Implementation						
B.1 Policy/Political						
18	Change in Government Policy	Support for the project may be eroded leading to difficulties in delivering to the Business Plan.	PC / O	5	The three principal political parties are committed to housing development as part of the UK Growth Strategy	3
19	Change in Local Policies	As above.	PC / O	7	A change in political administration or changes to local policies may affect the support for the project and affect the delivery.	6
20	Loss of Stakeholder Support	Failure to provide adequate information/marketing could lead to poor public perception and take up of the homes, affecting viability.	O	6	The Council is already considering its wider communication, consultation and marketing strategy as part of its project activity.	3
B.2 Resources – Capacity & Capability						
21	Management and administration resources	The Council is unable to support the overall management of the Company.	O	6	Cabinet has agreed governance and management arrangements which provide for strong governance and good interface with Council governance. The Company will be a lean organisation with most functions provided on an agency basis by the Council.	3
		The Council has inadequate financial and legal and technical resources to support the day to day administration and management of the Company.	O	7	The Council is deemed to have sufficient resource to manage the day to day activities required by the Company. Where there are skill shortages within the Council these will be sought from external consultants or via recruitment.	3

22	Development resources	The Council has inadequate housing development resources to support the Company.	O	6	The Council is deemed to have sufficient resource to manage the day to day activities required by the Company. Where there are skill shortages within the Council these will be sought from external consultants or via recruitment.	3
23	Housing Management & Maintenance resources	The Council has inadequate housing management and maintenance resources to support the Company.	O	7	The Council already operates a term maintenance contract and will develop the service to manage the Company's assets.	3
B.3 Development and Construction Activity						
24	Planning & Design	Planning permission is delayed or challenged with a consequent effect on costs and timescale.	PC	9	Discussions have already taken place with the Local Planning Authority regarding the projects. The sites around the Town Centre have formed part of the overall Southwater outline application. The remainder of the sites in the first phase have already received planning permission, albeit expired. The projects may be subject to a challenge through the planning processes. Early consultation will reduce the likelihood of this happening.	6
25	Site Factors	Encumbrances affecting legal title impact adversely on development costs and timescale.	PC	7	Early initial title review is in place for the sites proposed for development.	6
		Abnormal ground and site conditions cause delays and/or cost increase.	PC	7	Site condition surveys have been undertaken for the majority of the sites and further surveys will be undertaken as part of the design process and sites which are not suitable will not be put forward for development.	6
		Services/utilities are unavailable or lack capacity.	PC	9	Utilities enquiries have been undertaken to ensure availability and capacity. Provisional sums have been included within the costs based on the enquiries.	6
		Off-site contamination affects sites	PC	7	Site condition surveys will be undertaken as part of the design process and sites which are not suitable will not be put forward for development. Latent defect risk will be flowed down to the contractor.	3

26	Design or Construction	Defective design and/or construction causes delay and additional costs.	PC	6	Design team/contractor warranties taken out. NHBC or similar registration.	3
		Insolvency of member of design team or contractor.	PC / O	6	Use of Frameworks. Credit checks undertaken. Performance bonds taken	3
		Construction costs are higher than estimated.	PC / O	9	Prior to letting of contract, careful monitoring of estimated costs. Post letting of contract risk passed through to contractor.	6
		Delay in handover of properties due to inclement weather, materials supply, industrial action etc. Loss of anticipated rental income may arise in consequence of such delay.	O	5	Prudent construction timescales and rigorous monitoring of contract. LADs form part of the contract.	5
B.4 Operational Management Activity						
27	Demand - Lettings & Sales	Inability to find tenants and/or sell properties leading to loss of income and costs of securing properties whilst empty.	O	9	Housing needs and affordability analysis must be regularly updated and reviewed as each scheme is approved to ensure scheme viability and appraisals are based on realistic and up to date market information. Advice taken by lettings agents before construction starts on site which effectively shows the letting market within Telford has doubled over the last 10 years and looks set to increase. Availability of allocation off Council's choice based lettings waiting list for affordable rented dwellings will reduce risk.	6
28	Initial Rental Values	Initial rental values are lower than forecast.	O	9	Scheme viability and affordability will be based on up to date and market information and regularly monitored. Advice taken by lettings agents before construction starts on site	6
29	Rent & Service Charge Collection	Failure to collect all legally recoverable monies.	O	6	The rent collection will be managed by the Council who have experience in collection of commercial rents. The lettings policy will require the use of direct debits and rental deposits/ credit checks prior to the letting of property.	3

30	Failure to comply with rental deposit scheme requirements	Failure to comply means that rent may not be collectable and/or possession cannot be obtained. The court can also levy fines.	O	8	Suitable procedures will be put in place to ensure that necessary notification requirements are provided to tenants in a timely fashion.	3
31	Void Management	Failure to make available for re-letting or to re-let in timescale.	O	9	A bad debt and void provision in the Business Case will be monitored carefully, as will the cost of void turnover repairs and time taken to re-let properties.	3
32	Repairs & Maintenance	Costs are not in line with Business Plan projections and/or quality is poor.	O	9	The Council and the Company will review the management arrangements and costs on a regular basis and has sought advice on the level of repairs and maintenance funding within the model.	3
33	Liability under section 11 Landlord and Tenant Act 1985 (disrepair notices), section 82 Environmental Protection Act 1990 (statutory nuisance) and failure to undertake gas, electrical or fire safety checks	Court action, fines and compensation to tenants may be available if the Company is in breach.	O	6	The Company will institute an inspection regime and ensure prompt responses to repair requests. Statutory nuisance may be mitigated by claims against the constructor or design team where caused by works or design problems.	3
34	Tenancy Management	Costs are not in line with Business Plan projections and/or quality is poor.	O	9	The Council and the Company will review the management arrangements and costs on a regular basis.	5
35	Tenant damage	Cost of tenant damage in excess of that provided for in repairs and maintenance budget. Cost generally not covered by insurance.	O	4	Recharge policies and (if taken) rental deposits will mitigate this risk as will tenancy enforcement procedures.	2
36	Damage to dwellings are caused by usual commercial risks	Material damage to dwellings and consequent loss of rent.	O	4	Company can take out usual material damage insurance and loss of rent insurance. The Company would still be exposed to uninsured excesses.	2

37	Damage to dwellings are caused by uninsurable risks (e.g. flood or acts of terrorism)	Material damage to dwellings and consequent loss of rent.	O	6	Insurance is unavailable. Flood risks will be investigated as part of the design and planning process and design will mitigate potential risk. Consequences of terrorism are unlikely to affect more than a few dwellings.	3
38	Debt Repayment	Company fails to repay debt and/or deliver a return to the Council.	O	9	The Company's Business Plan will be regularly monitored and reviewed. The Council will have security over the Company's assets and step in rights.	7

Telford and Wrekin Risk Matrix

Impact Of Risk	HIGH	<p>Important Risk Unlikely to happen but would have catastrophic Impact on Objectives</p> <p style="text-align: center;">6</p>	<p>Key Risk Medium Likelihood – Catastrophic Impact on Objectives</p> <p style="text-align: center;">7</p>	<p>Key Risk High Likelihood – Catastrophic Impact on Objectives.</p> <p style="text-align: center;">9</p>
		<p>Unlikely to happen but could have an Impact on achieving objectives</p> <p style="text-align: center;">3</p>	<p>Important Risk Medium Likelihood - will make achieving objectives difficult but not impossible</p> <p style="text-align: center;">5</p>	<p>Key Risk High Likelihood – will make achieving objectives difficult but not impossible</p> <p style="text-align: center;">8</p>
	LOW	<p>Unlikely to happen and will have little or no Impact on achieving objectives</p> <p style="text-align: center;">1</p>	<p>Medium Likelihood but will have little or no Impact on achieving objectives</p> <p style="text-align: center;">2</p>	<p>Important Risk High Likelihood but will have little or no Impact on achieving objectives</p> <p style="text-align: center;">4</p>
		Unlikely	Likelihood of Occurrence	Likely

TELFORD & WREKIN COUNCIL

**CABINET - 8th JANUARY 2015
FULL COUNCIL - 22nd JANUARY 2015**

COUNCIL TAX SUPPORT SCHEME 2015/16

REPORT OF ASSISTANT DIRECTOR: CUSTOMER SERVICE

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 On the 31st March 2013 the national Council Tax Benefit scheme was abolished and replaced with a new system of localised Council Tax Support which requires each billing authority to design and implement its own system for awarding council tax discounts to customers who are on low incomes.
- 1.2 Telford & Wrekin Council's Council Tax Support scheme for 2013/14 was approved by full Council on the 22nd November 2012 and commenced on the 1st April 2013. On the 23rd January 2014, full Council approved the recommendation to retain the same scheme for 2014/15.
- 1.3 We are recommending that for 2015/16, we retain the same local scheme that was implemented for 2013/14, except for the technical and legislative amendments that are necessitated each year by Government. In doing so, we will not be required to undertake another public consultation exercise. This recommendation also has the full support of the cross party Joint Co-operative & Communities and Budget & Finance Scrutiny Committees with whom we have fully consulted and involved on all aspects of the Government Welfare Reforms.
- 1.4 The Council Tax Hardship fund has been invaluable over the last two years in assisting us to award help to the most financially vulnerable customers and it is proposed that it continues in 2015/16.

2. RECOMMENDATIONS TO COUNCIL

- 2.1 **That the Council Tax Support Scheme Policy for 2015/16 attached at Appendix A be approved;**
- 2.2 **That the Council Tax Hardship Policy and fund of £30,000 continues in 2015/16.**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	No	
	Will the proposals impact on specific groups of people?	
	Yes	<p>These proposals will impact on all current and future working age recipients of Council Tax Support.</p> <p>More information about how we are meeting the general equality duty is available in the attached Community Impact Assessment in Appendix B.</p>
TARGET COMPLETION/DELIVERY DATE	<p>The Council Support Tax scheme must be approved by full Council no later than 31st January 2015.</p> <p>The 2015-16 Council Tax Support scheme will commence on the 1st April 2015.</p>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	
<p>FINANCIAL/VALUE FOR MONEY IMPACT</p> <p>Funding for Council Tax Support (CTS) is allocated to local authorities as part of the business rates retention scheme, and is therefore included within the overall funding the Council receives from Central Government but is not separately identifiable. As the Government continues to cut local government funding, by implication, there is less funding available for CTS. The Government cut the amount of funding it provided when CTS was introduced in 2013/14 which led to the 21% global reduction in CTS given to less-vulnerable, working age claimants although pensioner age claimants were not affected by the changes. The global percentage was unchanged in 2014/15 and it is proposed to remain at 21% for 2015/16.</p> <p>CTS affects the Council's budget as it is given as a discount which reduces the amount of council tax income received and therefore available to fund spending; this impacts on the Council, Police, Fire and Parishes.</p> <p>The estimated and current projected costs of the CTS Scheme for 2014/15 are:</p> <p>Budgeted CTS Discounts (per tax base) £12.6m Projected CTS Discounts £12.3m</p> <p>CTS together with other changes to the council tax base position, such as growth in the number of dwellings, feeds into the Council's overall budget strategy. Estimated tax base calculations for 2015/16 show that costs are</p>		

expected to continue to fall and a benefit of £430,000 is expected (and has been included in budget projections) as the Service Area undertake a range of CTS reviews.

Council tax income is accounted for through the Collection Fund and ultimately any CTS over/under spends will feed into the Collection Fund surplus/deficit which is shared between the major precepting authorities (Police, Fire, TWC). Any surplus is available to feed into future budget strategies.

The hardship fund of £0.030m will be accommodated within the 2015/16 budget strategy but will not be shown as a revenue investment in the service and financial planning strategy because it is accommodated from within the collection fund as explained above.

LEGAL ISSUES	Yes	The legal implications are set out in the body of the report. The Council Tax Support Scheme Policy must be made in accordance with the Acts and Regulations it is made under. The Council Tax Support Exceptional Hardship Policy is discretionary. In looking at the recommendations in this report it is particularly important to note the information at section 4.3.1 which sets out the deadline for approving the policy. Further, as pointed out at paragraph 4.3.4, if the recommendations in the report are not approved and amendments to the policy were to be proposed, a public consultation may be required before such changes could be considered.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	As the scheme remains unchanged there are no new impacts or risks as a result of this report that have not previously been reported and plans put in place to mitigate against them
IMPACT ON SPECIFIC WARDS	No	Borough wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

4.1 Introduction and Background

4.1.1 The Government announced as part of the Spending Review in 2010, that it would localise support for Council Tax from 2013/14, with an expectation that funding would be reduced by 10%.

4.1.2 As a result for 2013/14 there was a gap of around £3.1 million between the amount of Council Tax Support funding we received from the

Government and the amount we would need to continue to support customers at the same level as they were receiving under the Council Tax Benefit scheme.

4.1.3 Councils were required to establish local Council Tax Support (CTS) schemes to be implemented on 1st April 2013. This reform of council tax support was accompanied by a new cash-limited government grant to councils which is taken into account in setting the Council Tax Base and when forming the CTS local schemes. The support is in the form of discount shown on the Council Tax demand notice.

4.1.4 Whilst the new regulations provided councils with flexibility to set up their own local arrangements, the Government expressed a clear intention in relation to certain aspects of a local scheme. These include:

- The amount of Council Tax Support awarded to pension age customers will continue to be a national prescribed scheme which will effectively protect them from any reduction in support
- Councils should also consider ensuring support for other vulnerable groups
- Local schemes should support work incentives and in particular avoid disincentives to move into work

4.1.5 Telford & Wrekin Council's scheme was introduced on the 1st April 2013 following a wide ranging consultation with residents, stakeholders and partners. It is based on 5 key principles:

- Principle 1 - The cut in funding should not mean cuts to other Council services
- Principle 2 - The impact of the cut should be shared equally across all working age claimants
- Principle 3 - Vulnerable claimants should be protected from changes
- Principle 4 - The needs of those with children or caring responsibilities should be recognised
- Principle 5 - The new scheme should not discourage claimants from retaining or starting low paid employment

4.1.6 For the most part, our local scheme follows the same basic rules of the default national scheme, with a number of key differences which follow the 5 main principles. These are:

- Customers who meet the specific definition of severe disability contained within the policy are protected from any reduction in benefit. This will also apply to customers who meet the criteria for receiving a war compensation related benefit or pension.

- Customers who have in excess of £6,000 in capital are not entitled to Council Tax Support. The previous Council Tax Benefit scheme had an absolute cap of £16,000, but any capital between £6,000 and £16,000 reduced the amount of benefit paid to the customer. The first £6,000 however continues to be disregarded in full.
- The maximum period that an award of Council Tax Support can be backdated is 1 calendar month from the date of the application.
- Under the Council Tax Benefit scheme, if you were the only person in your household liable to pay Council Tax, but another adult in your household had a low income, you may have been able to receive Council Tax Benefit of up to 25%. This could be paid regardless of the relative prosperity of the Tax Payer. This benefit, known as Second Adult Rebate was removed in our local scheme.
- A minimum award of £2.50 a week, removing payment to those claimants that only qualify for relatively small amounts of rebate.

4.1.7 In addition to the flexibility to design our own Council Tax Support scheme, the Government also allowed billing authorities' greater discretion over applying discounts and exemptions for certain categories of property from April 2013.

4.1.8 In line with the Council's desire to encourage vacant properties back into use and to maximise additional revenue that could be used to offset some of the Council Tax Support funding gap, and following the outcome of public consultation on these proposals we introduced the following technical reforms to Council Tax:

- Reduced the Class A exemption to a 0% discount for the whole period
- Reduced the Class C exemption to a 0% discount for the whole period
- Introduced a 'premium' to charge 150% on dwellings left empty and unoccupied for more than 2 years
- Reduced the second homes discount from 10% to 0%

A Class A exemption is awarded where a property is unfurnished and needs major repairs or is undergoing structural alterations to make it habitable (for up to 12 months only)

A Class C exemption is awarded where a property is unoccupied and unfurnished

4.1.9 We estimated that the additional revenue that could be generated from these changes in 2013/14 would be redirected to reduce the funding deficit within the Council Tax Support grant.

4.2 Review of the 2014/15 scheme

- 4.2.1 A financial review of the 2014/15 scheme to date is included in the “Financial Impact” comments at the start of this report.
- 4.2.2 Overall, Council Tax collection was positive, with a significant increase in the value of Council Tax collected compared with the previous year.
- 4.2.3 The intention to freeze Council Tax for 2 years means that there will not be any additional pressure placed on the CTS scheme in 2015/16, as awards will not need to be increased to cover the rise.
- 4.2.4 Although we have a complete year’s worth of data, Council tax collection continues for months, and in some cases, years after the financial year ends, so the amount of Council Tax collected for 2013/14 will increase over time.
- 4.2.5 There are now clear signs that the economy is improving and unemployment levels are reducing. This should reduce pressure on the scheme over the next 12 months.
- 4.2.6 The 21% reduction in CTS introduced in 2013/14 was a significant decrease however since Year 1 the vast majority of Local Authorities have also reduced their CTS awards by similar levels as a result of the reduction in Government funding.
- 4.2.7 Council Tax collection rates are very positive overall. There are a group of Council Tax Support claimants, namely those that are of working age but unemployed, for whom collection is significantly lower than other customer groups. However, there are still a significant percentage of that group who are paying. Any decision to increase the level of support for this group would require a comparative reduction in the level of support provided to other groups of claimants, such as those in low paid employment. Also as 2013/14 was the first year that this group of people were asked to make any Council Tax contribution at all it was felt that the overall collection level for the group may increase as they become more accepting of the fact that they have to make some Council Tax payment.
- 4.2.8 As part of the 2013/14 scheme, a one off hardship fund of £65,000 was set aside to provide additional assistance to Council Tax Support claimants who were genuinely having difficulty paying the additional charges as a result of the reduction in support awarded. For 2014/15 approval was granted for unspent funding to be rolled forward to enable the scheme to continue for a second year. It is forecast that we will have awarded £30,000 in support in 2014/15 which will have exhausted the original £65,000 that was budgeted.

The Council Tax hardship scheme had been invaluable in providing additional support to the most vulnerable customers, and it is therefore

recommended that this scheme be funded for a further 12 month at a cost of £30,000

The policy for awarding Council Tax hardship was approved by Cabinet in February 2013 alongside the Discretionary Housing Payment Policy and would remain unchanged.

4.2.9 A review of the impact of all the Government's Welfare Benefit Reforms was undertaken by the cross party joint Co-Operative & Communities and Budget & Finance Scrutiny Committees in July 2014. They are supportive of the recommendation that the current scheme should be continued into 2014/15 with no changes made.

4.3 Approving the policy for 2015/16

4.3.1 It is a requirement within the legislation that each year, the Council Tax Support scheme for the forthcoming financial year must be approved by Full Council no later than the 31st January. This is required even if the decision is made to retain the existing scheme.

4.3.2 The CTS scheme must go through certain steps to comply with provisions in the Local Government Finance Act before it can be adopted by the Council, these are;

- Consultation with major precepting authorities (Police, Fire Service)
- Public Consultation

4.3.3 Consultation with the major precepting authorities (West Mercia Police and Shropshire Fire and Rescue Service) took place before the introduction of the scheme in 2013/14 with various joint meetings with Section 151 Finance Officers, and the Assistant Director: Customer Services

Both of the precepting authorities have also been consulted about the recommendations for 2015/16.

4.3.4 Public consultation is only required if the Council decide to amend their scheme. As a full and robust consultation was undertaken in 2012 prior to the implementation of the current scheme and as we are not proposing to make any major changes there is no duty to consult.

4.3.5 Even though no substantial changes are being recommended to our local scheme, a new policy is required for each financial year to reflect technical changes to the default scheme, such as the annual uprating of national benefits and to reflect changes made to other benefits, such as changes to rules for migrants, Universal Credit, etc. This detailed policy document is included at Appendix A (to follow).

4.3.6 Each year The Department for Communities and Local Government issue a set of CTS scheme regulations that will apply to pension-age claimants

as they are not included within our local scheme. This is referred to as The Prescribed Scheme. Although the regulations for the 2014/15 prescribed scheme have not yet been passed, we have been provided with a statement of intent from DCLG which gives us advance notice of the technical changes they intend to make to the pension age scheme. Again, this is largely a case of annual updating.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 5.1 These proposals will impact on all current and future working age recipients of Council Tax Benefit/Council Tax Support and Council Tax payers who would receive an empty property discount.
- 5.2 The full Community Impact Assessment that was completed before the implementation of the 2013/14 scheme is included at Appendix B. This has been reviewed and still relevant for this latest policy which largely remains unchanged.

6 PREVIOUS MINUTES

- 6.1 Minute 64 of the Council meeting of 23rd January 2014 (Localised Council Tax Support Policy 2013/14)
- 6.2 Minute CB-107 of the Cabinet meeting of 28th February 2013 (Discretionary Housing Payment and Council Tax Support Hardship Policy)

7. BACKGROUND PAPERS

Appendix A - Council Tax Reduction Scheme Policy under S13a (s) and Schedule 1a of the Local Government Finance Act 1992 (not available until early January 2015)

Appendix B – Community Impact Assessment (undertaken November 2012, reviewed November 2014)

**Report prepared by Lee Higgins, Benefit Service Delivery Manager,
Telephone: 01952 383835**

Community Impact Assessment - Localised 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 November 2014

5. Your contact details:

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

Section 2 – Impact Assessment

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

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

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

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

	Impact (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 proportionate to the level of benefit they currently get and also their specific circumstances.

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

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

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

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

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

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

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

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

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

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

N/A

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

3. How do any of the above actions contribute to the aims of the General Equality Duty;

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

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

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

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

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

Section 4 – Review and Monitoring

1. From what date will this policy be implemented?

1st April 2013

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

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

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

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

APPENDIX 1

Current Council Tax Benefit Caseload Breakdown

1a. Breakdown by case group

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

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

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

1c. Working Age claims breakdown by Parish area

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

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

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

APPENDIX 2 – Consultation Documents

Council Tax Support Consultation – Consultation Document

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

Council Tax Support Consultation – Consultation Survey

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

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

Your Voice Special edition

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

TELFORD & WREKIN COUNCIL

CABINET - 8TH JANUARY 2015

ANNUAL PUBLIC HEALTH REPORT 2014

REPORT OF STATUTORY DIRECTOR OF PUBLIC HEALTH

LEAD CABINET MEMBER – CLLR RICHARD OVERTON

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

This report introduces the Annual Public Health Report of the Statutory Director of Public Health for 2014.

The recommendations are set out below and are directed to developing the Living Well programme.

2. RECOMMENDATIONS

Cabinet is asked to consider the annual report of the Director of Public Health and support the recommendations in the report set out as follows:

1. The Early Help Partnership, which reports to the Children Young People & Families Board, should work with schools to develop a schools-based programme to improve emotional health and wellbeing of children and young people.
2. The Council should be an exemplar employer for promoting and supporting improvements in employee health and wellbeing, using an evidence-based and innovative approach.
3. The Living Well Board, in collaboration with employers, should develop a workplace wellbeing offer within the Telford Bondholders Scheme
4. The Council should work with wider partners to ensure that the universal offer for physical activity and also the targeted work to address health inequalities provides opportunities comprehensively across the life course.

5. The Public Health Team should work with the Development, Business & Employment Team to develop specific policies which support the creation of healthy environments, for example, controlling the number of new fast food outlets within local centres and near schools, in the Shaping Places Development Strategy.
6. The Council, partners and communities recognise the valuable contribution volunteering can make to volunteers themselves and to others and support the development of more volunteering opportunities.
7. The Council, partners and communities use the '5 Ways Telford' social media blog to cascade 'people like us' stories to inspire others to take simple steps to feel well, be more positive and get more from life.
8. In order to fully realise the opportunities for Making Every Contact Count it is recommended that:

The Council develop and roll out Health & Wellbeing Making Every Contact Count training for front-line council services, who have received Public Health grant funding, to ensure our workforce feels confident in using brief advice to raise lifestyle and wellbeing issues with customers and;

The NHS Telford and Wrekin Clinical Commissioning Group support collaborative work on Making Every Contact Count across the Local Health Economy, for example through use of the NHS standard contract to specify MECC training and delivery requirements for providers.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to a specific HWB Priority	
	Yes	Specifically: Improving Life Expectancy and Reducing Health Inequalities, Improving Emotional Health and Wellbeing, Reducing Excess Weight
	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	To improve the health and wellbeing of our communities and address health inequalities
	Will the proposals impact on specific groups of people?	
	Yes	Tackling inequalities in health is an integral part of the annual public health report
TARGET COMPLETION/DELIVERY DATE	This is a statutory report and an update on the recommendations from the previous year's report will be presented in the next Annual Public Health Report.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<p>The ring-fenced Public Health grant in 2014/15 for Telford & Wrekin is £10.913m.</p> <p>The grant enables the authority to discharge its Public Health responsibilities, which are detailed in the Annual Public Health report.</p>
LEGAL ISSUES	Yes	<p>The Director of Public Health has a statutory responsibility to prepare an annual report on the health of the people in the area of the local authority (Section 73B (5) of the National Health Service Act 2006 (as amended)). It is a further requirement of statute that the local authority publishes the report. The attached report is produced by the Director of Public Health in order to meet the aforementioned statutory responsibility.</p> <p>The Director of Public Health also has the responsibility for specified functions relating to public health as set out in section 2B of the National</p>

		<p>Health Service Act 2006 (as amended).</p> <p>The Director of Public Health's annual report contributes towards meeting that responsibility and the recommendations in the report demonstrate the proactive role that is expected.</p> <p>Consideration and support of the report and recommendation falls within the responsibilities (and terms of reference) of the Health and Wellbeing Board. It should be noted that the report and recommendations will also need to be considered elsewhere in the Council such as the Council's Cabinet in order to ensure the required support to undertake the further work suggested in the report.</p>
EQUALITY & DIVERSITY	Yes	The report and recommendations are designed to ensure our living well offer to the communities of Telford & Wrekin better meet the needs of our population.
IMPACT ON SPECIFIC WARDS	No	Borough-wide impact but particularly wards with poorest health outcomes.
PATIENTS & PUBLIC ENGAGEMENT	Yes	Extensive public engagement has underpinned much of this work in particular the development of our Early Help Strategy and Target Intervention Areas programmes.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

One of the statutory functions of the Director of Public Health is to produce an Annual Report. This is an independent report with the primary purpose of describing the health of their population, highlighting health issues and making recommendations for actions.

This year the Annual Public Health Report has focussed on some of the wider determinants of health and wellbeing and features the work of a range of council functions.

The report has four main chapters:

- The best start in life – Healthy infants, schools and pupils
- Helping people to find good jobs and stay in work
- Being Active – Access to green and open spaces, active travel and role of leisure services
- Strong communities, wellbeing and resilience

The report sets out how these issues impact on health & wellbeing, some key headline local statistics and the current work being undertaken to address these wider determinants of health.

The report includes a number of case studies to highlight the impact some of this work is having on individuals and families and seeks to promote the new Five Ways Telford blog where you can find more local people's stories as part of a social media mental wellbeing campaign to feel well, be more positive and get more from life.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

None

6. PREVIOUS MINUTES

The previous year's Annual Public Health Report was presented to the Health and Wellbeing Board in July 2013.

7. BACKGROUND PAPERS

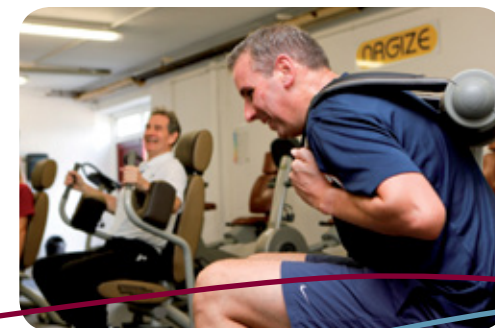
Reference documents are given in the Annual Public Health Report.

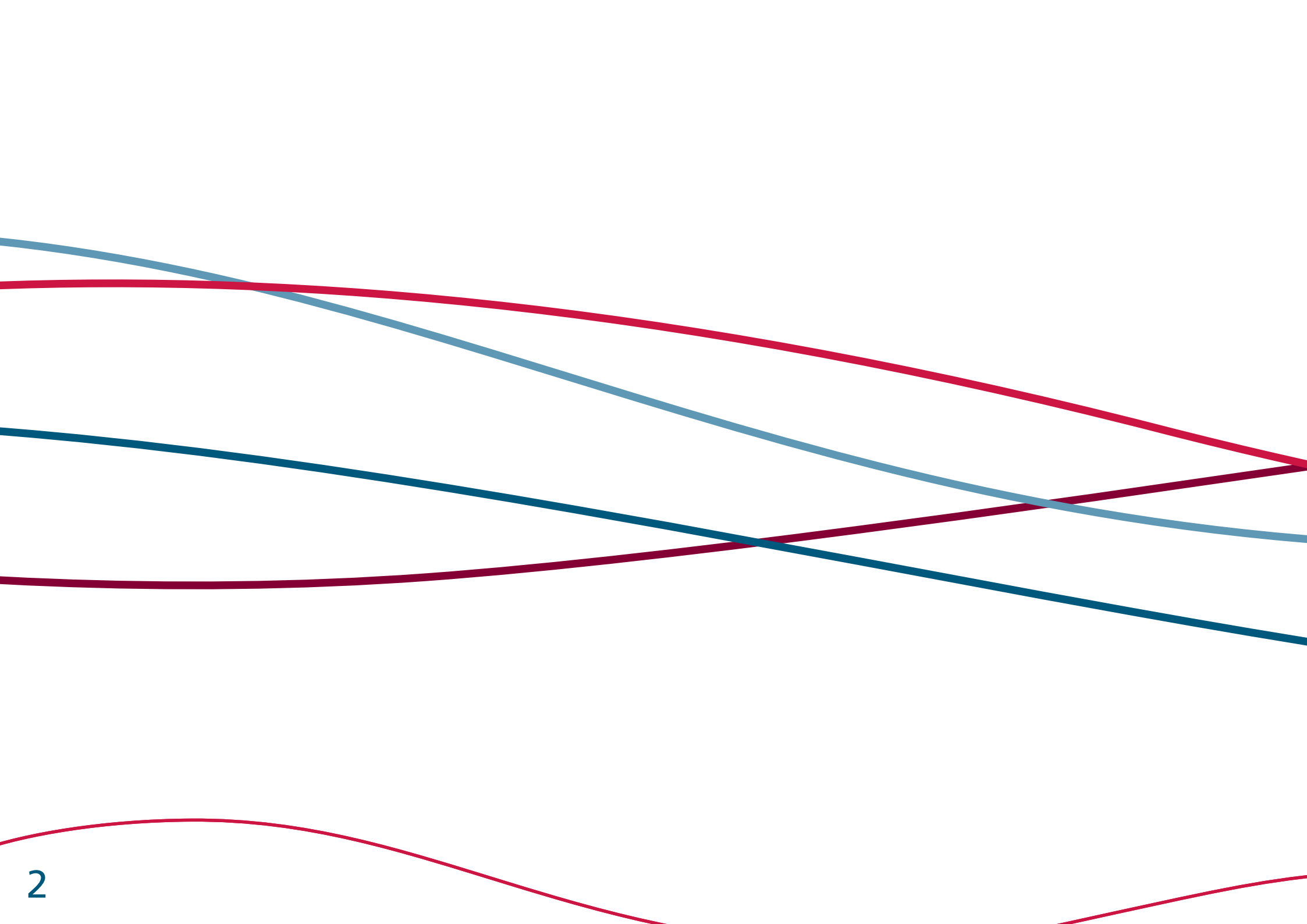
Report prepared by Liz Noakes, Statutory Director of Public Health, Telephone: 01952 2383003

2014

The Annual Public Health Report

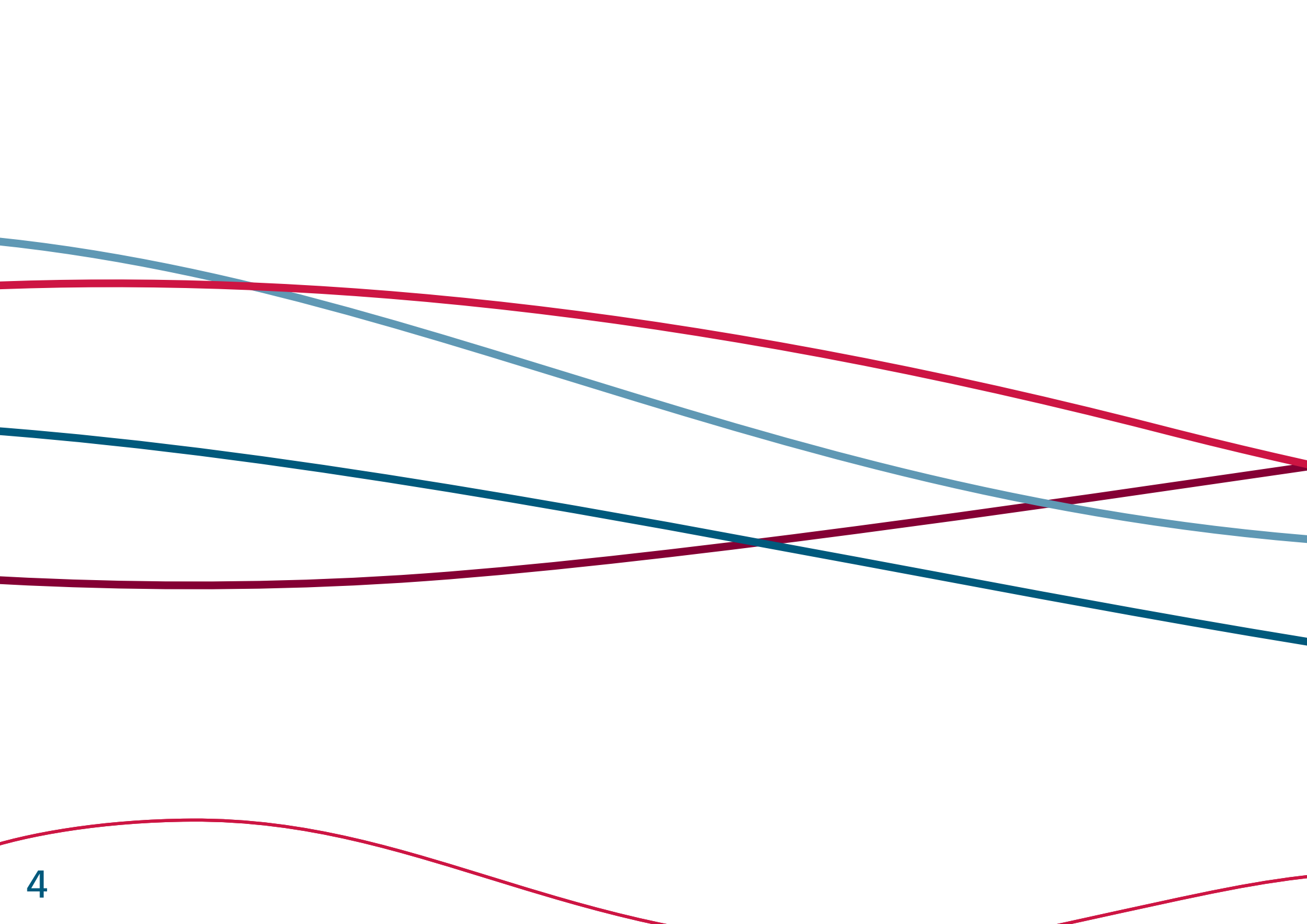
for Telford and Wrekin





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Foreword



This is my first year as Director of Public Health in Telford & Wrekin and my first as a Director of Public Health working in a local authority. Moving Public Health to local government gives us a real opportunity to address the issues that can make the

biggest difference to tackling health inequalities. This opportunity is there because we are working alongside our colleagues who shape: the towns and buildings we shop, live, work and spend our leisure time in; who ensure the education of our children; who help us find work and support us in times of need. These are the things that make a real difference to how long and how well we live and, for this reason, have been supported by funding from the Public Health grant to deliver improvements in Public Health outcomes for our communities.

There is a real opportunity for the Council to make sure each decision and every contact counts in terms of improving wellbeing in the Borough. I am looking forward to working across the council and with wider public services, voluntary and community groups and the business sector to realise it!

Reflecting on this past year, I have enjoyed my working life in the council which I know is important for my own personal resilience and something I would want for as many as possible. Good work for all is essential for our wellbeing. I have met some inspiring local people - whether they are recovering from addiction and are proudly volunteering to support others in their journey or a Head of a local school who, with her staff, parents and grand parents, are inspiring a real sense of community and connectedness within her school. Giving and connectedness with others supports all our wellbeing.

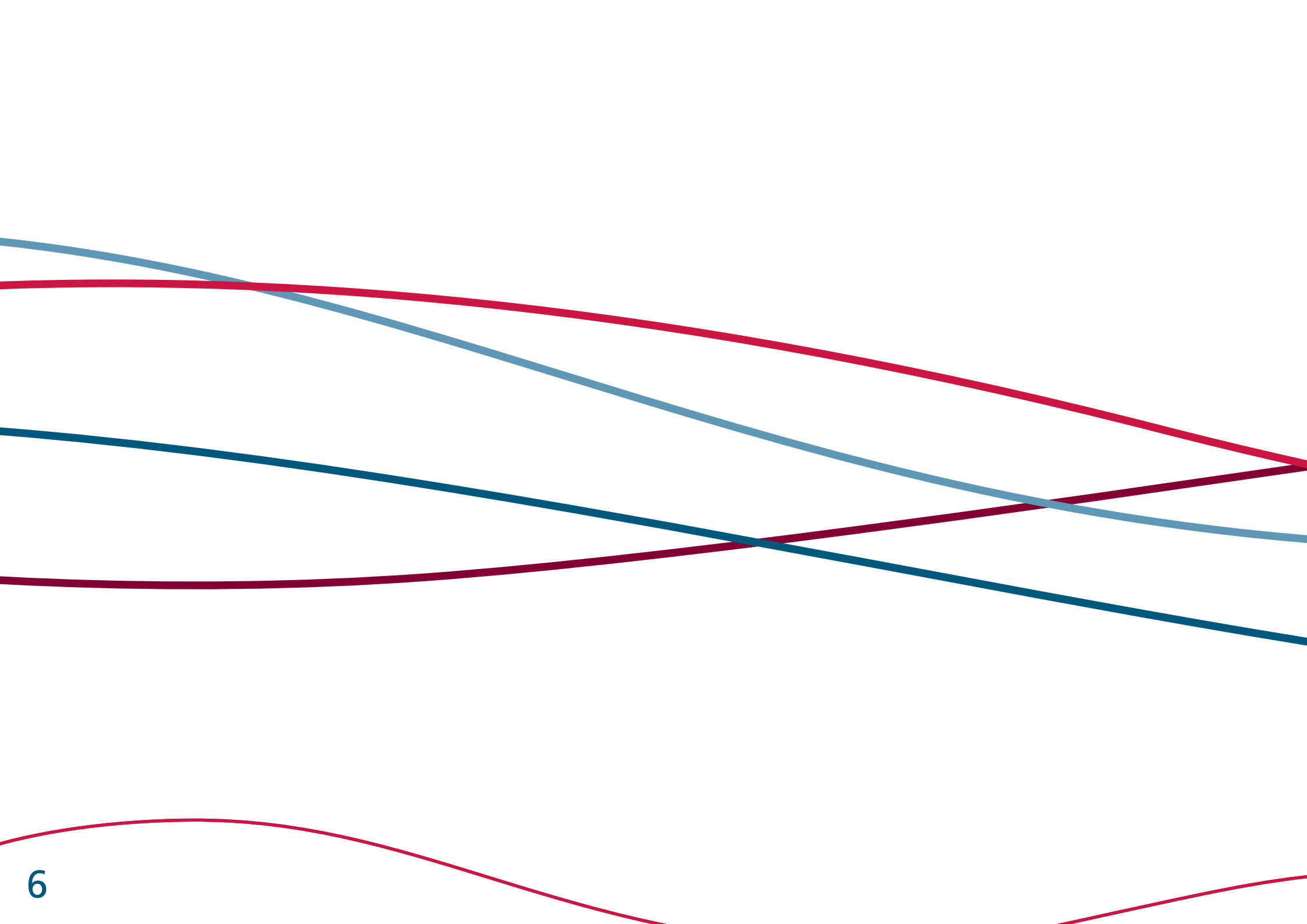
Being new to working within a council I have learnt so much from my colleagues and other officers. I was delighted to take on a new responsibility for the Public Protection and Civil Resilience functions and have learnt through those teams how valuable their day to day work can be in protecting residents and supporting businesses. Keeping learning whether at work or at home builds our resilience. I have benefitted from having a small committed Public Health team who I could see right from when I started are really positive and enthusiastic about what they are trying to achieve. We all got to know each other in the early days by talking, sharing lunch and having a great winter walk in the Town

Park just before Christmas and lastly – again in the park - I felt a real buzz and connectedness with so many Telford residents at the T-Live events in August. Keeping active and noticing, particularly the small things in life, does make a difference to our mental wellbeing. We can all promote these Five Way to Wellbeing (Connect, Be active, Take Notice, Keep Learning and Give...) in our working and personal lives. Be inspired by local people's stories and visit our Five Ways Telford blog at <http://fivewaystelford.wordpress.com/>

I am delighted to have produced this first Annual Public Health Report and would like to thank my team and all the officers from across the council who have contributed. We do have some real challenges in terms of wellbeing within the borough but we must build upon our strengths – as a growing, active and green town - to take ambitious steps to improve our wellbeing now and in the future.

Liz Noakes

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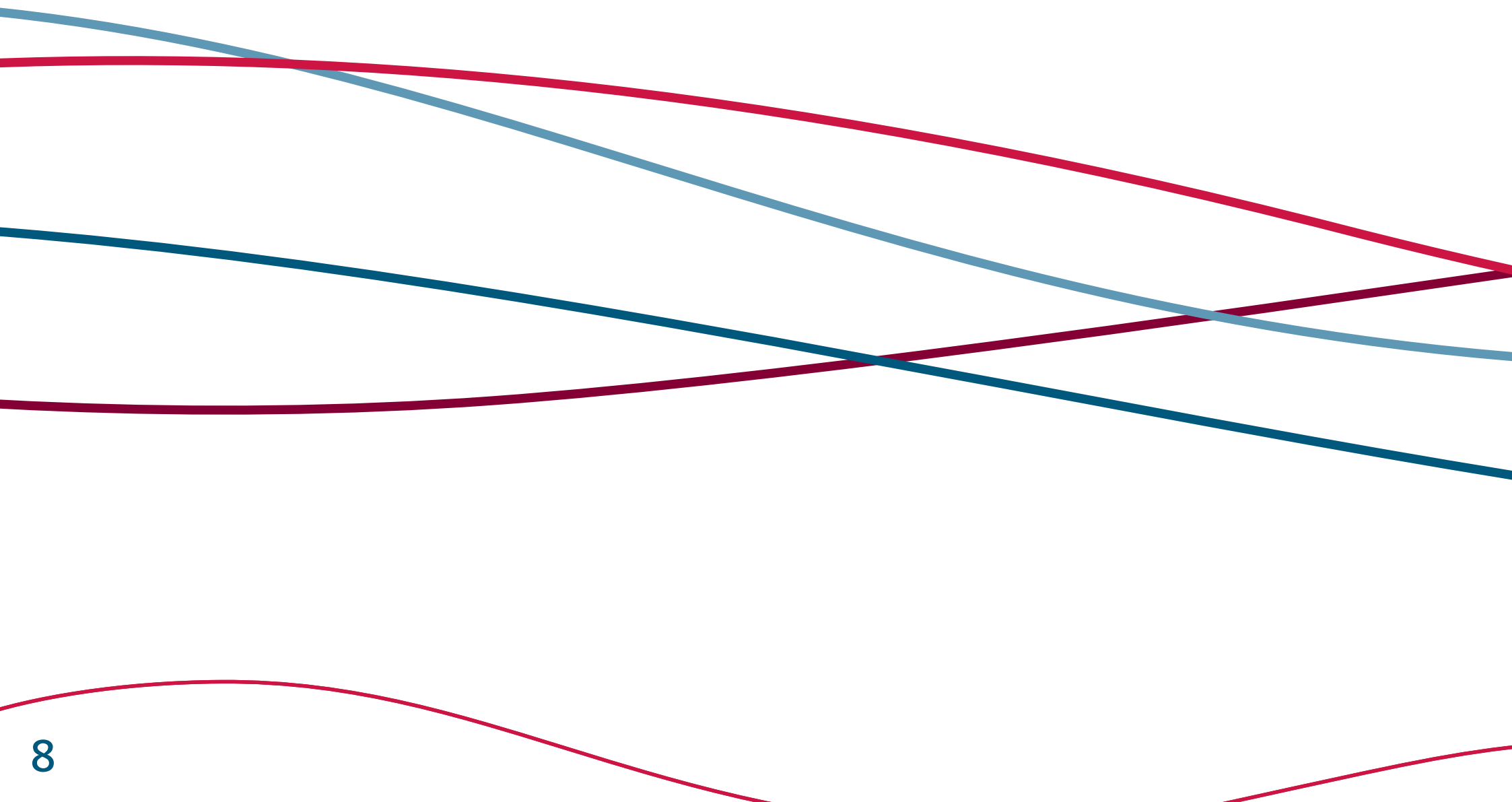
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A big thank you to all the people who told us their stories for the case studies.



Review of last years recommendations

My predecessor Dr Catherine Woodward made 12 recommendations in her 2012/13 annual public health report. Since then the public health team has further embedded into the Council, working closely with NHS Telford and Wrekin Clinical Commissioning Group and other strategic partners, such as the West Mercia Police and Shropshire Fire & Rescue Service. Progress made towards delivering these recommendations with our partners during the past year is outlined below.

- The Telford and Wrekin Tobacco Control Commissioning Partnership should review its current strategy and action plan, to identify further opportunities to reduce smoking prevalence (including amongst pregnant women) in Telford and Wrekin, following migration of the public health function into the Council

Completed: The Telford and Wrekin Tobacco Control Partnership reviewed local tobacco activities against the gold standard CLear framework in October 2013 and this exercise was revisited in October 2014. The key actions undertaken since the migration of the public health function into the Council include: the Health & Wellbeing Board commitment to the

Local Tobacco Control Declaration, including the Council agreement to not support or endorse e-cigarettes until they are licensed and regulated and establishment of a new service to support and advise pregnant women who smoke in September 2013

- As part of the vision that every child and young person will have a healthy lifestyle, the Children, Young People and Families Board should review and agree its position on working in partnership with schools, to ensure that health issues remain a priority and to support the delivery priorities of the Telford & Wrekin Health and Wellbeing Strategy

Partially completed: Working in partnership with schools has been identified as a priority by the Early Help Partnership Board. Work is underway to consult with staff and pupils in schools to audit current provision and share best practice. A proposal is being developed, based on a review of the evidence-base and engagement work with schools. The proposal will be piloted with schools from January 2015. The proposal will enhance existing provision; set out to address gaps and will

include the provision of training, peer support and resources.

- The Children, Young People and Families Board should monitor the impact of the Telford and Wrekin Child Unintentional Injury Strategy, including through analyses of local trends

On-going: Outcome measures for unintentional injury are routinely reported within the Children, Young People and Families Board Boards performance monitoring framework. The Unintentional Injury Steering Group will review the current strategy in early 2015 to audit progress against the action plan and the impact on outcomes to inform our priorities for 2015/16 onwards.

- In its role as the commissioner of maternity services for the local population and in partnership with lead clinicians, the Clinical Commissioning Group should agree and specify the system of fetal growth monitoring at the Shrewsbury and Telford Hospitals NHS Trust, including the quality assurance of this system. Progress should be reported to the Health and Wellbeing Board, as part of the Clinical Commissioning Group's regular updates to the Board

Partially completed: GROW training (which includes assessment of risk factors, standardised fundal height measurement, plotting on customised charts, and evidence based referral pathways and protocols based on the Royal College of Obstetricians and Gynaecologist guidelines) has been delivered to 169 midwives and 12 obstetricians. However, a comprehensive system for routine fetal growth monitoring is not yet in place.

- As part of its performance framework, the Health and Wellbeing Board should agree a set of metrics with which it will track the local impact of the economic situation (including benefit changes) on health and wellbeing, including health inequalities.

Partially completed: A refreshed Population Profile, due for publication in early 2015, will examine the impact of various aspects of the economic situation in the Borough, providing trend analyses over time. A comprehensive

demand analyses project is being undertaken to model service use and understand the impact of changing patterns of demand. The Index of Multiple Deprivation data is also due for national release in 2015. This intelligence work will be presented to the Health and Wellbeing Board during 2015.

- Recognising that some of these actions are already in place, Health and Wellbeing Board should agree its programme of evidence-based interventions to minimise the impact of the economic situation on local health and wellbeing, including on health inequalities.

Due for completion in 2015: The intelligence work described above will be used to agree a set of evidence-based interventions aimed at minimising the impact of the economic situation on health and wellbeing and associated as part of the development of the Living Well programme.

- The Health and Wellbeing Board should ensure that the Telford and Wrekin Alcohol Misuse Strategy and its associated action plan is reviewed by lead officers from relevant partner organisations, with an updated strategy presented for approval to the Board during 2013.

Completed: The Health & Wellbeing Board approved the updated Drug & Alcohol Strategy for Telford & Wrekin in March 2014. The strategy was developed in collaboration with stakeholders from the Drug and Alcohol

Action Team (DAAT) and Community Safety Partnership Boards, including service users and volunteers from Telford After Care Team (TACT). The strategy was shaped by local intelligence on need and performance, best practice guidance and views and experiences of service users.

- The Health and Wellbeing Board should receive a report from Public Health England, by no later than September 2013, on plans to further improve 'flu immunisation rates in all target groups in Telford and Wrekin during the 2013/14 'flu season'

Completed: The Health & Wellbeing Board received a detailed report on plans to improve seasonal 'flu immunisation from Shropshire and Staffordshire Screening and Immunisation Team in December 2013. During the 2013/14 season uptake was maintained in people aged 65 years and over and there were improvements in uptake across all other at risk groups, including those with chronic health conditions and pregnant women in comparison to 2012/13

Introduction

Councils have a proud history of improving population health. Many council functions were first formed as a reaction to the health problems of rapid industrialisation and urban poverty in the Victorian times and they have always been important to our health. Sewage, housing, public parks and libraries were all seen as public health interventions in the 19th century. The transfer of Public Health to local government in April 2013 is a real opportunity to renew Telford & Wrekin Council's responsibility for Public Health and identify the new big hitters that will create resilient, healthy and thriving communities in the 21st century. Some of the wellbeing issues are the same, such as inequalities, some have changed such as addiction and some are new such as the rise in obesity, but the need to address the root causes of poor wellbeing at scale has not changed.

The root causes that shape people's health: the context and the circumstances of their lives, such as jobs, housing, schools, where we live and the quality of our social and family lives are influenced by us, as communities, and by how councils and other public services deliver their core roles and functions. People who connect and support each

other are less isolated, are often powerful catalysts for changing lives and improving wellbeing, and are usually less reliant on formal support services. Many of the lifestyle problems we face, such as obesity or physical inactivity, are complex. They are not amenable to change through one single intervention. It will take different types of action, across different sectors, to make a difference. The cumulative effects these problems can have throughout people's lives also give importance to intervening early to stack the odds in favour of health from the start.

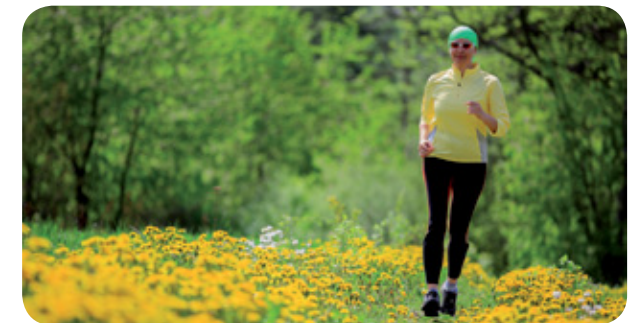
Local authorities can take action across many of the areas that impact directly on people's health and indirectly on their lifestyles, from planning to housing. For this reason, this Report focuses on these wider determinants of health and some of these core functions.

A Living Well Board has been established to realise the collective potential of communities, partners and the council in Telford & Wrekin to promote health and wellbeing and reduce health inequalities. The group which, reports to the Health & Wellbeing Board, will coordinate and

maximise collective action to promote positive wellbeing, healthy lifestyles and tackle the root causes of poor health, such as housing and employment.

The overall approach adopted in this report is to:

- Describe a range of local actions being undertaken to address the wider determinants of health
- Highlight the potential impact on improving wellbeing
- Give information on the relevant Public Health Outcomes indicators and our local performance
- Make recommendations for further actions to support the development of the Living Well programme



Recommendations

- 1 The Early Help Partnership, which reports to the Children Young People & Families Board, should work with schools to develop a schools-based programme to improve emotional health and wellbeing of children and young people.
- 2 The Council should be an exemplar employer for promoting and supporting improvements in employee health and wellbeing, using an evidence-based and innovative approach.
- 3 The Living Well Board, in collaboration with employers, should develop a workplace wellbeing offer within the Telford Bondholders Scheme.



- 4 The Council should work with wider partners to ensure that the universal offer for physical activity and also the targeted work to address health inequalities provides opportunities comprehensively across the life course.
- 5 The Public Health team should work with the Development, Business & Employment team to develop specific policies which support the creation of healthy environments, for example, controlling the number of new fast food outlets within local centres and near schools, in the Shaping Places Development Strategy.
- 6 The Council, partners and communities recognise the valuable contribution volunteering can make to volunteers themselves and to others and support the development of more volunteering opportunities.
- 7 The Council, partners and communities use the '5 Ways Telford' social media blog to cascade 'people like us' stories to inspire others to take simple steps to feel well, be more positive and get more from life.

- 8 In order to fully realise the opportunities for Making Every Contact Count it is recommended that:

- The Council develop and roll out Health & Wellbeing Making Every Contact Count training for front-line council services, who have received Public Health grant funding, to ensure our workforce feels confident in using brief advice to raise lifestyle and wellbeing issues with customers and;
- The NHS Telford and Wrekin Clinical Commissioning Group support collaborative work on Making Every Contact Count across the Local Health Economy, for example through use of the NHS standard contract to specify MECC training and delivery requirements for providers.



Chapter One: The best start in life

Healthy infants, schools and pupils

1.1 Why is it important?

What happens to children before they are born and in the early years of life strongly influences their health and opportunities later in life¹. Giving children the best start in life is crucial to reducing health inequalities, as the foundation for all the aspects of human development - physical, emotional and intellectual, are laid in the early years². There is clear evidence that children's early experiences, particularly in the first three years of life, impact on outcomes in later life, across a range of areas, from health and social behaviour to employment and educational attainment.

Local Authorities have an important role in commissioning and delivering early years services, beyond the statutory duties to children and young people³. Councils have a leadership role in ensuring a shared ambition is in place for children, in addition to their key role in the commissioning of early years provision, across a range of issues from nursery places to children's centres and from October 2015 this will include health visiting and family nurse partnership services.

Education is not just about attainment of qualifications and should also enable children to develop their personalities, talents and abilities, to build resilience, self-esteem and to live a full and satisfying life².

Children's social and emotional wellbeing is important in its own right but also because it affects their physical health (both as a child and as an adult) and can determine how well they do at school.

Did you know?

- No matter the economy of the country, investment in early years of a child is more cost-effective and better for the individual child than remedial action in later life⁴
- Evidence shows that spending on children early in their lives is more effective in improving their long term outcomes than investments later in life²

- Good social, emotional and psychological health helps protect children against emotional and behavioural problems, violence and crime, teenage pregnancy and the misuse of drugs and alcohol⁵
- Evidence from many countries confirms that there is a strong correlation between educational attainment, life expectancy and self-reported health, within and across generations. School is also an important setting for forming or changing health behaviours³
- Smoking during pregnancy can cause a range of serious health problems for babies, including lower birth weight and an increased risk of sudden infant death syndrome, while newborn babies exposed to second-hand smoke are at increased risk of infections such as asthma and meningitis

Key local facts and figures

- Levels of smoking in pregnancy are persistently high, 22.4% of mothers (circa 470 women) continued to smoke at delivery in 2013/14, compared to 12.0% nationally
- The rate of babies born with a low birth weight in 2012 was similar to the national average rate (2.8%)
- The rates of breastfeeding at birth (67.4%) and at 6-8 weeks (33.9%) remained significantly worse than the national averages in 2013/14 (73.9% and 47.2% respectively)
- The rates of immunisation in preschool children are significantly better than the England average for all vaccinations at one year, two years and five years old
- School readiness performance in Reception year (4-5 year olds) improved in 2013/14 with:
 - 59% of Reception pupils overall achieving a good level of development, which was better than in 2012/13 (45.1%) and is now similar to the the national average of 60%
 - 48% of Reception pupils with free school meal status achieving a good level of development, which was better than in 2012/13 (30.6%) and is now above the national average of 45%
- School readiness performance year 1 (5-6 year olds) in 2013/14:
 - 77.4% of Year 1 pupils achieved the expected level in the phonics screening check, an impressive increase on the 2012/13 figure of 67%
- 68.7% of Year 1 pupils with free school meal status achieved the expected level in the phonics screening check, again a good improvement on the 2012/13 figure of 54.7%
- The rate of pupil absence in 2012/13, 4.97% was significantly better than the national average figure of 5.26%
- Teenage pregnancy rates have declined significantly in the past three years, however, the under 18 conception rate in 2012 (36.8 per 1,000 females aged 15-17 years) remained statistically significantly worse than the national average for England (27.7 per 1,000)
- There were 123 conceptions amongst under 18 year olds in 2012, 38% chose to terminate their pregnancy which is significantly lower than the England average (49.1%)
- Almost a quarter (24.2%) of Reception year children (aged 4-5 years) are classified as overweight or obese, this is similar to the national average of 22.2%
- Over a third (35.0%) of Year 6 children (aged 10-11 years) are classified as overweight or obese, this is similar to the national average of 33.3%
- In 2012/13 there were 169 admissions to hospital as a result of self-harm amongst young people, the rate of young people aged 10 to 24 years admitted to hospital was worse than national England average

1.2 What is happening in Telford and Wrekin?

Our local Early Help Strategy sets out how the Council will work with wider partners to improve outcomes for children, young people, families and carers in Telford and Wrekin. It sets out our collective ambition to improve health & wellbeing, attainment and prospects of children and young people in the Borough. Our Early Help approach has a strong focus on prevention with a vision that supports more community self-help and self-sufficiency including volunteering.

The following are a few selected examples of programmes focussed on improving wellbeing outcomes for children and young people. Many different teams and organisations are supporting the delivery of these programmes and many include volunteers.



Improving health and wellbeing in families

- Healthy Start is a voucher scheme intended for families on low income for money off fruit, vegetables, milk, infant formula milk and the provision of free vitamins. Our Early Help workforce including midwives, health visitors and early intervention practitioners provide families with information, advice and support to access the scheme. Work has continued with the NHS Telford and Wrekin Clinical Commissioning Group to ensure families can access free vitamins from all pharmacies in the borough.
- Reducing levels of smoking in pregnancy continues to be a local challenge and is one of the top priorities for the Borough's Health and Wellbeing Board. Developed by experts and delivered by specially trained and highly experienced professionals, the Quit 51 Stop Smoking Service provides advice, support and encouragement to all pregnant women wanting support to stop smoking. Locally there are a number of initiatives to try to encourage women that smoke during pregnancy to quit including: all women who smoke are directed to Quit 51 by midwifery at the time of booking; provision of 1 to 1 and group support to women to reduce harm to their baby during pregnancy; delivery of quit smoking sessions at the hospital during consultant led clinics; the offer of Nicotine Replacement Therapy (NRT) at no cost such as patches, gum and lozenges; and access to information leaflets on the effects of smoking to them and their unborn baby.

Case Study Smoking in Pregnancy

Sarah Reeves came to the new Quit 51 smoking in pregnancy service in November 2013 for support to quit smoking. She was finding it difficult to walk her youngest children to school in the mornings and was keen to make changes. Not only was Sarah finding being out of breath difficult, but she also knew her children disapproved of her smoking. Sarah mentioned e-cigarettes in the first week of her trying to quit, but after discussing the fact that they were not regulated she decided to use the Nicotine Replacement Therapy. Within the first week of starting the stop smoking programme Sarah changed her home to a smoke free zone.

Christmas was the first real challenge she had to experience as she knew she would have family and friends who smoked visiting. Sarah coped really well, having consulted with the stop smoking advisor beforehand, she remained on a higher strength nicotine patch until the festive period was over. Sarah reported feeling really empowered and was managing her quit attempt successfully with continued regular support and advice from the Quit 51 advisor.

Feeling comfortable with her progress and in consultation with the adviser Sarah reduced the strength of her nicotine patches and really began to feel like a non smoker. Reports from midwives that her pregnancy was progressing well, and that her baby was a good healthy size was a real

incentive for Sarah to continue to stay quit. She stuck to her commitment to not taking a single puff on a cigarette.

As the weeks passed Sarah was surprised that her sense of taste and smell improved, their home was a smoke free zone, and the children were all really happy with her for quitting. Visits to the midwives were very encouraging as they were pleased with Sarah and her progress. The baby's growth progressed well and both mum and baby remained in good health throughout the pregnancy.

Sarah gave birth in early June to a beautiful baby girl who weighed 7lbs 8oz. To date it was the best birth weight she had delivered with a record delivery of 25 minutes long - dispelling the myth that big babies are hard to deliver. Mother and baby continue to do very well and Sarah continues to be quit, considering herself now as a non-smoker. www.quit51.co.uk



- Investment in breastfeeding support services has continued. Local provision is delivered by a well trained and experienced multi-disciplinary team of midwives, health visitors, early intervention practitioners, breastfeeding support facilitators and peer support volunteers and includes: support in hospital to breastfeed, the Telford and Wrekin Breastfeeding Encouragement and Support Team (BEST); a helpline providing information about breastfeeding issues, groups and services within the local area; community based Breastfeeding Support Groups and home visits. Work has continued to provide targeted support in those areas of the Borough where breastfeeding rates are particularly low.
- The Healthy Mums programme provides support to pregnant ladies who have a BMI over 30. They are referred by their midwife, professional or can self refer to the programme. One to one support is provided during phase 1 (ante-natal) and then post-natal up until their baby is 6 months old (phase 2). Support is given on a monthly basis to make changes to improve the mother's health and the health of the baby and includes support to minimise weight gain during pregnancy and support to lose weight post-natally. Advice and support also includes breastfeeding and weaning.



Case Study Healthy Mum's Programme

A client from Wellington started the Healthy Mum's programme during phase 2. She self referred to the programme having seen a leaflet in her local area.

On the Healthy Mums programme, the advisor aims to provide practical knowledge regarding small changes that can be made to help maintain weight during pregnancy and lose weight after birth. This can include information such as portion sizes, the Eatwell Plate and recommended physical activity levels. Her comments on the service were "you work really well with clients to help them achieve a healthier lifestyle and give great support".

At the beginning of the programme, she was asked "on a scale of one to ten, where would you put yourself in terms of overall healthy lifestyle?" She stated she felt she was at a three however would ultimately like to be at a seven. Six months later, following completion of the programme, when asked again, she scored herself at a six. When asked to sum up what lifestyle changes she had made since being on the programme to achieve this increase, she stated "I am now aware of what a healthy lifestyle is. I drink a lot more water rather than soft drinks, I exercise more and have since joined a gym and I am aware of my portion sizes when I have my meals".

Her first recorded weight was 102.55kg (16st 2lb); 6 months later she now weighs 95.7kg (15st 0lb). Overall, she has lost 1st 2lb and achieved a 6.67% overall weight loss.

- The HENRY programme supports families who have a child under 5 years old. The aim of the programme is to give guidance to parents on how to give their child a healthy start, how to develop parenting skills, and advice on healthy eating and exercise. The Let's Get Healthy with HENRY programme is for eight weeks and can be accessed via a professional or self referral. A volunteer programme also runs within Telford and Wrekin and this is funded via HENRY and the Big Lottery. The Parent Champions project provides an excellent opportunity to offer training to parent volunteers to offer support for families on the programme, and assist with recruitment and maintenance of behavioural changes at the end of the programme.
- Lets cook together! is a project to engage parents and children to cook healthy meals. Children and families are taught about healthy eating, essential cookery skills, basic food hygiene and how to cook on a budget. The overall message is to promote cooking as a fun activity that can be enjoyed with all the family. The project is delivered within schools and from community venues across the Borough.

- From September 2014, all children in Reception, year 1 and year 2 in state-funded schools in England are eligible for a cooked school lunch at no cost to the parent. It includes infant pupils in maintained infant and primary schools, free schools, academies, and schools for pupils with special educational needs and pupil referral units. This is a government initiative called Universal Infant Free School Meals (UIFSM) and is aimed at improving academic attainment for infant children and to help families save money. In addition work is underway to support local schools to achieve the local Healthier Catering Commitment.



Improving attainment, particularly school readiness

- The Early Years Foundation Stage (EYFS) sets standards for learning, development and care of children from birth to 5 years old. All schools and Ofsted registered early years providers must follow the EYFS, including childminders, preschools, nurseries and school reception classes. The local authority employ a team of dedicated Early Years and Childcare Consultants to work specifically with our local early years providers to ensure our local provision is high quality and meets the requirements of the Early Years Foundation Stage Statutory Framework. The team also work closely with Children and Locality Family Services to deliver Play Together Groups supporting parents to think creatively to promote learning and development through play with the aim of raising the Early Years Foundation Score.
- There are currently a number of national initiatives under way to help local authorities better tailor their early years support to the needs of the most disadvantaged children and their families. Initiatives include free early education places for some children. In Telford and Wrekin, 97% of three and four year olds access their free entitlement of 15 hours a week. Uptake amongst two year olds remains low. Addressing this challenge is a priority for our Early Help Partnership.

- The Telford and Wrekin School Improvement Service aims to secure sustainable school improvement through raised aspirations and high levels of achievement for the whole community. The team includes specialist advisors working across many disciplines to provide support for: assessment, the curriculum, teaching and learning, early years, creativity and outdoor learning, equalities and diversity, leadership, support for newly qualified teachers and special educational needs and inclusion. Support in the early years and learning outdoors have been highlighted by our local partners and parents through our Early Help Consultation as being particularly important to improving outcomes for our children and young people.



1.3 What has been achieved?

- A recent visit from Public Health England highlighted our local Healthy Start pathway for the promotion and distribution of vouchers and vitamins as an example of best practice within the region. Uptake of the scheme by eligible families remains high at 81%; higher than the England average
- Our stop smoking services have supported 98 pregnant women to successfully quit smoking – in 2013/14 the highest ever recorded. Partners have worked collaboratively and taken action to improve data recording, monitoring and information sharing to ensure timely support is provided by the service
- Working collaboratively with the Shropshire Community Health NHS Trust, the Public Health team led the transfer of the Healthy Families Team and service from the NHS to the Council. The team are now part of the councils Children and Family Locality Service which has resulted in a more integrated approach to providing support to families with children who are overweight or obese
- 54 professionals completed HENRY core training and a further 24 have been trained to deliver Let's Get Healthy with HENRY courses. Nine programmes were delivered to parents during 2013/14. We continue to receive excellent feedback from parents about the programme and Telford and Wrekin continues

to have the best rate of retention for parents attending HENRY courses in comparison to the rest of the country.

"I have really enjoyed HENRY. The children have enjoyed the crèche. Going to miss coming. Great team of facilitators"

"I have loved coming to HENRY course. It has been fantastic. I have learnt so much and I will be sure to recommend the HENRY course to all my friends"

- The Shropshire Community Health NHS Trust School Nursing Team were winners of the School Nurse Awards category at the Nursing Standard Nurse Awards supported by the Department of Health for greatly improving and introducing asthma management guidelines to all schools across Shropshire, Telford and Wrekin

- Overall, educational achievement continues to improve and is now comparable to the national picture. For 2013/14 of particular note is the significant and important improvement in the Early Years Foundation Stage achievement rate from 45.0% in 2012/13 to 58.3% in 2013/14. This is a 25.6% improvement from 2012/13 and brings us to within 2%-points of the provisional national average (60.4%). Key Stage 1 achievement rate (Reading, Writing and Maths) have improved and are either the same as, or higher, than the national averages (2013/14). Key Stage 2 has also seen an improvement from 74.0% in 2012/13 to 78.0% in 2013/14 (an increase of 5.4%) and is now the same as the provisional national average (78%).
- During the spring and summer school terms 1500 children and parents took part in the Let's Cook Together project.
- 39 Primary Schools have achieved the Healthy Catering Commitment



"Our children have loved it! Chris and Niki have been so enthusiastic all day which has really helped to engage all the children they have worked with. It is so important for our children because many of them have such limited opportunities to cook at home."

**Richard Thorpe,
Headteacher, Grange Park
Primary School**

"The Cooking Bus was a big hit at Dothill. The children absolutely loved it! They have all taken the recipe home to try, they enjoyed it so much. Niki and Chris were both fantastic with the children and had them engaged and excited."

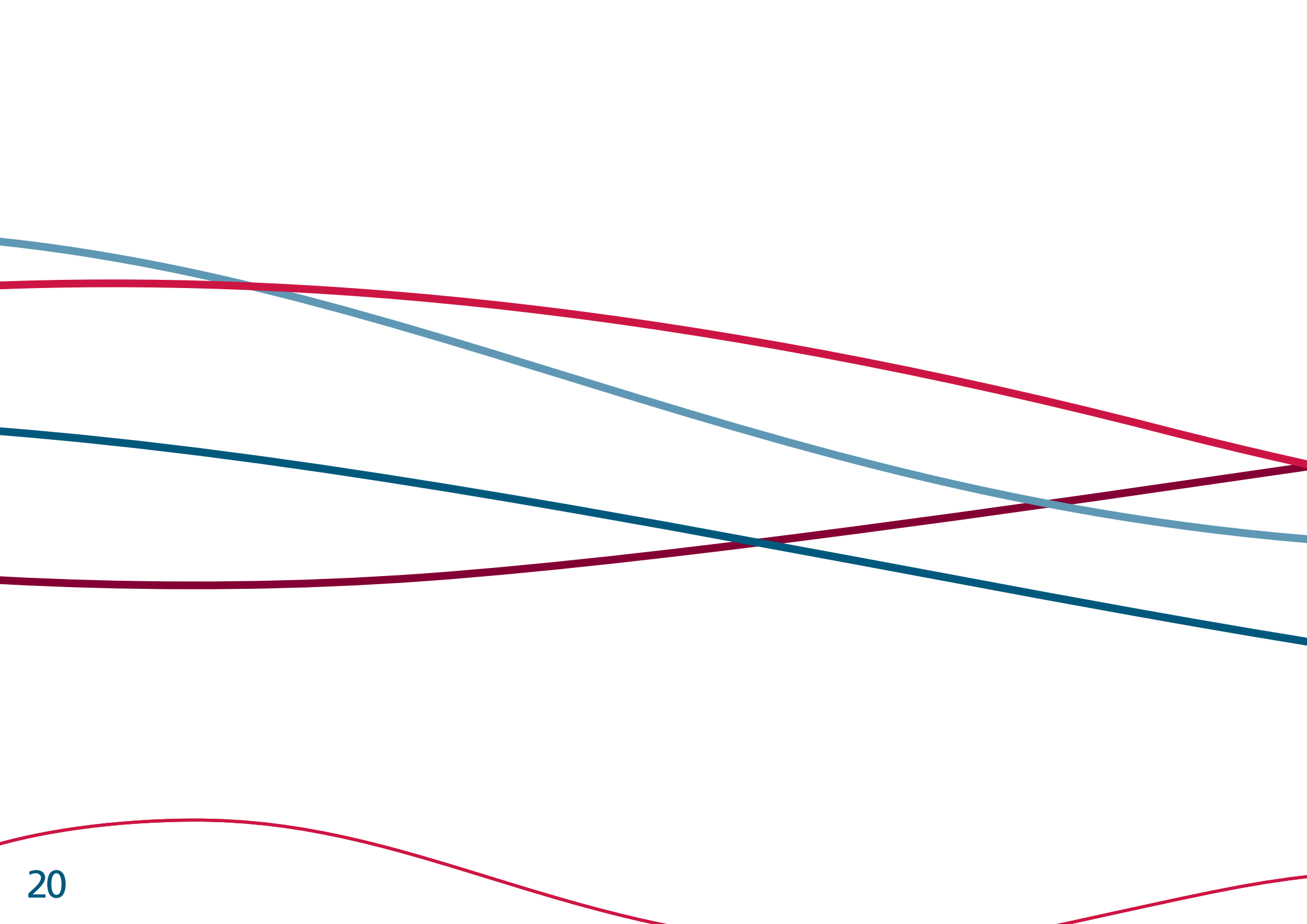
**Peter Rao,
Pastoral Manager,
Dothill Primary School**

Recommendations

Children's social and emotional wellbeing is important in its own right but also because it affects their physical health (both as a child and as an adult) and can determine how well they do at school. Children, young people, parents and professionals told us this was important and a need that required some focussed action in the Borough.

It is recommended that:

The Early Help Partnership, which reports to the Children Young People & Families Board, should work with schools to develop a schools based programme to improve emotional health and wellbeing of children and young people.



Chapter Two: Helping people find jobs and stay in work

2.1 Why is it important?

There is a close and complex relationship between employment and health. Being without work is rarely good for health, but while 'good work' is linked to positive health outcomes, jobs that are insecure, low paid and that fail to protect employee from stress and danger can make people physically and mentally unwell. Unemployed people incur a range of elevated health risks, including limiting long-term illness, mental illness and cardiovascular disease, much higher use of medication and worse prognosis and recovery rates². Adverse working conditions can expose individuals to a range of health hazards and these jobs tend to be available in lower-status occupations.

Getting people into "good employment" is a protective factor for an individual's health. Good jobs need to be sustainable and feel secure, offer a minimum level of quality, protect employees from adverse working conditions, come with a living wage, opportunities for development and allow a good work-life balance².

Healthy and motivated workers are more likely to 'go the extra mile', give good customer service, take fewer sick days and provide commitment and creativity. Workplace health programmes, aimed at ensuring a healthy workforce can lead to reduced sickness absence, lower staff turnover and boost productivity, which is good for employers, workers and the wider economy^{6, 7, 8, 9}.

Did you know?

- Young people not in education, employment or training (NEET) for a substantial period are less likely to find work later in life and are more likely to experience poor long-term health
- Unemployment increases the risk of fatal or non-fatal cardiovascular disease and events, and increases all-cause mortality by between 1.5 and 2.5 times
- Stress at work is associated with a 50% excess risk of coronary heart disease, and there is consistent evidence that high job demand, low control and effort-reward imbalance are risk factors for mental and physical health problems

- Around 1.8 million people in the UK report suffering from an illness they believe was caused or made worse by work with 80% of new cases being musculoskeletal disorders or related to stress, depression or anxiety³

Key local facts and figures

- The Borough's unemployment rate for July 2013 to June 2014 was 6.7%, placing Telford and Wrekin below the regional rate (7.5%) and below the national rate (6.8%). This is the first time the Borough has fallen below the national rate since the year ending March 2009
- Youth unemployment stands at 20.9% in the 12 months to June 2014. Whilst this remains above the regional (20.5%) and the national rate (18.4%) the estimated number of unemployed 16-24 year olds (2700) is 27% less than a year previously (3,700)

- In terms of sickness absence, during 2010-12:
 - 1.9% of working days were lost due to sickness absence, which was worse than the national average of 1.6%
 - 3.5% of employees reported having at least one day off in the previous week, which was significantly worse than the national average of 2.5%
- In 2012, the gap between people with a long-term health condition and the overall employment rate was 11% points. For those people with a learning disability the gap to the overall employment rate was 67.7% points in 2013/14



2.2 What is happening in Telford & Wrekin?

The Council recognises the importance of sustainable employment on the health of individuals in the Borough. The Job Box^a offers a comprehensive package of support to help all residents and the council's workforce. Job Box includes a range of activities to support local people of all ages to find employment, including:

- **Job Junctions** - drop in sessions for employment support and guidance on local courses and training opportunities
- **Job Box Mentors** - one to one support to unemployed young people to assist them into employment
- **The National Careers Service** - confidential and impartial advice to adults on learning, training and work opportunities

Employment and training support programmes start with services to schools including: information advice and guidance, identifying and working with young people at risk of being not in employment, education or training (NEET) and a service delivering work experience expertise to schools and employers. Young people leaving school at 16 who are NEET are assigned to a member of staff to provide additional support for them. The Team also provide additional support

^a Find out more about about The Job Box at www.telfordjobbox.co.uk

to young people having issues in the transition from secondary to further education.

The Council is a sub-contractor delivering National Careers Service advice and guidance to all residents over the age of 18 years. A new team of Job Box Mentors now replicates the 1:2:1 support given to those who are NEETs to a wider age range of 20-24 year olds, given the significant unemployment issues for this age group.

All residents seeking employment and training support have access to a range of Job Box Job Junctions delivered across the Borough, delivering drop-in support and IT access. Community learning courses are delivered by the council, including: confidence building, healthy eating, cooking on a budget, parenting skills and active retirement courses as well as a number based on getting employment in local companies with vacancies. Family Learning has proved a successful way of engaging parents to support their children and develop their own skills, introducing visits to libraries for example. Impact measures from these courses show an excellent impact on an individual's wellbeing.

The Council's own workforce is supported by these services in times of restructure or redundancy as are apprentices who are coming to the end of their Apprenticeship contracts. The Education and Employment Advisory Support team work closely with employers to improve: employment success for residents with physical, mental health and

learning difficulties enabling them to find training and employment to suit their abilities and help the employer accommodate their needs.

Case Study Job Junctions

Job Junctions provide drop in sessions for information, advice and guidance on local courses and training, and employment support. This includes supporting people in developing their CVs, searching for jobs, and learning interview techniques. Job Junctions are held in a range of venues around Telford & Wrekin.

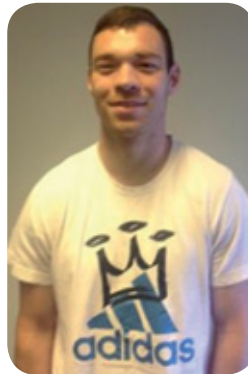


Kamaljit came to Dawley JJ in April for support with her CV and to set up a Universal Job match Account. Initially she was anxious and concerned as she had been relying on the support of her family, not claimed any benefits for some time and although reluctant she had no choice to do so.

Kamaljit had worked in the family taxi business as a driver in the past and felt she would like to pursue similar work but had no idea how to go about it. We searched online using job sites and

looked at job profiles, matching these with her skills and also completed a CV for her. By the end of the first session Kamaljit had compiled her CV and created a Universal Jobmatch account. In her words “the Job Junction was a God send”.

Over the next three weeks Kamaljit was supported to complete application forms, personal profiles and brush up on her interview skills. Kamaljit had a successful interview with National Express for the position of a Bus Driver and has been offered employment. We contacted Kamaljit to congratulate her on her success, she was over the moon and could hardly contain her excitement over securing employment.



Lee came to the Job Junction at Sutton Hill in 2013. He wanted to make a new start and set an example for his children by finding work. Lee had several qualifications and together with staff at the Job Junction, he was able to use these along with his transferable skills to compile a professional CV.

Lee spent his time outside of the Job Junctions writing and delivering speculative letters to a range of prospective employers. He was successful in getting a job at a restaurant in Madeley.

“The Job Junctions gave me the confidence I needed in my job search and helped me to recognise the skills I already had. I get a real buzz from being at work and engaging with people.”

Lee



2.3 What has been achieved?

Jobs Fair 2014



Over 4,000 people attended the first Partnership for Jobs event held at the International Centre, Telford

on 27 March 2014. There were over 100 exhibitors, including: 78 employers, 17 training providers and various Telford & Wrekin Council stands offering support to job seekers. Over a third, 37% of those attending were aged between 18 and 24 years old. Employers represented all major sectors, including: engineering, construction, hospitality, care and administration. A total of 171 job vacancies were advertised on the day and 40%, 69 of the vacancies, were filled as a direct result of the Jobs Fair.

Three new Southwater businesses Zizzi, Nandos and Cineworld also attended the event to raise their profile and showcase their up coming recruitment opportunities. As a direct result our Job Box Mentors attended recruitment days with these businesses to provide support and assistance to job seekers. The Job Box Mentors support has been greatly received by these businesses and a number of people have secured employment as a result of our support. Feedback from all who attended the Job Fair

was incredibly positive, with: 94% of exhibitors reporting that they would consider attending a similar event in future and 72% of job seekers stating that they were either very satisfied or satisfied with the event. The feedback from attendees is being used to improve the success of future Jobs Fairs, including: increasing the size of the venue, creating “Careers Zones” registration of vacancies, revising the seminar programme to improve engagement and targeting of specific groups with high unemployment levels.

The Job Box



of the approach. This pledge was made to ensure that all residents have easy access to the service. Job Junctions were re-launched under the “Job Box” brand to raise the profile and improve attendance in March 2014. ‘Job Box’ is the Council’s one-stop-shop for information and support on vacancies, training and employment within the Borough. The number of Job Junctions has now increased from 8 to 15 with new Job Junctions launched at: The Carpenter Centre in Overdale, The Hub in Newport, the Watling Centre in Arleston, St Georges & Priorslee Parish Centre and Castle Farm Community Centre in Hadley.

One of the pledges of the Council’s Youth Unemployment Programme has been to increase the number of Job Junctions, based on the success

Additional funding has been secured from the following Town & Parish Council’s to support Job Junctions in their area: Great Dawley Parish, St Georges and Priorslee Parish, Madeley Town Council (Sutton Hill and Woodside) and Brookside & Stirchley Parish.

Attendance at Job Junctions has increased impressively, with 3,405 attendances by the end of June 2014, compared to a total of 3,188 during the whole of 2013. It is hoped that if attendance continues at this level then circa 7,000 people will have attended a Job Junction by the end of 2014. Since January 2014, 135 people have been supported into employment, training or voluntary work and many of these have commented on how this has improved their feeling of well being.

Recommendations

Being in employment is good for health but equally a healthy workforce is good for employers, workers and the wider economy.

It is recommended that:

The Council should be an exemplar employer for promoting and supporting improvements in employee health and wellbeing, using an evidence based and innovative approach.

The Living Well Board, in collaboration with employers, should develop a workplace wellbeing offer within the Telford Bondholders Scheme.

Chapter Three: Being active

Access to green and open spaces, active travel and the role of leisure services

3.1 Why is it important?

Access to green and open spaces, leisure and recreational facilities and active travel opportunities impact directly and indirectly on people's physical and emotional mental health^{3, 11, 12, 13}.

Local authorities are also responsible for drawing up and implementing local transport plans. Research has shown that the major barriers for active travel are concerns for safety; the practicalities of walking and cycling such as storage, clothing and logistics of transporting bags and children etc¹⁴. In order to get people walking or cycling more, roads need to be safer, and a more pleasant environment³. More than half of all serious and fatal injuries to pedestrians occur on roads with a 30mph speed limit and those who live in the most deprived areas have a 50% greater risk of dying on the road (Kings Fund, 2013).

Local authorities have a major role promoting and delivering increased participation in sport and physical activity¹⁵.

Key local facts and figures

- Utilisation of outdoor space for exercise and health reasons - an estimated 25.1% of survey respondents report taking a visit to the natural environment for health or exercise purposes, which is better than the national average of 17.1%
- It is estimated that 70.2% of adults carry excess weight and are either overweight or obese, which is significantly worse than the national average estimate of 63.8%
- Sport England survey respondents in 2013 reported the following in terms of physical activity levels:
 - 48% classify themselves as physically active, which is significantly worse than the national average of 55.6%
 - 33.9% classify themselves as physically inactive which is significantly worse than the national average of 28.9%



3.2 What is happening in Telford & Wrekin?

Green and Open Spaces

Access to green space is a core theme of the Council's Shaping Places Development Strategy. This provides the opportunity to refresh and strengthen our sport, recreation, play and open spaces planning policies protecting and ensuring future provision.

The Council has formally protected three open spaces, Town Park Arena, Stirchley Playfields and Malinslee Playfields, by registering them through the National Fields in Trust programme. The Council also works with partners such as Parish Council's and the Shropshire Wildlife Trust to establish new Local Nature Reserves.

The Council proactively works with local communities and groups with regard to the planning, development and management of green spaces. Officers have provided advice and support to local community groups such as the Brookside Improvement Group who have

identified through the Neighbourhood Plan, a project to develop a community garden as part of the regeneration programme.

The Council supports, facilitates and engages multiple partners such as 'friends of' groups which are groups of volunteers who promote and preserve and improve their parks and open spaces for the local community. The Parks and Open spaces team provide administrative and leadership support to Greenshoots, a group of NGOs whose aims are to work together encouraging more people to benefit from the outdoors, improving open spaces, awareness and health.

The Council has worked with private and voluntary sector organisations to deliver new physical activity opportunities within the Town Park such as the weekly Parkrun, the High Ropes Course, organised cycle rides and training and establishing a new ladies rounders league.

Did you know?

- Living in close proximity and easy access to areas of green space - such as parks, woodland and other open spaces - has been associated with a decrease in health complaints, blood pressure and cholesterol, improved mental health and reduced stress levels, perceived better general health and the ability to face problems²

Active Travel

The Road Safety & Sustainable Transport Services for Businesses booklet^b has been widely distributed and provides information for businesses to support and promote sustainable travel. It publicises: Carshare Shropshire and Telford, Cycle to Work schemes, Driving to Work and Wheels 2 Work.

After successfully bidding for funding from the national Local Sustainable Travel Fund, improvements to cycle network facilities have been made to enable cyclists to travel more freely. For example, diversion of National Cycle Network route 55 utilising a disused railway line to form a car free route through to Stafford from Newport. The continuation of the route, some off-road, will provide a more accessible route to Telford Town Centre by bicycle. Along with Silkin Way and Ironbridge Way improvement schemes, active travel within the Borough has been enhanced.

The Council is currently working with (and part funding) the Travel Plan Coordinator for Shrewsbury & Telford Hospitals NHS Trust, to introduce a new travel plan with a package of sustainable travel initiatives to reduce single car occupancy. A number of sustainable travel roadshows and events have taken place at Princess Royal Hospital and the Royal Shrewsbury Hospital promoting sustainable travel, with more to come over the next 12 months.

Telford & Wrekin Council Travel Plan Coordinator is responsible for the Council's own travel plan, as well as providing advice, guidance and information to schools, developers and businesses on producing and maintaining a travel plan. Many new developments are required to produce a travel plan for their site detailing how they will reduce single occupancy car use and increase sustainable travel.

Cycle events such as Bike Week / Cycle to Work Day (4 Sept) are organised to promote cycling. Some of these are organised in partnership with local businesses and the local active Telford Bicycle Users Group^b (TBUG).

Projects to increase safety and support walking and cycling have been implemented around schools within the borough. Notable schemes include variable 20mph zones, crossing facilities and improved cycle storage to encourage car free travel, for example at Woodlands Primary School.

New residential developments, such as the 3,800 housing development in Lawley, are designed in accordance with Manual for Streets to provide low vehicle speed environments for improved safety and to additionally promote walking and cycling, local facilities such as schools, shops, and community centres, are being constructed at the heart of these developments.

^b Find out more about about Telford Bicycle Users Group at cycling@telford.gov.uk

Did you know?

- An estimated 2% of trips in the UK are made by bicycle compared to 10% in Germany, 19% in Denmark and 26% in the Netherlands¹⁶
- Nearly a quarter of car journeys in Great Britain are less than two miles (Welsh Government, 2014) and 55% of car trips in three English towns were found to be under 5km (3 miles)¹⁷

Leisure Services

By 2016 the Council will have refurbished or replaced all of its nine leisure centres, ensuring that the facilities encourage and enable participation. Accessibility to new and enhanced school sports facilities has been secured through the Co-Operative Learning Communities programme and will provide additional local physical activity opportunities.

The Council has developed a Community Asset Transfer Policy to facilitate the transfer of ownership of some playing pitches and facilities to local sports clubs to enable them to develop, grow and secure future funding.

Work was carried out in partnership with Energize STW to prioritize National Governing Bodies of different sports in Telford. The purpose was to enable the Council to work more closely with

the National Governing Bodies to ensure that investment in Telford & Wrekin is maximised and a joint approach to increasing participation.

The priority sports identified were athletics, badminton, basketball, boxing, cricket, cycling, football, swimming, tennis and table tennis. As a result of this work there have been a number of achievements. For example, work with Badminton England has led to investment in the new sports hall at Abraham Darby Sports and Leisure Centre which has become a Performance Centre for badminton. The Council has also collaborated with Badminton England to increase ways of playing across all levels of abilities through innovative programmes such as Battle Badminton, No Strings Badminton, Essentials and Smash Up. In 2013, the Community Badminton Network was set up with local voluntary sports clubs and other key partners such as colleges.

Leisure Services deliver a range of targeted interventions to encourage participation and help address health inequalities. Examples include, Health Trainers, Tackle Your Health and the Fit 4 Life Referral Scheme. The Council also retains a Leisure Concessions Policy providing free or discounted access to facilities and offers free swimming for residents under 16s.

Leisure Services have invested in specialist training and equipment to support disabled users and residents with health conditions to become more physically active. Examples include the

'I Can Too' disability sports programme and specialist support for cardiac rehabilitation, cancer rehabilitation, obesity & diabetes and mental health. The service provides 21 supervised sessions per week and receives approximately 200 referrals per year. The I Can Too programme has been providing Physical Activity Opportunities for Disabled Children and respite for their carers for over four years.

The Council's Annual Active Lifestyle Awards celebrate and showcase sport and physical activity participation across the Borough recognising participation and contributions at all levels.

Did you know?

- Participating in sporting activities results in increased attendance and attainment in schools and also strengthen social networks and community identity¹⁸
- Physical activity, including sport, is linked to reduced risk of over twenty illnesses including cardiovascular disease and some cancers, depression, anxiety, psychological distress¹⁸

3.3 What has been achieved?

- The regeneration of the Town Park, through the five year 'Parks for People' funding programme, an initiative between the Heritage Lottery Fund and Big Lottery that started in January 2011, is bringing significant physical improvements to the park (including to pedestrian and cycle routes) to improve access to the park, and together with ongoing improvements to park events, activities, training and volunteering opportunities, and enhanced management and maintenance, the attractiveness of the park as a health and leisure destination is significantly increasing.
- Through the Parks 4 People Programme the Council has enhanced the Telford Town Park infrastructure, including the creation of dedicated 'Nature' and 'History' walking trails and improved cycle and walkways encouraging physical activity, enhanced recreational opportunities and healthy travel routes to employment and the Town Centre. Other improvements include the 12 hole adventure golf course, water play facility, sensory garden and inclusive play area. All of which enhance the attraction and range of physical activity and recreational opportunities within the Town Park.
- Over 300 employees have participated in the Telford & Wrekin Council Cycle to Work Scheme since it began 2011. This salary sacrifice scheme allows employees to purchase a bike for commuting to work. The scheme is also promoted to local businesses.

Adult cycle coaching has also taken place for colleges, businesses and private individuals.

- Bikeability Cycle Training has been delivered and since 2009 almost 4000 school children have been trained through this cycle training programme.
- Pedestrian training, 'Park and Stride' and 'Walking Bus' programmes assist with safer and active travel for school pupils. In excess of 200 pupils daily walk to school on a successful walking bus at one school.
- Various events have taken place, some in partnership with local businesses, to promote cycling. Notable events are 'Tour de Telford', 'Breeze' & 'Family Rides', Town Park & school based road shows and 'Cycle to Work' day.
- Tennis provides a good example of how the Council is trying to stimulate interest by developing a cohesive approach to our facilities and development programmes, including the parks and open spaces. The opening of Telford Tennis Centre has been a great catalyst for increasing participation in physical activity. In 2013/14 the Tennis Centre alone attracted over 75,000 community visits. There has also been complementary investment into the freely accessible community tennis facilities at Hartshill, Bowring and Dawley Parks, including resurfacing and floodlighting (Hartshill and Bowring), providing facilities for Telford Community Tennis Club and the wider community. An extensive community coaching

programme is provided through First Point who deliver sessions within the parks and also the Tennis Centre. It is hoped that such an approach will encourage new and lifelong participation within the sport.

- An example of a targeted programme is 'Tackle your Health,' which aims to raise awareness of health issues, improve the wellbeing of men aged 30-74 and get 'hard to reach,' inactive men, living or working in Telford, back into sport and physical activity. Participants have an initial 1:1 health check and receive support/advice on ways to get active and lead healthier lifestyles. To date 273 health checks and 3833 activity attendances have been undertaken. Improvements made by clients include increased activity, weight loss, better diet, reduced smoking and reduced blood pressure levels.



Case Study Tackle Your Health



Trevor Bridgewater (aged 56)

Why did you join Tackle Your Health?

I decided to join Tackle Your Health for a few reasons. The main one was to lose weight because of the pain in my hips and back and I felt if I lost some weight it would help with reducing the pain because if I was lighter it would be kinder on my joints. I also wanted to have help and support to educate myself to be able to live a healthier lifestyle. Also after having a heart attack a few years ago I was advised by my doctor to lose weight but I have had problems in trying to lose any and to keep it off.

How did you join Tackle Your Health?

I found out about Tackle Your Health while attending a match at AFC Telford United. I was

approached by Tackle Your Health staff about the Drop a Shirt size campaign and was definitely interested. I left my name and number and was then contacted the following week to attend my first appointment.

What have you achieved since joining Tackle Your Health?

I have lost 8kg since I've started which I'm really pleased with. I've now learned to eat sensibly by reducing my portion size but still eating normally and eat at regular times which is something that I never used to do. I have cut out the unnecessary snacks that I used to eat after my main meals and late at night. The one thing that has surprised me is how easy the weight has come off by just making a few simple changes. I've always tried to lose weight before cutting out the things I like and trying not eat much so I always felt hungry. I now understand why this doesn't work. I have also won myself a Telford United shirt because I've lost over 5% of my body weight which I never thought I'd do!

Would you recommend 'Tackle your Health' to other men? And Why?

I would recommend Tackle Your Health to anyone as it has helped me so much. I know I would never of lost the weight on my own.

Maintaining change and future progress with/without Tackle Your Health?

I now feel confident that I can still keep losing the weight to get to my goal of under 13 stone with the help of Tackle Your Health. I'm also sure that

I will be able to keep the weight off and maintain this weight as I have learned how to eat sensibly and only to eat what I actually need and not just what I want! The support I have received from Chris has really helped because he gave me simple, clear goals and I found them easy to achieve. Having a regular appointment with him to weigh myself really gave me something to focus on as well and it really did help.



Case Study Walking Bus

A key element of the 'Low Carbon Life Skills' of the Local Sustainable Transport Fund Component Bid is to further develop a change of travel culture in Telford and Wrekin away from the dominance of the car and towards sustainable travel options. The walking bus scheme in Telford and Wrekin has been developed to encourage and promote sustainable travel choices in young people that has the potential to influence travel behaviour into adulthood. Walking buses help tackle congestion, reduce carbon emissions and improve pupils' health and safety.

Many of the Borough's schools are located within residential areas, yet around a fifth of pupils who live within a mile of their school travel there by car. A number of concerns have arisen about the detrimental effect that car travel can have on a child's development; these include the failure to develop pedestrian skills, higher carbon emissions within the school zone and the risk to children's health caused by a lack of regular exercise.

A key local priority is the encouragement of healthy and positive lifestyles; the walking bus initiative plays a key role in delivering this priority. Children who lead healthy lifestyles are more likely to carry this forward into adulthood. The walking bus scheme also links in well with other 'Low Carbon Life Skills' initiatives such as pedestrian training and the 'Safer Routes to School' projects. Children are significant users of sustainable travel networks and ensuring they have

the skills and the confidence to travel by low carbon modes will help create safer and less congested environments outside schools. Older pupils who are passengers on the Walking Bus may also have been involved with pedestrian training programmes. Combining such schemes has proved successful when establishing a walking bus.

A risk assessment is carried out to determine the suitability of a walking bus route, in some instances route improvements are carried out. Training is arranged for every walking bus volunteer and everyone who walks on one of the buses is required to wear a high-visibility vest.

All high-visibility equipment, including passenger waistcoats, adult waistcoats, adult winter coats and adult umbrella are provided by Telford & Wrekin Council; these are currently purchased using funding secured through the Government's Local Sustainable Transport Fund (LSTF).

Telford & Wrekin Council offers advice, guidance and support to schools wishing to establish a walking bus. On launch, a promotional assembly takes place and to ensure success and sustainability ongoing support is available. Incentive materials, again purchased using the LSTF funding, are available and are used to increase up take.

- Twelve schools have successful walking buses
- Approximately 265 children in Telford and Wrekin regularly walk to school on a walking bus
- There are approximately 64 adult walking bus conductors, the vast majority of these are parent volunteers.



Recommendation

Levels of excess weight and physical inactivity are high within the borough. It is recognised that the physical infrastructure of the borough is an influence on people's ability to take everyday exercise and make healthier choices.

It is recommended that:

The Council should work with wider partners to ensure that the universal offer for physical activity and also the targeted work to address health inequalities provides opportunities comprehensively across the life course.

The Public Health team should work with the Development, Business and Employment team to develop specific policies which support the creation of healthy environments, for example, controlling the number of new fast food outlets within local centres and near schools, in the Shaping Places Development Strategy.

Chapter Four: Strong communities, wellbeing and resilience

4.1 Why is it important?

Most people's individual wellbeing is influenced by the community in which they live. People live in their communities as individuals and as part of their families, connecting with friends and often travelling outside their local areas to work, study or socialise. Geographic communities are fluid with people moving and settling sometimes often, so a level of change is inevitable. It is important that people feel healthy and safe, are able to participate in their community and can access support and services in the neighbourhood. Residents' sense of wellbeing is influenced by the interaction with their immediate environment, which in turn influences the characteristics of their neighbourhood¹⁹.

There is a growing recognition that although community needs in disadvantaged areas are complex and inter-related, developing community 'assets' can significantly improve health and strengthen resilience to health problems in these communities³. Social capital is the pattern and intensity of networks between people and the shared values those networks develop, with greater interactions comes a greater sense of community spirit.

Definitions of social capital vary, but the main aspects include citizenship, 'neighbourliness', social networks and civic participation²⁰.

People who report higher levels of wellbeing tend to be more involved in social and civic life, are more likely to behave in environmentally responsible ways, have better family and social relationships at home and are more productive at work. The Five Ways to Wellbeing is a set of messages aimed at improving mental wellbeing. They were developed by the New Economics Foundation as a result of the Foresight Report on Mental Capital and Wellbeing. These messages include: Connect, Be Active, Take Notice, Keep Learning and Give.

Did you know?

- Low levels of social integration, and loneliness, significantly increases mortality.
- Communities with less community or social capital differ from stronger communities in many ways² for example:
 - There is less volunteering in neighbourhoods that are perceived to be less safe, and less socialising and less trust in others.
 - In many communities facing multiple deprivation, stress, isolation and depression are all too common.
 - Residents of busy streets have less than one quarter the number of local friends than those living on similar streets with little traffic.
 - The most powerful sources of stress are low status and lacking social networks, particularly for parents with young children.

Five ways
to wellbeing

Connect...

Connect with the people around you. With family, friends, colleagues and neighbours. At home, work, school or in your local community. Think of these as the cornerstones of your life and invest time in developing them. Building these connections will support and enrich you every day.

Five ways
to wellbeing

Be active...

Go for a walk or run. Step outside. Cycle. Play a game. Garden. Dance. Exercising makes you feel good. Most importantly, discover a physical activity you enjoy and one that suits your level of mobility and fitness.

Five ways
to wellbeing

Take notice...

Be curious. Catch sight of the beautiful. Remark on the unusual. Notice the changing seasons. Savour the moment, whether you are walking to work, eating lunch or talking to friends. Be aware of the world around you and what you are feeling. Reflecting on your experiences will help you appreciate what matters to you.

Five ways
to wellbeing

Keep learning...

Try something new. Rediscover an old interest. Sign up for that course. Take on a different responsibility at work. Fix a bike. Learn to play an instrument or how to cook your favourite food. Set a challenge you will enjoy achieving. Learning new things will make you more confident as well as being fun.

Five ways
to wellbeing

Give...

Do something nice for a friend, or a stranger. Thank someone. Smile. Volunteer your time. Join a community group. Look out, as well as in. Seeing yourself, and your happiness, linked to the wider community can be incredibly rewarding and creates connections with the people around you.

Key local Facts and Figures

- 39.9% of adult social care users felt they had as much social contact as they would like in 2012/13, compared to the national average of 43.2%
- 44% of adult carers felt they had as much social contact as they would like in 2012/13, which is better than the national average of 41.3%
- In terms of self reported wellbeing in 2012/13:
 - 4.7% of survey respondents reported feeling their life is less worthwhile
 - 11.9% of survey respondents reported feel less happy yesterday
 - 20.1% of survey respondents reported feeling more anxious than yesterday
- Rate of domestic abuse incidents reported to the police in 2012/13, 15.9 per 1,000 population was lower than the national average of 18.8 per 1,000

Source: Reproduced from the New Economics Foundation publication under the Creative Commons license: <http://www.neweconomics.org/publications/entry/five-ways-to-well-being-postcards>

4.2 What is happening in Telford and Wrekin?

Volunteering

The active involvement of residents is key to delivering the Co-operative Council vision. Volunteering is an important strand of active involvement and it is supported by the Council through a number of different routes, including commissioning voluntary sector organisations, supported by volunteers to deliver a number of services. The Council also directly benefits from a number of volunteering schemes based within council services, such as: libraries, environmental services and within our children and family locality services. Some of these have already been referred to in this report. It is recognised that volunteering brings benefits to both the individuals who volunteer in relation to building confidence, developing skills and building social networks and also to the organisation supported by volunteers.

The Council's volunteer policy and handbook were updated in 2012 and the volunteering programme is now developing further to ensure there is Council-wide model for volunteering which will ensure that we have a consistent approach to the recruitment, coordination and supervision of volunteers. As part of this work a 'toolkit' is being developed to enable a wider number of our services to harness the resources of local volunteers. The Council will also look at innovative ways to recognise the

contribution volunteers make to their communities. There has been an increase in the number of residents who want to volunteer and with this approach the Council will be in a position to respond to this increasing demand, whilst providing a quality volunteering opportunity.

Telford & Wrekin is one of seven local authorities taking part in the national Cities of Service pilot project which has supported the development of two new volunteering schemes. The Let's Grow scheme, funded through the Public Health Grant, involves volunteers supporting residents in our six most deprived communities to grow, cook and eat more fruit and vegetables. An evaluation framework is being put in place to capture the benefits of the project to both the volunteers and the recipients in terms of their improved health and wellbeing. Learning from these two projects will be used to develop two further volunteering projects to support our priority outcomes within Adult and Children's Services.

Social Regeneration Target Areas

The Council is also developing a programme of social regeneration across six 'Target Areas', identified due to the inequalities in outcomes within these communities compared to the rest of the Borough. This programme is taking an 'asset-based' approach through community capacity building and the involvement of local people to celebrate their communities and develop new solutions to longstanding issues. Local

Engagement Boards have been established in these six areas to help to empower local people be more involved in making decisions for their local area. These groups involve residents, members of the public, voluntary and private sector organisations working together to improve outcomes within their communities.

Ward Cooperative Funds

During 2014/15 Public Health Grant funding has been used to sponsor the delivery of the Ward Cooperative Fund and to promote the Five Ways to Wellbeing programme. This fund involves local Ward Members allocating £2,000 each to projects and groups within their Ward. The aim is to support projects contributing to the Five Ways to Wellbeing, with successful stories from individuals being promoted through Five Ways Telford.

Five Ways Telford

The Five Ways Telford blog is based upon stories of people living in Telford and Wrekin and how well they feel having taken some of the positive 'Five Ways to Wellbeing'. Some of these stories have been included in this report but there are many more on Five Ways Telford.

<http://fivewaystelford.wordpress.com/>

4.3 What has been achieved?

Brookside Improvement Group

Brookside estate was identified as one of the Council's Co-operative pilot areas three years ago and the area has undergone a programme of physical and social regeneration. The Council has invested in the refurbishment of the local community centre and put forward Brookside to receive funding through the Lottery's Big Local programme.

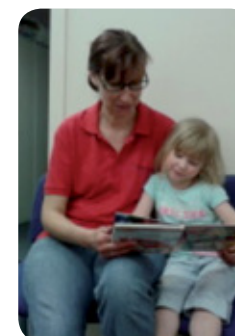
Brookside Improvement Group (BIG) is a group of residents who came together to improve their local area. This group have been integral to the regeneration of Brookside and are taking a lead in developing the management of the £1m lottery funding that will come into the area over during the next eight years. The group has developed considerably over the past few years, with support through the Community Organisers programme and community development staff from within Telford and Wrekin Council. Members of the group have been supported to develop a Community Interest Company (CIC), which has been involved in developing a number of projects including 'Telford Bikes' and the 'Take 5 Cafe'.

Prior to the community centre being closed for refurbishment volunteers, with the support of a paid member of staff employed through the CIC, ran the cafe within the community centre. This helped to develop the skills and confidence of the

volunteers whilst encouraging more local people to access the community centre and the range of services and courses delivered from the centre. Residents have been involved in planning the redevelopment of the community centre which will involve the local youth facility being co-located into the centre. Discussions are currently underway with the CIC about them taking over the refurbished cafe when the centre re-opens in early 2015. The learning from the Brookside pilot has been used to develop our approach to social regeneration within the other five target areas within the Borough.



Case Study Becoming a volunteer HENRY Parent Champion



I joined a HENRY course because I was unsure how to apply healthy eating principles to my children. Breast feeding worked to its own schedule and portion size - I just followed baby's cues. But after that I really didn't know how to feed my children healthily.

Making sense of all the advertising and advice you are given as a parent was a nightmare. Any help was welcome. I needed some sound guidance rather than just my instinct to feel confident that I was doing the right thing. I also wanted more unbiased information to help resolve differences of opinion - in particular with excessive portion sizes given by the kids' grandparents. I learnt so much! It was exactly what I needed and more.

In particular I learned to treat healthy snacks as a valid part of daily food intake and not as a stop gap or treat. I learnt about portion size and decided to start using smaller plates at home. Not using food as a reward or for bargaining, was quite tricky to begin with, but was ultimately a really beneficial change for us all. The parenting aspects

of the course really hit home too – family rewards, sticker charts, lots of praise, descriptive guidance and so on. Having these all presented in a clear way, with practical examples and group discussion gave me confidence in these ideas, some of which I was beginning to use at home already.

I have seen so many positive changes in my life! Mealtimes are more peaceful and civilized. I sit with the children at the table and we all have dinner together. The small plates suit the children better. There seems to be less food waste and they are eating to their appetite, rather than over-riding it. I realised that I was deeply rooted in the ‘finish your dinner’ mentality. It’s the same for snacking between meals which I always thought was bad – but actually is healthy with the right foods. I would also always end up eating sweets just because they were available. I realized these habits around food were actually not the healthiest thing for me, and I certainly didn’t want that for my children. I now know how to prevent my children developing these habits. I also avoid processed foods much more now than I did before.

The children’s behaviour has improved a lot. We listen more, and keep our calm. Using guided choices rather than clash of opinions has helped our children understand why a certain action is needed. I’m now able to challenge my parents on how they feed my children – I’ve definitely noticed that they ask me my opinion and second-guess my judgement less than before.

I’m now supporting other families with young children as a HENRY Parent Champion. I am running a playgroup jointly with another Mum who also completed the HENRY course. The group already promotes healthy eating and positive parenting through the activities provided encouraging parents to be positive healthy role models. We plan to have a monthly HENRY activity within the group and we’re publicising local events including HENRY courses and organized walks.

I’m so glad to have got involved with HENRY. In addition to the lifestyle information, I have made new friends and am enjoying the experience and challenge of volunteering. When my youngest starts school, I know that I will have the confidence to get back into work after seven years of being a full-time mum. I’m not sure I would have done without HENRY.

Recommendation

It is recommended that:

The Council, partners and communities recognise the valuable contribution volunteering can make to volunteers themselves and to others and support the development of more volunteering opportunities.

The Council, partners and communities use the ‘5 Ways Telford’ social media blog to cascade ‘people like us’ stories to inspire others to take simple steps to feel well, be more positive and get more from life.

Chapter Five: Public Health Outcomes Framework

The National PHOF
Overarching Vision:
To improve and protect the nation's health and wellbeing and improve the health of the poorest fastest

Outcome measure 1: Increased healthy life expectancy, i.e. taking account of the health quality as well as the length of life.

Outcome measure 2: Reduced differences in life expectancy and healthy life expectancy between communities (through greater improvements in more disadvantaged communities).

The RAG rating in the following tables is based on the statistical significance comparison between Telford and Wrekin and the national average for England as calculated and presented by Public Health England (PHE) in the PHOF release November 2014. Indicators without RAG ratings are those where PHE have not applied statistical comparisons. www.phoutcomes.info

Key to RAG rating

RED:
Telford & Wrekin position statistically significantly worse than the England average

AMBER:
Telford & Wrekin position statistically significantly similar to the England average

GREEN:
Telford & Wrekin position statistically significantly better than the England average

Overarching health Indicators				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
0.1i	Healthy life expectancy at birth (Male)	60.0	63.4	2010 - 12
0.1i	Healthy life expectancy at birth (Female)	58.7	64.1	2010 - 12
0.1ii	Life Expectancy at birth (Male)	77.9	79.2	2010 - 12
0.1ii	Life Expectancy at birth (Female)	81.6	83.0	2010 - 12
0.1ii	Life Expectancy at 65 (Male)	17.7	18.6	2010 - 12
0.1ii	Life Expectancy at 65 (Female)	20.2	21.1	2010 - 12
0.2iii	Slope index of inequality in life expectancy at birth within English LAs (provisional) (Male)	6.7	-	2010 - 12
0.2iii	Slope index of inequality in life expectancy at birth within English LAs (provisional) (Female)	2.5	-	2010 - 12
0.2iv	Gap in life expectancy at birth between each local authority and England as a whole (Male)	-1.3	0	2010 - 12
0.2iv	Gap in life expectancy at birth between each local authority and England as a whole (Female)	-1.4	0	2010 - 12

Wider Determinants of Health				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
1.01i	Percentage of all dependent children under 20 in relative poverty (living in households where income is less than 60 per cent of median household income before housing costs)	24.1	20.1	2011
1.01ii	Children in poverty	25.1	20.6	2011
1.02i	School Readiness: All children achieving a good level of development at the end of reception as a percentage of all eligible children ^c	45.1	51.7	2012/13
1.02i	School Readiness: All children achieving a good level of development at the end of reception as a percentage of all eligible children by free school meal status ^c	30.6	36.2	2012/13
1.02ii	School Readiness: Year 1 pupils achieving the expected level in the phonics screening check as a percentage of all eligible pupils ^c	67.0	69.1	2012/13
1.02ii	School Readiness: The percentage of Year 1 pupils with free school meal status achieving the expected level in the phonics screening check ^c	54.7	55.8	2012/13
1.03	Pupil absence	4.97	5.26	2012/13
1.04	First time entrants to the youth justice system	498	441	2013
1.05	16-18 year olds not in education employment or training	8.8	5.3	2013
1.06i	Adults with a learning disability who live in stable and appropriate accommodation	63.9	73.5	2012/13
1.06i	Adults with a learning disability who live in stable and appropriate accommodation (Male)	61.0	73.2	2012/13
1.06i	Adults with a learning disability who live in stable and appropriate accommodation (Female)	68.2	74.0	2012/13
1.06ii	% of adults (age 18-69) who are receiving secondary mental health services on the Care Programme Approach recorded as living independently, with or without support.	76.0	58.5	2012/13
1.06ii	% of adults (age 18-69) who are receiving secondary mental health services on the Care Programme Approach recorded as living independently, with or without support (Male)	73.5	57.3	2012/13
1.06ii	% of adults (age 18-69) who are receiving secondary mental health services on the Care Programme Approach recorded as living independently, with or without support (Female)	78.5	59.8	2012/13
1.08i	Gap in the employment rate between those with a long-term health condition and the overall employment rate	11.0	7.1	2012
1.08ii	Gap in the employment rate between those with a learning disability and the overall employment rate	67.7	65.1	2013/14

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^c NB 2013/14 data for School Readiness are reported on page 14 of this report, these figures were not updated in the PHOF release of 4 November 2014

Wider Determinants of Health <i>continued</i>				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
1.08iii	The percentage point gap between the percentage of working age adults who are receiving secondary mental health services and who are on the Care Programme Approach recorded as being employed (aged 18 to 69) and the percentage of all respondents in the Labour Force Survey classed as employed (aged 16 to 64)	58.6	62.3	2012/13
1.09i	Sickness absence - the percentage of employees who had at least one day off in the previous week	3.5	2.5	2010 - 12
1.09ii	Sickness absence - The percent of working days lost due to sickness absence	1.9	1.6	2010 - 12
1.10	Killed and seriously injured casualties on England's roads	22.7	39.7	2011 - 13
1.11	Rate of domestic abuse incidents reported to the police, per 1,000 population	15.9	18.8	2012/13
1.12i	Age-standardised rate of emergency hospital admissions for violence per 100,000 population	39.3	57.6	2010/11 - 12/13
1.12ii	Violent crime (including sexual violence) - violence offences	10.4	11.1	2013/14
1.12iii	Rate of sexual offences based on police recorded crime data per 1,000 population	1.3	1.0	2013/14
1.13i	The percentage of offenders who re-offend from a rolling 12 month cohort	24.4	26.9	2011
1.13ii	The average number of re-offences committed per offender from a rolling 12 month cohort	0.65	0.8	2011
1.14i	The percentage of the population affected by noise - Number of complaints about noise	5.1	7.5	2012/13
1.14ii	The percentage of the population exposed to road, rail and air transport noise of 65dB(A) or more, during the daytime	0.8	5.2	2011
1.14iii	The percentage of the population exposed to road, rail and air transport noise of 55 dB(A) or more during the night-time	2.0	8.0	2011
1.15i	Statutory homelessness - homelessness acceptances	1.8	2.3	2013/14
1.15ii	Statutory homelessness - households in temporary accommodation	0.8	2.6	2013/14
1.16	Utilisation of outdoor space for exercise/health reasons	25.1	17.1	Mar 2013 - Feb 2014
1.17	Fuel Poverty	11.0	10.4	2012
1.18i	Loneliness and isolation in adult social care users	39.9	43.2	2012/13
1.18ii	Loneliness and isolation in adult carers	44	41.3	2012/13

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Health Improvement				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
2.01	Percentage of all live births at term with low birth weight	2.8	2.8	2012
2.02i	Breastfeeding initiation	67.4	73.9	2013/14
2.02ii	Breastfeeding prevalence at 6-8 weeks	33.9	47.2	2013/14
2.03	Smoking at time of delivery (% of maternities)	22.4	12.0	2013/14
2.04	Teenage conception rate	36.8	27.7	2012
2.04	Teenage conceptions (under 16)	8.4	5.6	2012
2.06i	Percentage of children aged 4-5 classified as overweight or obese	24.2	22.2	2012/13
2.06ii	Percentage of children aged 10-11 classified as overweight or obese	35.0	33.3	2012/13
2.07i	Rate of emergency admissions caused by unintentional and deliberate injuries in children aged 0-14 years	113.8	103.8	2012/13
2.07i	Rate of emergency admissions caused by unintentional and deliberate injuries in children aged 0-4 years	146.5	134.7	2012/13
2.07ii	Rate of emergency admissions caused by unintentional and deliberate injuries in young people aged 15-24 years	140.2	130.7	2012/13
2.08	Emotional well-being of looked after children	14.1	14.0	2012/13
2.12	Excess weight in adults	70.2	63.8	2012
2.13i	Percentage of physically active and inactive adults - active adults	48.1	55.6	2013
2.13ii	Percentage of active and inactive adults - inactive adults	33.9	28.9	2013
2.14	Smoking prevalence (adults)	21.0	18.4	2013
2.14	Smoking prevalence (Adults - Routine and Manual workers)	28.2	29.7	2012
2.15i	Successful completion of drug treatment - opiate	8.2	7.8	2013
2.15ii	Successful completion of drug treatment - non opiate	42.0	37.7	2013
2.16	People entering prison with substance dependence issues who are previously not known to community treatment	42.2	46.9	2012/13

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Health Improvement <i>continued</i>				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
2.17	Recorded diabetes	6.3	6.0	2012/13
2.18	Alcohol related admissions to hospital (Persons)	633	637	2012/13
2.18	Alcohol related admissions to hospital (Male)	804	829	2012/13
2.18	Alcohol related admissions to hospital (Female)	477	465	2012/13
2.19	Cancer diagnosis at early stage (Experimental Statistics)	*	41.6	2012
2.20i	Cancer screening coverage - breast cancer	79.8	75.9	2014
2.20ii	Cancer screening coverage - cervical cancer	73.9	74.2	2014
2.21vii	Access to non-cancer screening programmes - diabetic retinopathy	85.0	79.1	2012/13
2.22iii	Cumulative % of eligible population aged 40-74 offered an NHS Health Check in 5yr period	21.4	18.5	2013/14
2.22iv	Cumulative % of eligible population aged 40-74 offered an NHS Health Check who received an NHS Health Check in 5yr period	38.7	49.0	2013/14
2.22v	Cumulative % of eligible population aged 40-74 who received an NHS Health Check in 5yr period	8.3	9.0	2013/14
2.23i	Percentage of respondents less satisfied with life	-	5.8	2012/13
2.23ii	Percentage of respondents feeling their life is less worthwhile	4.7	4.4	2012/13
2.23iii	Percentage of respondents feeling less happy yesterday	11.9	10.4	2012/13
2.23iv	Percentage of respondents feeling more anxious yesterday	20.1	21.0	2012/13
2.24i	Injuries due to falls in people aged 65 and over (persons)	1489	2011	2012/13
2.24i	Injuries due to falls in people aged 65 and over (males)	1129	1602	2012/13
2.24i	Injuries due to falls in people aged 65 and over (females)	1849	2420	2012/13
2.24ii	Injuries due to falls in people aged 65 and over - aged 65-79	732	975	2012/13
2.24iii	Injuries due to falls in people aged 65 and over - aged 80+	3686	5015	2012/13

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Health Protection				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
3.01	Fraction of mortality attributable to particulate air pollution	4.4	5.1	2012
3.02i	Chlamydia diagnoses (15-24 year olds)	2438	2092	2011
3.02ii	Chlamydia diagnoses (15-24 year olds) - CTAD (females)	2477	2634	2013
3.02ii	Chlamydia diagnoses (15-24 year olds) - CTAD (males)	1008	1387	2013
3.02ii	Chlamydia diagnoses (15-24 year olds) - CTAD (persons)	1719	2016	2013
3.03i	Hepatitis B (12 Months)	-	-	2012/13
3.03i	Hepatitis B (24 Months)	-	-	2012/13
3.03iii	Dtap/IPV/Hib vaccination (12 Months)	97.9	94.7	2012/13
3.03iii	Dtap/IPV/Hib vaccination (24 Months)	97.7	96.3	2012/13
3.03iv	MenC vaccination coverage	97.2	93.9	2012/13
3.03v	PCV vaccination coverage	97.3	94.4	2012/13
3.03vi	Hib/MenC booster vaccination coverage (2 years)	95.8	92.7	2012/13
3.03vi	Hib/MenC booster vaccination coverage (5 years)	96.6	91.5	2012/13
3.03vii	PCV booster vaccination coverage	96.0	92.5	2012/13
3.03viii	MMR vaccination coverage (2 years)	96.3	92.3	2012/13
3.03ix	MMR vaccination coverage one dose (5 years)	97.0	93.9	2012/13
3.03x	MMR vaccination coverage two doses (5 years)	94.9	87.7	2012/13
3.03xii	HPV vaccination coverage	91.3	86.1	2012/13
3.03xiii	PPV vaccination coverage	66.5	69.1	2012/13
3.03xiv	Flu vaccination coverage (over 65s)	73.5	73.4	2012/13
3.03xv	Flu vaccination coverage (at risk individuals)	55.3	51.3	2012/13
3.04	People presenting with HIV at a late stage of infection	42.9	48.3	2010 – 12
3.05ii	Incidence of TB	6	15.1	2010 – 12
3.06	Public sector organisations with a board approved sustainable development management plan	50.0	41.6	2013/14

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Healthcare and Premature Mortality				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
4.01	Infant mortality	5.5	4.1	2010 – 12
4.02	Tooth decay in children aged 5	0.76	0.94	2011/12
4.03	Mortality rate from causes considered preventable - Persons	202.3	183.9	2011 - 13
4.03	Mortality rate from causes considered preventable –Males	261.2	233.1	2011 - 13
4.03	Mortality rate from causes considered preventable – Females	147.3	138.0	2011 - 13
4.04i	U-75 mortality rate from all cardiovascular disease - Persons	87.4	78.2	2011 - 13
4.04i	U-75 mortality rate from all cardiovascular disease – Males	121.3	109.5	2011 - 13
4.04i	U-75 mortality rate from all cardiovascular disease - Females	55.1	48.6	2011 - 13
4.04ii	U-75 mortality rate from all cardiovascular disease considered preventable - Persons	55.4	50.9	2011 - 13
4.04ii	U-75 mortality rate from all cardiovascular disease considered preventable – Males	87.8	76.7	2011 - 13
4.04ii	U-75 mortality rate from all cardiovascular disease considered preventable – Females	24.5	26.5	2011 - 13
4.05i	U-75 mortality rate from cancer - Persons	163.9	144.4	2011 - 13
4.05i	U-75 mortality rate from cancer - Males	176.0	160.9	2011 - 13
4.05i	U-75 mortality rate from cancer – Females	152.7	129.2	2011 - 13
4.05ii	U-75 mortality rate from cancer considered preventable - Persons	94.8	83.8	2011 - 13
4.05ii	U-75 mortality rate from cancer considered preventable – Males	102.7	91.3	2011 - 13
4.05ii	U-75 mortality rate from cancer considered preventable - Females	87.7	76.9	2011 - 13
4.06i	U-75 mortality rate from liver disease - Persons	23.0	17.9	2011 - 13
4.06i	U-75 mortality rate from liver disease – Males	29.8	23.6	2011 - 13
4.06i	U-75 mortality rate from liver disease - Females	16.7	12.5	2011 - 13
4.06ii	U-75 mortality rate from liver disease considered preventable - Persons	20.7	15.7	2011 - 13
4.06ii	U-75 mortality rate from liver disease considered preventable - Males	28.3	21.1	2011 - 13

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Healthcare and Premature Mortality <i>continued</i>				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
4.06ii	U-75 mortality rate from liver disease considered preventable - Females	13.4	10.5	2011 - 13
4.07i	U-75 mortality rate from respiratory disease - Persons	36.1	33.2	2011 - 13
4.07i	U-75 mortality rate from respiratory disease – Males	40.9	39.1	2011 - 13
4.07i	U-75 mortality rate from respiratory disease - Females	31.4	27.6	2011 - 13
4.07ii	U-75 mortality rate from respiratory disease considered preventable - Persons	21.3	17.9	2011 - 13
4.07ii	U-75 mortality rate from respiratory disease considered preventable - Males	23.6	20.4	2011 - 13
4.07ii	U-75 mortality rate from respiratory disease considered preventable - Females	19.2	15.5	2011 - 13
4.08	Mortality rate from communicable diseases - Persons	62.7	62.2	2011 - 13
4.08	Mortality rate from communicable diseases – Males	77.8	72.1	2011 - 13
4.08	Mortality rate from communicable diseases – Females	56.6	56.2	2011 - 13
4.09	Excess under 75 mortality in adults with serious mental illness	398.2	337.4	2011/12
4.10	Suicide rate - Persons	10.2	8.8	2011-13
4.10	Suicide rate - Males	15.3	13.8	2011 - 13
4.10	Suicide rate - Females	-	4.0	2011 - 13
4.11	Emergency readmissions within 30 days of discharge from hospital (persons)	11.5	11.8	2011/12
4.11	Emergency readmissions within 30 days of discharge from hospital (males)	11.6	12.1	2011/12
4.11	Emergency readmissions within 30 days of discharge from hospital (females)	11.3	11.5	2011/12
4.12i	Preventable sight loss - age related macular degeneration (AMD)	78.6	104.4	2012/13
4.12ii	Preventable sight loss - glaucoma	9.8	12.5	2012/13
4.12iii	Preventable sight loss - diabetic eye disease	6.3	3.5	2012/13
4.12iv	Preventable sight loss - sight loss certifications	37.6	42.3	2012/13
4.13	Average health status score for adults aged 65 and over	0.667	0.726	2012/13

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Healthcare and Premature Mortality <i>continued</i>				
Ref.	Indicator	Telford and Wrekin average	England average	Time period
4.14i	Hip fractures in people aged 65 and over	671.0	568.1	2012/13
4.14ii	Hip fractures in people aged 65 and over - aged 65-79	273.3	237.3	2012/13
4.14iii	Hip fractures in people aged 65 and over - aged 80+	1824	1528	2012/13
4.15i	Excess Winter Deaths Index (single year, all ages)	8.8	16.1	8/2011 - 7/2012
4.15ii	Excess Winter Deaths Index (single year, age 85+)	11.6	22.9	8/2011 - 7/2012
4.15iii	Excess Winter Deaths Index (three years aggregated, all ages)	15.4	16.5	8/2009-7/2012
4.15iv	Excess Winter Deaths Index (three years aggregated, age 85+)	17.4	22.6	8/2009-7/2012

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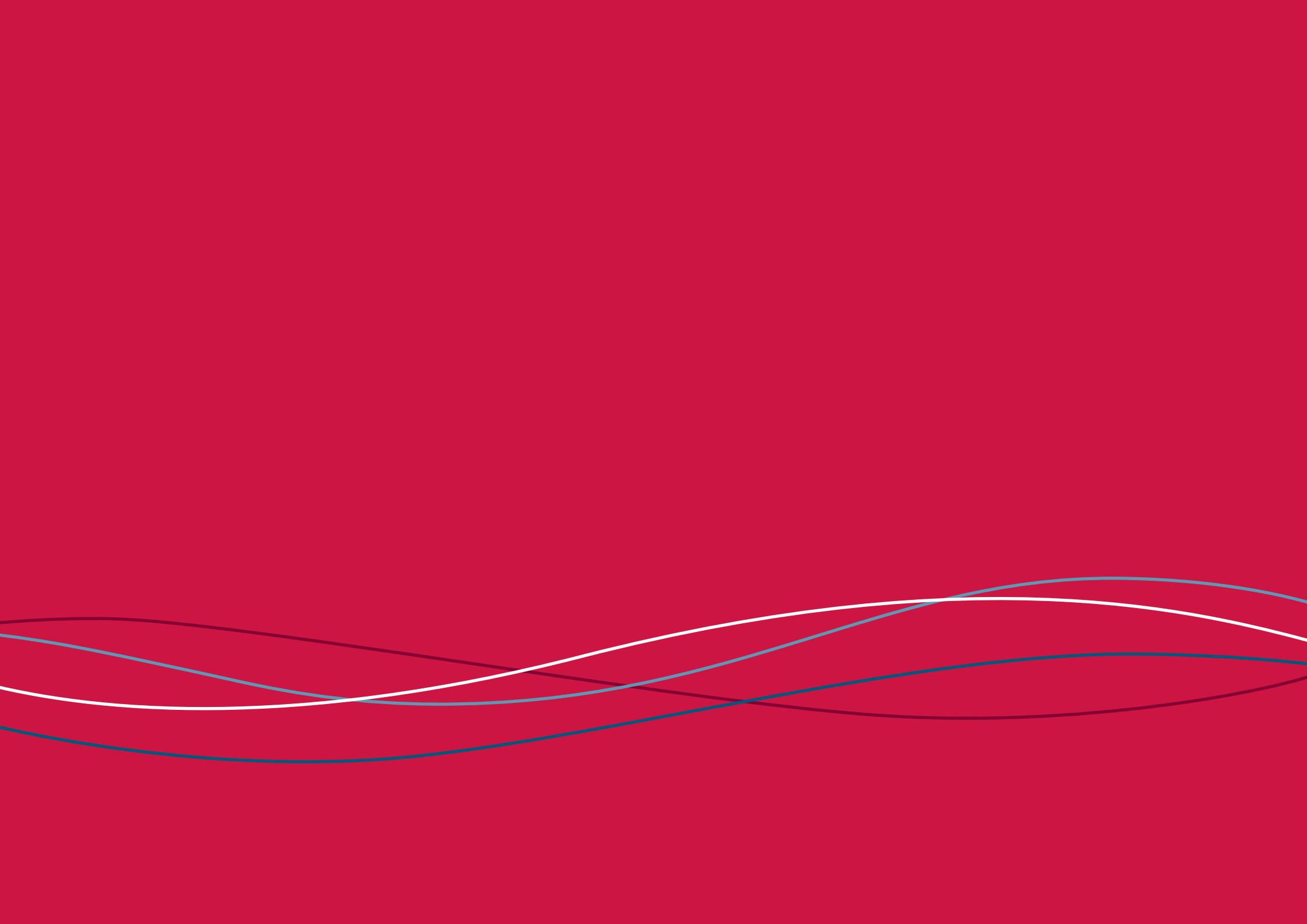
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TELFORD & WREKIN COUNCIL

CABINET – 8th JANUARY 2015

THE PROVISION OF SECURITY SERVICES (SCHOOLWATCH) - PROVIDING SECURITY PATROLS, AND KEYHOLDING SERVICES TO SCHOOLS AND OTHER COUNCIL OWNED BUILDINGS IN THE BOROUGH

REPORT OF ASSISTANT DIRECTOR: CUSTOMER SERVICES

LEAD CABINET MEMBER – CLLR W McCLEMENTS

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To seek approval from Cabinet to retender and award the above contract.

2. RECOMMENDATIONS

2.1 That the Assistant Director of Customer Services in consultation with the Cabinet Member for Finance & Enterprise be authorised to retender and award the contract for the provision of security services (patrols and key holding) to schools and other Council owned buildings within the Borough of Telford & Wrekin with effect from 1st September 2015.

2.2 That the Assistant Director of Law, Democracy & People Services be authorised to agree and execute all final contractual documentation including affixing of the common seal of the Council i as is appropriate under Article 14.of the Constitution and Part 4 Contract Procedure Rules Section 21.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	All Council Priorities are supported by these proposals.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	The contract is to be awarded in June 2015 and the contract will commence on the 1 st September 2015 to 31 st August 2018 with an	

	optional 2 year extension.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	See Financial Implications in section 5.
LEGAL ISSUES	Yes	See the Legal comments in Section 6
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The advice of the Council's external property insurers is that the current insurance premium is based on the fact that Schoolwatch operates across a number of Council buildings. The insurer has confirmed that should this situation change, then there would an increase in the premium charge for cover
IMPACT ON SPECIFIC WARDS	No	Borough-wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

4.1 Background

The aim of the Security Contract currently known as (Schoolwatch) is to reduce crime and vandalism in and around schools and other Council owned sites within the Borough of Telford & Wrekin. To achieve this aim, the successful company will work to prevent, deter and detect crime.

4.2 When the Council became a Unitary Authority in April 1998 it took on responsibility for all schools within the borough. Unfortunately we experienced three major arson attacks during its first two years of existence as well as numerous break-ins and acts of vandalism.

4.3 As a consequence the Council decided to pilot a security patrol programme during the summer holidays of 1999 and as a result of its success, decided to undertake a tender process for a full 'Schoolwatch programme' with effect from the end of July 2000. The contract was retendered in 2006 and again in 2011. Schoolwatch has now run for fourteen years and has proved to be a great success with 95% of the Borough's schools signing up to the programme, with the vast majority employing Schoolwatch as its main key holder.

4.4 Over this time the vast majority of Council owned premises have been added to the programme, thus ensuring a more co-ordinated approach to site security arrangements. As buildings have entered the programme we have seen a significant drop in the level of criminal activity at these sites. The Council and schools are committed to maintaining a Security contract and supporting to ensure site security

and safety. In addition the new security contract will allow for other ad-hoc security work to be added for any Council buildings as and when required.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The annual cost of the Schoolwatch contract in 2014/15 is approximately £220k. Income of £150k is received via contributions from schools and other Council operational buildings that use the service. There is a net budget of £32k for the Schoolwatch contract in 2014/15 which leaves a gap of £38k against the net cost of the service of £70k. The gap will need to be managed by reviewing the level of contributions from services.
- 5.2 Should the retendered costs be higher than the available budgets a decision will be made to increase the contributions for contributing sites, or where deemed safe to do so consider reducing the specification of the level of security for some services eg slightly reduced hours of cover in order to bring the costs of the service in line with the available resources.
- 5.3 Market engagement and a competitive tender produce will help reduce the risk of any unaffordable bids

MLB 04.12.14

6. LEGAL COMMENTS

- 6.1 The Council through its planning and financial modelling will seek to ensure the best use of financial resources to ensure the sustainability of the Service. The procurement of the services will be construed against the Council's Contract Procedure Rules in relation to the threshold of the contract. Where it may be stipulated in the current contract provisions, appropriate notices will be served and exit arrangements followed.

7. PREVIOUS MINUTES

- 7.1 None

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