

**A MEETING OF THE
BOROUGH OF TELFORD & WREKIN**

**Will be held at THE PLACE, OAKENGATES, TELFORD
on THURSDAY 5th MARCH, 2015 at 6.30 p.m.**

**All Members are summoned to attend for the transaction
of the under mentioned business**



Assistant Director: Law, Democracy & People Services

A G E N D A

1. MINUTES OF THE COUNCIL

To confirm the minutes of the of the Meeting of the Council held on 22
January 2015

**Appendix A
White
Pages**

2. APOLOGIES FOR ABSENCE

3. DECLARATIONS OF INTEREST

Members are reminded that they must not participate in the discussion
or voting on any matter in which they have a disclosable pecuniary
interest and should leave the room prior to commencement of that item

4. LEADER'S REPORT & ANNOUNCEMENTS

The Leader of the Council may give an oral report on matters of significance to the Borough, comment upon the Cabinet decisions or make any announcements.

5. MAYOR'S ANNOUNCEMENTS

To note the Mayoral Engagements undertaken since the Council meeting held on 22nd January, 2015.

**Appendix B
White
Pages**

6. PUBLIC QUESTIONS

To receive any questions from the public which have been submitted under Council Procedure Rules 7.11 and 7.12. The session will last no more than 15 minutes with a maximum of 2 minutes allowed for each question and answer. Questions can be asked of The Leader and Cabinet Members.

- i) The following question to the Deputy Leader has been submitted by Cathy Salter:

"As an ex-nurse with a passionate interest in our NHS, I note from the 'Future Fit' shortlist that there is an only one in six chance of Telford retaining a full 24/7 A+E. Could the Council confirm it will continue to fight for a full 24hr A+E at Princess Royal Hospital?"

- ii) The following question to the Leader has been submitted by Simon Malpass:

"HMRC are closing offices throughout the country and splitting up their IT Contract in 2017 which poses a threat to HMRC, Fujitsu and CapGemini jobs. What can the Council do to prevent potential job losses in the Telford Town Centre currently provided by these major Telford based employers?"

- iii) The following question to the Leader has been submitted by Lee Carter:

"Could the Leader please give his reaction to comments by Daniel Kawczynski, MP for Shrewsbury & Atcham, that Telford & Wrekin Council should merge with Shropshire. Do you think it will have a detrimental impact on providing quality services in Telford & Wrekin and threaten 24/7 A&E Services at Princess Royal Hospital?"

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

To receive the report on the Cabinet decisions made since the last meeting of the Council on 22nd January, 2015. Cabinet Members may speak on these decisions and Members may ask questions of the relevant Cabinet Member for the purposes of clarification only.

**Appendix C
White
Pages**

Members are asked to note the additional delegations to officers granted at those meetings.

8. SERVICE & FINANCIAL PLANNING 2015/16-2017/18

To consider the reports listed below which are contained within the separate Budget document enclosed with the agenda. Reports D1 to D4 will be considered by Cabinet on 26 February 2015 for recommendation to Council for approval.

**Appendices
D1-D4
Yellow**

**Appendix
D5
White**

**(enclosed in
separate
Budget
document)**

- a) Overview & Revenue Budget (D1)
- b) Capital Programme (D2)
- c) 2015/16 Treasury Strategy & Treasury Update (D3)
- d) Prudential Indicators (D4)
- e) Council Tax Formal Resolution for 2015/16 (D5)

Alternative budget proposals have been submitted to Council by the Conservative Group. A copy of the proposals, and the comments of the Budget & Finance Scrutiny Committee and the Chief Financial Officer, is enclosed separately to the agenda. At the meeting, the alternative budget proposals will be moved as an amendment to the Cabinet's proposals.

9. RECOMMENDATIONS FROM BOARDS & COMMITTEES

i) Standards Committee

**Appendix E
Green
Pages**

To consider recommendations from the Standards Committee relating to the Councillors' Code of Conduct and Appointment of Independent Person

10. MINUTES OF BOARDS AND COMMITTEES

Salmon

To note the following resolved Minutes (Salmon paper):

Audit Committee – 27 January 2015

**Appendix F
pages**

Personnel Committee – 22 January 2015

(NB: the recommendation at minute PEB-8 will be dealt with at agenda item 8 above)

**Appendix G
Pages**

Planning Committee – 14 January and 4 February 2015

**Appendix
H1-H2
Pages**

Standards Committee – 20 January 2015

(NB: the recommendation at minute ST-08 will be dealt with at agenda item 9 above)

**Appendix I
Pages**

11. QUESTIONS

To answer questions received under Council Procedure Rule 7.

N.B. *In accordance with the provisions of Council Procedure Rule 7.4 there will be a maximum of 30 minutes allowed for questions and answers. Any question not answered within the 30 minute time limit will receive a written reply within 5 working days.*

12. NOTICES OF MOTION

- i) Councillor R.A. Overton will move, in accordance with Council procedure rule 11, the following motion:

“This Council recognises that, despite £70m of unprecedented and vicious cuts in Government funding, the Borough is now recognised as a regional and national centre for business and a great place to visit and live. With the opening of Southwater, the winning of the MOD Fulfilment Centre at Donnington, the continued regeneration of our centres, the opening of new schools and many other successes, we can be proud and confident of the future.

“This Council re-affirms its commitment to establishing the Borough of Telford & Wrekin as a growth point in the region and a place where people want to live.”

The motion will be seconded by Councillor S. Davies.

Key

Yellow paper	Recommendations from Cabinet to Full Council
White Paper	Reports submitted direct to Full Council
Green Paper	Recommendations from Committees, Boards and Commissions requiring approval by Full Council
Salmon Paper	Resolved minutes for noting only

FILMING, RECORDING & PHOTOGRAPHY

The Council supports the principle of transparency and encourages filming, recording and taking photographs at its meetings that are open to the public. It also welcomes the use of social networking websites (such as Twitter and

Facebook) and micro-blogging to communicate with people about what is happening, as it happens.

There is no requirement to notify the Council in advance, but it should be noted that the Chairman of the meeting will have absolute discretion to terminate or suspend any of these activities if, in their opinion, continuing to do so would prejudice proceedings at the meeting. Full details of the Council's protocol on audio/visual recording and photography at meetings can be accessed via the following link: http://www.telford.gov.uk/info/354/council-minutes_agendas_and_reports/1596/filming_photography_recording_and_use_of_social_networking_at_meetings

PUBLIC QUESTIONS

At each Ordinary meeting of the Council a period of **15 minutes** will be allocated for public questions. Questions can be asked of The Leader and Cabinet Members. Details of the protocol for public questions can be accessed via the following link: http://www.telford.gov.uk/info/354/council-minutes_agendas_and_reports/1594/public_questions_at_council_meetings

BOROUGH OF TELFORD & WREKIN

Minutes of a meeting of the Borough of Telford & Wrekin held on Thursday, 5 March, 2015 at 6.30pm at The Place, Oakengates, Telford

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

52. MINUTES OF THE COUNCIL

RESOLVED – that the minutes of the Council Meeting held on 22 January 2015 be confirmed and signed by the Mayor.

53. APOLOGIES FOR ABSENCE

Councillor F.M. Bould

54. DECLARATIONS OF INTEREST

Councillors I.T.W. Fletcher and V.A. Fletcher declared an interest in agenda item 6ii) – Public Question in respect of Councillor Ian Fletcher's employment at one of the companies referred to in the question.

Councillors R.A. Overton and K.S. Sahota declared a disclosable pecuniary interest in relation to agenda item 7 – Cabinet Decisions, specifically in relation to Telford Homefinder – Property Management Service if this matter was brought up in debate.

Councillor S. Davies declared a disclosable pecuniary interest in relation to agenda item 7 – Cabinet Decisions, specifically in relation to Dawley Regeneration and Improvement Works if this matter was brought up in debate.

55. MAYOR'S ANNOUNCEMENTS

The Mayor welcomed representatives from the Telford Tigers Ice Hockey team who were in attendance at the meeting. He congratulated the team for their recent success in winning the English Premier League for the first time in 27 years. Telford Tigers had had an outstanding season, winning the title by a margin of 14 points from their nearest challengers. They were also still in contention for two further trophies this season, and he wished them every success. Members expressed their appreciation of the recent achievements of the Telford Tigers.

The Mayor then reported on a number of engagements that he had attended since the last meeting of the Council. The previous day, he had attended a Schools Sport Festival at Shrewsbury, at which the Borough was represented by pupils from Burton Borough and Phoenix schools.

The Mayor reflected that this was the last meeting of the current Council prior to the Borough Elections on 7 May, and thanked Members for their work and dedication over the last four years. He was aware that some Councillors were not standing for re-election, and they were thanked for their contribution. Tributes were paid in particular to Councillor Keith Austin, a former Leader of the Council, who was standing down after over 30 years service. Councillor Mike Ion was also not seeking re-election, and Members thanked him for carrying out the role of Speaker over the last twelve months.

56. LEADER'S REPORT & ANNOUNCEMENTS

The Leader referred to the recent tremendous news that the Ministry of Defence (MoD) would be locating their national logistics centre at Donnington. This was the culmination of three and a half years of hard work by the Council and partners to convince the MoD that Telford was the best location for this facility. That mission had been accomplished against the odds, and as well as securing existing employment at MoD Donnington, the new facility would generate up to 1,000 new jobs and be worth £16m to the local economy. He thanked all the Council Officers who had worked so hard on this project, along with Councillor Bill McClements (as lead Cabinet Member), David Wright MP and union leaders at MoD Donnington. This news was confirmation that Telford was on the up.

The Leader then reflected on the achievements of his Administration over the last four years, including reducing youth unemployment, the redevelopment of Southwater and the Town Centre, the Pride in Your Community programme, three new libraries and a refurbished Ice Rink, the rebuild or refurbishment of all the Borough's secondary schools, the Telford Leisure Card' and an increase of 14% in the rate of recycling.

57. PUBLIC QUESTIONS

The following public questions had been received under Council Procedure Rules 7.11 and 7.12.

(a) Ms C Salter asked the following question of the Deputy Leader of the Council:

“As an ex-nurse with a passionate interest in our NHS, I note from the ‘Future Fit’ shortlist that there is an only one in six chance of Telford retaining a full 24/7 A&E. Could the Council confirm it will continue to fight for a full 24hr A&E at Princess Royal Hospital?”

The Deputy Leader confirmed that the Council would continue to do all it could to retain 24 hour A&E services at Princess Royal Hospital (PRH). Telford was the primary growth point in Shropshire in terms of jobs and population, and needed such

a facility. All the other options on the 'Future Fit' shortlist would be a downgrade on the current service at the PRH, and that was not acceptable to local people.

Councillors I.T.W. Fletcher and V.A. Fletcher left the meeting room during consideration of the next question.

(b) Mr S Malpass asked the following question of the Leader of the Council:

"HMRC are closing offices throughout the country and splitting up their IT contract in 2017 which poses a threat to HMRC, Fujitsu and Cap Gemini jobs. What can the Council do to prevent potential job losses in the Telford Town Centre currently provided by these major Telford based employers?"

The Leader replied that there were around 3000 HMRC and associated jobs in the Borough, and it would be a hammer blow for the local economy if these jobs were lost. These companies also had strong connections to the local community in terms of contributing to co-operative and voluntary initiatives. He would be writing to the Government minister to seek an urgent meeting to discuss any such threat to jobs, and David Wright MP would also be raising the issue with the Government. The Council would also be carrying out an Economic Impact Assessment to determine what effect any loss of these jobs would have on the local economy. The Council had a good track record in supporting and fighting to retain jobs in the Borough, and he could assure the local workforce of HMRC and these companies that it would do so again on their behalf.

(c) Mr L Carter asked the following question of the Leader of the Council:

"Could the Leader please give his reaction to comments by Daniel Kawczynski, MP for Shrewsbury & Atcham, that Telford & Wrekin Council should merge with Shropshire. Do you think it will have a detrimental impact on providing quality services in Telford & Wrekin and threaten 24/7 A&E Services at Princess Royal Hospital?"

The Leader responded by stating that Telford & Wrekin Council was doing very well on its own. It would work with other Councils if it was in the interests of Borough residents, but a merger with Shropshire would result in the imposition of parking charges in Borough Centres among other things. Telford and Wrekin's economy was growing at a faster rate than Shropshire, there were many new developments and initiatives to improve the quality of life for residents and council tax was lower than neighbouring authorities. It appeared that the MP for Shrewsbury & Atcham saw a merger as a solution to Shropshire Council's problems rather than to improving the quality of services in Telford & Wrekin. Mr Kawczynski had referred to an independent financial report which claimed that a merger would produce savings of £14m. However, Telford & Wrekin Council had not seen or was aware of any such report. In terms of the threat to 24/7 A&E services at Princess Royal Hospital, the MP for Shrewsbury & Atcham was on the record as saying that Royal Shrewsbury Hospital should be the only site for A&E in Shropshire. This Council would fight for the retention of 24/7 A&E at the Princess Royal Hospital.

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

Members received the report on the Cabinet decisions made since the last meeting of the Council on 22 January 2015.

Telford Homefinder – Property Management Service

In response to a question about social housing being offered to people from outside the Borough, Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, advised that there were not as many cases as had been alleged. The issue had been raised by Scrutiny as part of a wider review on Access to Affordable Housing which would be considered at the next Cabinet meeting. The Council was talking with social housing providers in the Borough to address this issue, but ultimately the Council could not stop people from outside the Borough if they were offered a property by these housing companies.

The additional delegations to Officers granted at the 29 January 2015 Cabinet meeting was noted.

(Councillor T.J. Hope left the room before consideration of the next agenda item)

59. SERVICE & FINANCIAL PLANNING 2015/16-2017/18

Prior to discussion of this item the Managing Director reminded Members that section 106 of the Local Government Finance Act 1992 placed limitations on voting on the setting of Council Tax for the forthcoming year by any Member who was at least 2 months in arrears in the payment of outstanding Council Tax. Any Member in this situation would also be required to disclose the fact that this section of the Act applied to them. No disclosures were made by Members.

Councillor W.A.M McClements, Cabinet Member for Finance & Enterprise, presented a series of reports of the Managing Director, the Assistant Director: Finance, Audit & Information Governance (Chief Financial Officer), the Assistant Director: Development, Business & Employment and the Director of Neighbourhood, Customer & Cultural Services. The reports, detailing the Revenue Budget, Capital Programme, the Treasury Management Strategy, Prudential Indicators and the Formal Council Tax resolutions, formed the Council's overall Medium Term Service & Financial Planning framework, and identified the service priorities and budget for 2015/16 as well as savings proposals to be delivered over the next two years, and a medium term capital programme. The proposals had been considered by Cabinet on 26 February 2015 and recommended to Council for approval. He thanked Officers for preparing the budget against a backdrop of such financial constraint, and thanked all those people who had taken part in the budget consultation exercise.

The Overview and Revenue Budget report set out the pressures facing the Council. Cumulative cuts now stood at £70m per annum, which equated to a cut in spend of over £950 for each household in the Borough, with cuts to Government grants being the greatest factor. The Council had significantly reduced its numbers of senior officers and back-office costs while protecting front-line services as far as possible. However, despite the financial challenges, the Council was continuing to invest to

create jobs and safeguard the future prosperity of the Borough and its residents, in line with the Administration's key priorities. The report highlighted a number of investments that were delivering growth, jobs and regeneration in the Borough.

Following the publication of its draft budget proposals in early January, and a one month consultation period, Cabinet had confirmed its key budget strategy proposals for 2015/16 as:

- Freezing Council Tax for the next two years;
- Continuing to deliver jobs and investment, including a £1m fund to support high streets in the Borough Towns and district centres, and £4m to roll-out superfast broadband to those parts of the Borough without coverage;
- Minimising cuts to priority services for vulnerable adults and children as far as possible, against a backdrop of unprecedented cuts in government funding, through good financial management and making one-off additional ring-fenced funding available to support services;
- Investing in communities – creating a £1m (capital) Community Pride Fund for 2017/18, with a borough-wide environmental investment programme of £750k over the next two years in addition to the existing Pride in Your Community programme. There would also be continuing support to regenerate local centres with £650k (capital) investment to refurbish the Gower St Youth Club in St Georges.
- Investing in roads – a commitment to a programme of £2m per annum to invest in road, footpath and other highway improvements for the next 3 years over and above the funding allocated by Government for this purpose;
- Improving local people's prospects through education and skills training – including continuation of the £187m investment in school infrastructure, and a further £650k to fund a second year of investment in youth unemployment Job Box initiatives
- Improving the health and wellbeing of communities and addressing health inequalities – it was proposed to provide free swimming for residents over 50 for four years.

Attached to the report were a number of appendices, including savings proposals, Impact Assessments of the savings proposals, the Pay Policy Statement 2015/16, analysis of base budget movements, Corporate Debt Recovery Policy and details of Reserves and Balances.

Following publication of the Cabinet's budget proposals in January 2015, there had been extensive consultation via a wide range of media and settings to involve local people and groups such as the Business Forum. This included an interactive "pop-up" road show around the Borough, allowing local people the opportunity to have conversations with Cabinet Members and senior managers. In total, 2,594 contacts were made during the consultation programme, and the full findings/responses were appended to the report. Among the key results, were broad support for the Council's investment proposals and responses that were given to three key questions seeking people's views about the Borough and its future. The Budget & Finance Scrutiny Committee had looked in detail at the budget proposals, and their comments were appended to the report.

Since the draft budget proposals were approved for consultation, the Government had issued the final settlement for 2015/16. The net impact resulted in a gain of £0.276m revenue support grant for the Council. Updated projections for estimated income from business rates showed a further benefit of £1.185m arising from strong growth in the local economy. This would be used to make three key changes to the original proposals, in response to the consultation. An additional £1.25m one-off funding had been set aside for Adult Social Services in 2015/16, the saving relating to changes to remissions policy for fees for Arthog Outdoor Centre and the Music Service had been deleted, and a proposed saving from rationalisation of budgets at Arthog of £50k had been reduced to £17k.

An equality impact analysis of the overall impact of the budget was appended to the report, along with environmental and economic impact assessments.

The Council's Chief Financial Officer was required to give a view on the robustness of the Council's financial strategy, including the use of balances, and this was appended to the report. Given the continued delivery of savings and long-term service re-design, this had concluded that the Council was pursuing a sound financial strategy in the context of the most difficult financial position it had ever faced due to the combined effect of Government cuts and increased service pressures.

The report on the Capital Programme presented the Council's Capital Strategy for 2014/15 – 2017/18 and later years and a capital programme of £293.560m that included the proposed investments contained in the overall budget strategy. It also set out the Council's Asset Management Plan and planned building maintenance programme, particularly focusing on 2015/16, and the three year Highways and Transport capital investment programme.

The report on the Treasury Management Strategy detailed the Treasury Strategy to be adopted for 2015/16. The Strategy was set within the parameters of the latest guidance and accounting standards. It was expected the Council would borrow up to £55.4m in 2015/16 based on the current capital programme plans, and would adopt a flexible approach to borrowing. The borrowing might increase if the Council proceeded with possible large commercial projects such as MoD Donnington. The report also provided an update on the treasury management activities during 2014/15. The weighted average return on internal investments at the end of December 2014 was 0.98% compared to a benchmark return for the period of 0.43%. The report also included the Council's Minimum Revenue Provision Statement, which was now being calculated on an annuity basis, which would provide savings over a number of years following the backdating of adjustments.

The report on Prudential Indicators sought approval of the prudential indicators for 2015/16 to 2017/18 required under the Prudential Code of Capital Finance in Local Authorities.

Councillor McClements concluded that it was a very positive budget that was investing in the Borough despite the above-average cuts in central Government funding. He commended the Budget to the Council, and moved all the recommendations in appendices D1 to D5. This was seconded by the Leader.

(Councillor R.C Evans arrived at 7.26pm).

Councillor W.L. Tomlinson, Leader of the Liberal Democrat/Independent Group, welcomed the additional one-off funding that was now being proposed for Adult Social Care, but there were still concerns at the potential impact of cuts in care funding. There was also concern that there was only £4m left in reserves, and it would be more prudent if some revenue funding, such as that linked to the Pride in the Community programme, was put into reserves. There were also concerns at the scale of new housing development in the Borough with insufficient infrastructure to support it. This was damaging quality of life and would lead to longer term problems. He supported many of the proposed capital investments outlined in the Budget, but had some reservations at the likely revenue costs of the Pride in Your Community Programme.

Councillor A. J. Eade, Leader of the Conservative Group, responded to the Cabinet's recommendations, and moved an amendment to the budget in the form of his Group's alternative budget which had been circulated as a separate appendix with the budget papers. He expressed particular concern that the cuts to Adult Social Care budgets would have dire consequences and hit the most vulnerable residents of the Borough. While the change of heart by the Administration in finding additional contingency funding was welcome, his Group was proposing a further £870k on top of that in order to give greater support to the elderly and vulnerable. He then highlighted a number of the other proposals in the alternative budget, which included:

- An extra investment in Highways of £23.7m over five years in order to clear the maintenance backlog and bring the highway network up to an acceptable standard. The initial costs of this would be paid for by diverting the funding allocated for the "Pride in Your Community" programme;
- contingency of £50k for a pilot of some areas of leisure provision to give managers a greater level of commercial freedom and full control of budgets;
- deletion of the Administration's proposal of free swimming for the over 50s, to be replaced by the introduction of five free swimming lessons for over 18s who were unable to swim;
- £50k for a review of the work undertaken on the 'Shaping Places' document;
- £0.5m of capital expenditure to start immediate work on planning future secondary education facilities to meet a peak in demand for places in the next few years;
- Reinstatement of the proposed cut of one post from Customer Services and an additional £40k to improve the service by providing three additional staff;
- an additional £50k for the Rights of Way service;
- a capital fund of £1m for the Borough's Towns and Local High Streets which would complement the revenue money proposed by the ruling Administration;
- additional on-going savings of £1.135m.

The amendment was seconded by Councillor A. Lawrence.

A number of Members spoke both for and against the proposed amendment. Reference was also made to the response of the Budget & Finance Scrutiny Committee to the Alternative Budget Proposals.

In accordance with Council Procedure rule 11.3, a recorded vote on the amendment was duly requisitioned, the result of which was as follows:

For: (15)

Councillors S. Bentley, S.P. Burrell, E.J. Carter, N.A. Dugmore, A.J. Eade, I.T.W. Fletcher, V.A. Fletcher, E.J. Greenaway, M.B. Hosken, R.T. Kiernan, A. Lawrence, A.A. Meredith, C.R.P. Mollett, R.G. Scammell and J.M. Seymour

Against: (36)

Councillors R.K. Austin, K.T. Blundell, E.A. Clare, S. Davies, C.B.A. Elliott, A.R.H. England, N.A.M. England, R.C. Evans, G.M. Green, K.R. Guy, M.G. Ion, A.S. Jhawar, J. Loveridge, A.A. Mackenzie, C.N. Mason, A.D. McClements, W.A.M. McClements, J.C. Minor, L.A. Murray, R.A. Overton, J. Pinter, G.C.W. Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota, P.J. Scott, R.J. Sloan, C.F. Smith, M.J. Smith, K.M. Stringer, B.J. Thompson, K.L. Tomlinson, W.L. Tomlinson, C.R. Turley, P.R. Watling and D.R.W. White.

The amendment having fallen, further debate took place on the substantive motion to approve the recommendations set out in reports D1 – D5. Members also considered the comments of the Budget & Finance Scrutiny Committee to the budget proposals, which were appended to report D1.

A number of Members spoke both for and against the proposed budget. In responding to the debate, the Cabinet Member for Finance & Enterprise referred to spending on Adult Social Care, which was under pressure in all parts of the country due to Government cuts in funding to local authorities. Locally, there had been no reduction in overall spend on these services up to the end of 2013/14, whereas nationally from 2012/13 to 2013/14 52% of overall savings were from reductions in adult social care spending. The Audit Commission had noted that whilst some savings had now been made from Telford & Wrekin's adult care budgets, the Council had been careful to achieve this in ways that protected services to clients as far as possible. In respect of the Pride in the Community programme, there was clear feedback from residents that they wanted neighbourhoods that were safe, clean and well-maintained, and this Programme was an investment in local communities. This was an honest budget that, despite the severe financial challenges facing the Council, was investing in the Borough's future and promoting growth and prosperity.

In accordance with Council Procedure rule 11.3, a recorded vote on the motion to approve all the recommendations in reports D1 to D5 was duly requisitioned, the result of which was as follows:

For: (36)

Councillors R.K. Austin, K.T. Blundell, E.A. Clare, S. Davies, C.B.A. Elliott, A.R.H. England, N.A.M. England, R.C. Evans, G.M. Green, K.R. Guy, M.G. Ion, A.S. Jhawar, J. Loveridge, A.A. Mackenzie, C.N. Mason, A.D. McClements, W.A.M. McClements, J.C. Minor, L.A. Murray, R.A. Overton, J. Pinter, G.C.W. Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota, P.J. Scott, R.J. Sloan, C.F. Smith, M.J. Smith, K.M. Stringer, B.J. Thompson, K.L. Tomlinson, W.L. Tomlinson, C.R. Turley, P.R. Watling and D.R.W. White.

Against: (15)

Councillors S. Bentley, S.P. Burrell, E.J. Carter, N.A. Dugmore, A.J. Eade, I.T.W. Fletcher, V.A. Fletcher, E.J. Greenaway, M.B. Hosken, R.T. Kiernan, A. Lawrence, A.A. Meredith, C.R.P. Mollett, R.G. Scammell and J.M. Seymour

RESOLVED –

(i) Overview and Revenue Budget

- (a) that the base budget summarised by Service Area in Appendix 9a be approved;**
- (b) that the freezing of council tax levels in 2015/16 and the commitment to freezing council tax again in 2016/17 be approved;**
- (c) that the savings package detailed in Appendix 2, and the additional saving from the Housing Investment Programme, be approved;**
- (d) that the proposals to address the revenue pressures detailed in Appendix 2c be approved, including**
 - the allocation of £2.5m one-off funding for Adult Social Services in 2015/16;**
 - the allocation of £0.75m one-off funding for Children’s safeguarding in 2015/16;**
 - the allocation of £0.25m over 3 years for Destination Telford initiatives.**
- (e) that the revenue investment of £1m to revitalise High Streets of Borough Towns and District Centres be approved;**
- (f) that the revenue investment of £0.75m over two years for a Borough wide Environmental Investment Programme be approved;**
- (g) that the revenue investment of £0.2m over 4 years to provide free swimming for all residents over 50 be approved;**
- (h) that the revenue investment of £33,000 to continue funding for the Food Bank during 2015/16 be approved;**
- (i) that the policy framework for Reserves and Balances outlined in Appendix 10 be approved;**
- (j) that the revenue implications of the medium term capital programme for the period 2014/15 - 2017/18 set out in the Capital Programme report, including new commitments of £6m Council funding for roads and highways over the next 3 years, £1m to re-**

run the Community Pride Fund in 2016/17, £0.65m for regeneration works in St Georges and £0.4m for regeneration works in Dawley, be approved;

- (k) that the Impact Assessments contained in Appendices 3a, 3b and 4 be noted;
- (l) that the creation of provisions during 2014/15 to fund those investments funded from the projected revenue budget underspend in 2014/15, together with the remaining budget gap of £0.858m, be approved, with any remaining underspend at year end to be transferred to either the severance fund or invest to save/capacity funds to support the delivery of further savings in future years;
- (m) that the Pay Policy Statement 2015/16 shown at Appendix 5 be approved;
- (n) that the Chief Financial Officer's robustness statement outlined at Appendix 15 of the report be noted;
- (o) that the Corporate Debt Recovery Policy included at Appendix 13 of the report be approved;
- (p) that the 9 month Performance Update shown at Appendix 14 of the report be noted.

(ii) Capital Programme

- (a) that the report and associated capital estimates for 2014/15 and 2015/16 – 2017/18, which incorporates the Capital Strategy, the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II), Asset Management Plan (Annex III) and the three year Highways and Transport capital investment programme (Annex IV) be approved;
- (b) that authority be delegated to the Assistant Director: Development, Business & Employment to deliver the planned programme of works within the Asset Management Plan and to the Director of Neighbourhood, Customer & Cultural Services to deliver the Highways and Transport capital investment programme in line with the approved budgets with any variations or changes to schemes in these programmes, that remain within overall approved budgets, after consultation with the appropriate Cabinet Members;
- (c) that authority be delegated to the Managing Director to finalise the terms of the HCA Agreement and enter into the Agreement on behalf of the Council, in consultation with the Cabinet Member for Finance & Enterprise;

- (d) that authority be delegated to the Managing Director to authorise the directors of the Wholly Owned Company to proceed with the purchase of existing properties within the funding allocations already approved by Cabinet for the Housing Investment Project after consideration of separate business cases for each proposed purchase in consultation with the Cabinet Member for Finance & Enterprise and the Cabinet Member for Neighbourhood Services, Employment & Skills.

(iii) Treasury Management

- (a) that the treasury management activities for the first half year be noted;
- (b) that the Treasury Management Policy Statement, as shown at Appendix A of the report, be noted;
- (c) that the Treasury Strategy, including the Annual Investment Strategy for 2015/16, together with the associated Treasury Prudential Indicators and the Minimum Revenue Provision Statement, be approved.

(iv) Prudential Indicators

- (a) that the prudential indicators as set out in the report be approved as part of setting the budget for 2015/16.

(v) Council Tax Formal Resolution

- (a) that the formal resolutions to determine the levels of Council Tax for 2015/16, as detailed in report D5, be approved.

(Councillors R.K. Austin, C.B.A. Elliott, A.A. Mackenzie and K.M. Stringer left the meeting)

60. RECOMMENDATIONS FROM BOARDS & COMMITTEES

Standards Committee

Councillor N.A.M. England, Chair of the Standards Committee, presented the report of the Monitoring Officer relating to the Councillors' Code of Conduct and Appointment of Independent Persons. The Committee had considered proposed changes to the Code of Conduct to reflect the updated Nolan Principles for standards in public life, and the recommended changes were appended to the report. The Committee had also recommended the extension of the terms of office of the current Independent Persons for a further four year term.

RESOLVED –

- (a) that the amended Code of Conduct for Councillors, as shown at Appendix 1 of the report, be adopted with immediate effect;**
- (b) that the term of office of the Independent Persons, namely Michael Tebbutt and Chris Humphries, be extended for a further four years, with a review to take place towards the end of 2018.**

61. MINUTES OF BOARDS AND COMMITTEES

Council noted the resolved and draft minutes of the following Boards and Committees:

- (a) Audit Committee – 27 January
- (b) Personnel Committee – 22 January
- (c) Planning Committee – 14 January and 4 February
- (d) Standards Committee – 20 January

62. QUESTIONS

The following Questions were asked in accordance with Council Procedure Rule 7:

a) Cllr A.J. Eade asked Cllr K.S. Sahota the following question:

“Could Cllr Sahota confirm the true cost of building new Civic Offices at Southwater in Telford after selling the old Civic Offices to ASDA, as he consistently told this Council and the public through the media that the cost was £40m when his colleague and Cabinet Member for Finance stated on Radio Shropshire that the cost was £20m. Perhaps he could explain who is telling the truth?”

Councillor Sahota asked Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, to reply on his behalf. Councillor McClements stated that the £40m figure was based on the contents of a report of the previous Conservative Administration in January 2010 which set out the likely costs of a new Civic Offices at Southwater plus assumed on-costs. The figure that had been referred to on Radio Shropshire was the value of the capital receipt from the sale of the old Civic Offices site, and not the cost of building a new Civic Offices.

b) Cllr S.P. Burrell asked Cllr P.R. Watling the following question:

“Would the Cabinet Member for Children’s Services give us a figure, be it actual or best projection, representing the total amount of money being invested in the rebuilding or refurbishment of secondary schools in the Borough?”

Councillor Watling stated that the figure for secondary schools was £123.8m, which included obtaining the necessary planning permissions.

c) Cllr P.J. Scott asked Cllr C.F. Smith the following question:

"Newport is seeing a large growth in its population over the next few years due to the number of new houses being built in the area. Does this Council have any plans to attract new employers to Newport to provide full or part time jobs other than those connected to retail supermarkets?"

Councillor Smith advised that the Council had employed consultants to carry out a study into the supply and demand for employment land in Newport. A report to Cabinet had identified a need for 8.9ha of such land, and this had been incorporated into the emerging Shaping Places Plan. Planning permission had been granted for 4.5 hectares of employment land in the southern part of Newport as part of a mixed development. The Council would continue to work with the Newport Regeneration Partnership and others to shape economic growth in Newport, and representations that had been received on the Shaping Places proposals were currently being considered.

d) Cllr S. Bentley asked Cllr C.F. Smith the following question:

"After four years in office, would the Cabinet Member: Housing, Development & Borough Towns inform the Council as to whether or not his officers and Administration are in a position to now provide a definitive and demonstrable 5 year land supply in the Borough?"

Councillor Smith replied that the Council continued to get technical and legal advice on whether it could demonstrate a five year land supply. All Councils were subject to the planning rules that had been imposed by Central Government in relation to new housing developments. Local authorities had no control over the rate at which private developers built the homes they had been granted permission for, and the shortfall in completions due to the economic recession. A delegation from the Council had met with the Planning Minister, but he had been unable to provide any advice to overcome this situation. However, he did confirm that Telford & Wrekin had an Adopted Plan, and was ahead of many other local authorities in the development of its new Plan.

e) Cllr N.A. Dugmore asked Cllr W.A.M. McClements the following question:

"What figure of committed and proposed prudential borrowing has this Administration made since being elected?"

Councillor McClements stated that when the Administration took office, the level of committed and proposed borrowing was £118m. An additional £99m had been committed or proposed, so the current total figure was £217m. He stressed that much of this expenditure, such as the Housing Investment Programme and Solar Farm, related to 'invest to save' schemes, the returns from which would repay the capital and revenue costs and provide a surplus for re-investment by the Council.

f) Cllr S.P. Burrell asked Cllr P.R. Watling the following question:

"Could the Cabinet Member for Children's Services tell us the total number of secondary school places in the Borough when he took office in 2011 and the projected number of secondary places the Borough will have in 2017?"

Councillor Watling replied that in 2011 the total number of secondary school places was 10,850, but that this included around 1,500 surplus places. The projected number of places for 2017 was 10,550. He added that the Government had not allowed the Council to make provision for planning beyond this period, and that any future need/demand would be met as it came forward.

g) Cllr S. Bentley asked Cllr S. Davies the following question:

“Can Cllr Davies inform the Council of the difference between an Assured Tenancy and a Secured Tenancy?”

Councillor Davies stated that the two terms were out-of-date. In response to a supplementary question, he stated that there was no intention to apply a council tax exemption for any vacant rented properties owned by the Council.

h) Cllr Nigel Dugmore asked Cllr C.F. Smith the following question:

“What area of green-field land has been approved for development since this Administration was elected?”

Councillor Smith replied that between 2011 and 2014, approval had been given for 3,200 homes on approximately 100 hectares of green-field land.

The Speaker ruled that the time limit for Questions had been reached, and that the one remaining question from Cllr S. Bentley to Cllr S. Davies concerning bulk collections would be answered by means of a written reply.

63. NOTICES OF MOTION

Councillor R.A. Overton moved, in accordance with Council procedure rule 11, the following motion:

“This Council recognises that, despite £70m of unprecedented and vicious cuts in Government funding, the Borough is now recognised as a regional and national centre for business and a great place to visit and live. With the opening of Southwater, the winning of the MOD Fulfilment Centre at Donnington, the continued regeneration of our centres, the opening of new schools and many other successes, we can be proud and confident of the future.

“This Council re-affirms its commitment to establishing the Borough of Telford & Wrekin as a growth point in the region and a place where people want to live.”

The motion was seconded by Councillor S. Davies.

(Councillors E.J. Carter and C.P.R. Mollett left the meeting at 9.55pm).

Following a debate in which a number of Members spoke, a vote was taken and it was

RESOLVED – that the motion be approved.

The meeting ended at 10.18 pm

Mayor:

Date:

BOROUGH OF TELFORD & WREKIN

Minutes of a meeting of the Borough of Telford & Wrekin held on Thursday, 22nd January, 2015 at 6.30 p.m. at The Place, Oakengates, Telford

PRESENT:

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

40. MINUTES OF THE COUNCIL

RESOLVED – that the minutes of the Council Meeting held on 27th November 2014 be confirmed and signed by the Mayor.

The Speaker noted that the meeting on 27th November was the last to be attended by Roy Picken before his resignation as a Councillor for personal reasons. He paid tribute to former Councillor Picken and all his work as an elected Member for Telford & Wrekin over the last 17 years.

41. APOLOGIES FOR ABSENCE

Councillors V.A. Fletcher, A. Lawrence, A.A. Meredith and C.R.P. Mollett.

42. DECLARATIONS OF INTEREST

Councillors J.C. Minor and D.R.W. White stated that, as they were members of the Joint Health Scrutiny Committee looking at the NHS's review of acute care provision in Shropshire and Telford & Wrekin, they would not speak or vote on the Notice of Motion at agenda item 12.

Councillor J.M. Seymour stated that, as a member of the Health & Wellbeing Board, she would not speak or vote on the Notice of Motion at agenda item 12.

43. LEADER'S REPORT & ANNOUNCEMENTS

The Leader reported on a number of initiatives and success stories for Telford & Wrekin, including:

- the Council had been shortlisted in two categories of the Local Government Chronicle Awards. The change in the council's culture to become a Business Winning, Business Supporting local authority with an emphasis on growth, jobs and inward investment has been recognised by judges in the

Driving Growth category, and the Telford After Care Team was bidding to win the LGC Public Health Award.

- Economic growth in the Borough was outstripping that of the rest of the region and UK by 50%, with youth unemployment in the Borough halved;
- The Council continued to invest in regeneration of residential and employment areas in the Borough through its Pride in the Community programme
- The new kerbside recycling service introduced earlier in the year had resulted in a 14% increase in the household recycling rate;
- A decision was still awaited on the future of MoD Donnington, but the Council had done all it could to make the strongest case for the future location of the Ministry's logistics operation at the Donnington site and to safeguard hundreds of jobs.

44. MAYOR'S ANNOUNCEMENTS

The Mayor reported on a number of engagements that he had attended since the last meeting of the Council, and thanked Members for their support at various functions. He had spent three days last month going round the Council's offices promoting the Christmas Charity Raffle, which raised around £500. Staff were thanked for their support. Reference was also made to a visit to Wrockwardine Wood CE Junior School, where they had been made to feel very welcome by the pupils. He had just received a cheque for £500 from the School that had been raised for the Mayor's Charity Appeal, and would be writing to thank them.

45. PUBLIC QUESTIONS

The Speaker reported that no questions from the public had been received.

(Councillor I.T.W. Fletcher arrived at the meeting at 6.55pm)

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

Members received the report on the Cabinet decisions made since the last meeting of the Council on 27 November 2014.

Service & Financial Planning 2015/16 – 2017/18 – Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise provided an overview of the Cabinet's draft budget proposals that were currently out for consultation.

Wellington Town Centre Regeneration – in response to a question, Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, stated that a lot of money had been given to Wellington in recent years and that the regeneration of other areas of the Borough was separate to the initiatives in Wellington.

Housing Investment Programme – Business Case. A number of questions and comments were made relating to the proposals for the setting up of a Wholly Owned Company (WOC) to develop and manage around 420 new homes for rent on Council owned land. Concerns were expressed by members of the main Opposition Group that the spending of £40m on this Programme represented a

significant risk in terms of the return to the Council, and that such a scheme would be better delivered by the private sector at less risk to the Council. There were also concerns at the capacity/expertise within the Council to run a WOC. Councillors S Davies, Cabinet Member: Neighbourhood Services, Employment & Skills, and W.A.M. McClements, Cabinet Member: Finance & Enterprise, made the following points arising from discussion on the Housing Investment Programme.

- For an investment of Council-owned land valued at £6.7m, it was projected the Council would generate income of nearly £80m over a 30 year period;
- Private sector options would leave the Council 25% worse off, and there had been little interest from the private sector in developing the sites in this programme;
- Right to Buy would not apply to the homes managed by the WOC;
- The new homes would provide much needed decent quality housing for local people;
- The construction of the new homes would provide jobs and employment for local people.
- There was every confidence in Officers to be able to establish the WOC.

47. RECOMMENDATIONS FROM CABINET

i) Council Tax Support Scheme 2015/16

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the recommendations from Cabinet regarding approval of the Council Tax Support Scheme Policy for 2015/16 and for the continuation of the Council Tax Hardship Policy in 2015/16.

It was recommended that the same local Support Scheme that was implemented in 2013/14 be retained for 2015/16, except for the technical and legislative amendments necessitated by Government. This had the full support of the cross-party Scrutiny Committees that had been consulted. The Hardship Policy had been invaluable over the last two years in helping the most financially vulnerable customers and it was proposed that it continue for a further 12 months with a budget of £30,000. Reference was made to the reductions in the funding of Council Tax Support (CTS) from the Government, but nevertheless the Council would continue to pass on some of this subsidy funding to town and parish councils.

Concern was expressed that smaller rural parishes were now not receiving any subsidy support, and that there should be an equal distribution with larger town and parish councils. The Cabinet Members for Finance & Enterprise and Neighbourhood Services, Employment & Skills stated that the formula for the distribution of CTS was agreed three years ago by the Parish Forum. The cuts in government funding of the scheme had been applied equally across all parishes, but those areas with low numbers of people on council tax benefit were now falling out of the system. Reference was made to Shropshire Council, who had withdrawn all CTS subsidy to parish and town councils.

RESOLVED –

- a) that the Council Tax Support Scheme policy for 2015/16 be approved.
- b) that the Council Tax Hardship Policy and fund of £30,000 continues in 2015/16

ii) Financial Monitoring 2014/15

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise presented a report which provided an update on the progress relating to the capital programme, and which contained recommendations for approval.

RESOLVED

- a) that the transfer of £0.750m to the Capacity Fund be approved;
- b) that the new allocations, virements and slippage relating to capital spend and receipts be approved, together with the funding changes to the capital programme;
- c) that a further £150,000 of expenditure to develop the site at Donnington for use as a MoD fulfilment centre be approved.

48. SETTING OF THE COUNCIL TAX BASE FOR 2015/16

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise presented the report of the Assistant Director: Finance, Audit & Information Governance which set out the calculation of the tax base for 2015/16 for approval.

The tax base for 2015/16 was based on the valuation list of 71,374 properties, which was an increase of 858 on the same time last year. The council tax income that would be received from these properties was equivalent to a 2% council tax increase. Appended to the report was a table showing the Council Tax Base for each parish area (Band D equivalent).

RESOLVED –

- a) that the calculation of the tax base for 2015/16, as set out in paragraph 5.6 and Appendix 1 of the report, be approved;
- b) that, in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012.2914), the amount calculated for Telford & Wrekin Council Tax base for 2015/16 for its Special Fund Area shall be as per the appropriate parish amounts detailed in Appendix 1 for the parishes listed in paragraph 5.7 of the report.

49. MINUTES OF BOARDS & COMMITTEES

Council noted the resolved and draft minutes of the following Boards and Committees:

Boundary Review Committee	18 th December 2014
Health & Adult Care Scrutiny Committee	17 th September 2014
Health & Wellbeing Board	10 th December 2014
Planning Committee	26 th November and 17 th December 2014

50. QUESTIONS

The following Questions were asked in accordance with Council Procedure Rule 7:

1. Cllr A.D. McClements asked Cllr S. Davies the following question:

"I am delighted to hear the good news that the University of Wolverhampton is to open a new centre based on the top floor of Southwater One. Could the Cabinet Member for Neighbourhood Services, Employment & Skills please give me an update on the progress so far?"

Cllr Davies reported that the heads of terms for the rent had been agreed with the University, and it was hoped to finalise the lease by the end of February. The University had agreed that part of the floor would be used by the Community Focus team as well as other services. This would be a fantastic facility for Telford, with students being able to access postgraduate and undergraduate qualifications – both academic and vocational. In response to a further question, Cllr Davies confirmed that the Southwater One building would remain as a community hub for the benefit of all local people

2. Cllr K.R. Guy asked Cllr S. Davies the following question:

"Can the Cabinet Member for Neighbourhood Services, Employment and Skills update the Council on what reply, if any, he has received from the Minister for Employment following the motion on Youth Unemployment?"

Cllr Davies reported that he had received a reply from Esther McVey, Minister for Employment, who had declined to support the Council's initiatives to reduce youth unemployment. The only support available was if the Council used a profit-seeking private provider such as Serco. The implication was that Councils couldn't be trusted to run such schemes, but there was evidence that in London the Mayor was backing local authorities to be involved in such work.

3. Cllr N.A.M. England asked Cllr S. Davies the following question:

"Can the Cabinet Member responsible for Parish and Town Councils please confirm that this Council proposes to pass on the grant to Parish and Town Councils from the Council Tax Support Grant and not take the approach of Shropshire Council?"

Cllr Davies confirmed that the grant had been passed on to Parish and Town Councils. The parish and town councils in Telford & Wrekin were doing a fantastic

job, and the Council would continue to work co-operatively with them. It was a shame that Shropshire Council had taken a different approach and not passed on the grant. In response to a further question, Cllr Davies advised that the grant helped to fund the Parish Environmental Teams. These had been a great success, and had provided employment for 10 apprentices.

4. Cllr G.C.W. Reynolds asked Cllr P.R. Watling the following question:

"Can the Cabinet member for Children, Young People and Families comment on the performance of primary schools in Telford and Wrekin in 2014?"

Cllr Watling reported that it had been a hugely successful year for primary schools. 78% of pupils had achieved level 4 or above in reading, writing and maths – a four points increase on the 2013 results. This put Telford & Wrekin two points above the West Midlands average and on a par with the national average for the first time. The gap to the national average had also been closed in a number of other measures, such as pupils making at least two levels of progress. All the schools, staff, parents and pupils were to be congratulated. In response to a further question, Cllr Watling stated that he believed the key to this success was local solutions and a trust in local services, and that there should be less top-down interference from central government.

5. Cllr R.J. Sloan asked Cllr K.S. Sahota the following question:

"Can the Leader confirm to Council that there is no "back door" or "front door" deal currently being done to merge with Wolverhampton City Council?"

The Leader confirmed that there was absolutely no plan for Telford and Wrekin Council to merge with Wolverhampton City Council.

6. Cllr P.J. Scott asked Cllr S. Davies the following question:

"In the recent Newport Town Plan, the residents of Newport are asking for improvements in their recycling offer following on from the closure of the Newport Recycling Centre. There are issues with bulk collection which means that Newport residents currently have to travel to the Granville site to get rid of large waste items. Are there any future plans to improve this situation?"

Cllr Davies advised that as part of the Pride in the Community programme, those over 65 and/or disabled could get one annual free bulk collection, with discounts in the cost for other groups. This had been looked at again and it was proposed to offer as a pilot in Newport a free bulk collection for all residents on top of the existing offers. If re-elected, the Administration was looking to improve the provision of Community Recycling Centres and increase their opening hours.

7. Cllr A.S. Jhavar asked Cllr W.A.M. McClements the following question:

"Could the Cabinet Member for Finance & Enterprise update Council on the position regarding the bid for the Logistics Hub at MOD Donnington?"

Cllr McClements reported that the decision on the location of the Logistics Hub had been delayed again, and it was now likely to be in February 2015. He was still

confident that Donnington would be successful, and urged the Government to make an announcement as soon as possible. In response to a further question, Cllr McClements detailed the amount of work that had been undertaken with the bidders with extensive support from Officers, and the positive support that had been provided by parish councils, local businesses, residents and David Wright MP.

8. Cllr G.C.W. Reynolds asked Cllr W.A.M. McClements the following question:

“Could the Cabinet Member for Finance and Enterprise give an update on negotiations on Homes & Communities Agency (HCA) land in Telford?”

Cllr McClements reported that there had been a series of meetings since the beginning of the year, and negotiations were still continuing. The shape of the offer had changed now that negotiations were being carried out with the HCA directly. The Treasury would have a final say on any offer/agreement, but it was not clear whether this would be before or after the General Election in May. In response to a further question, Cllr McClements highlighted the amount of land in Telford & Wrekin held by the Government.

51. NOTICES OF MOTION

Councillor K.S Sahota moved, in accordance with Council procedure rule 11, the following motion:

“This Council sincerely thanks the hard work of doctors, nurses, paramedics, health care assistants and all support staff at A&E PRH who are having to deal with the ongoing crisis caused by the Government’s £3bn top down re-organisation. Government cuts to local government, together with slashing preventative funding, clearly demonstrates the need for Telford Princess Royal Hospital to remain a full 24 hours, 7 day a week A&E Department.

This Council therefore calls on David Cameron to take immediate action to ease pressure on A&E by helping families see a GP, getting more nurses answering calls to NHS 111, halting the closures of walk-in centres and recruiting former nurses back into the NHS to help deal with staffing pressures”.

The motion was seconded by Councillor R.A. Overton.

Following a debate in which a number of Members spoke, a recorded vote was requested and voting was as follows

For: (45)

Councillors R.K. Austin, S. Bentley, K.T. Blundell, F.M. Bould, S.P. Burrell, E.J. Carter, E.A. Clare, S. Davies, N.A Dugmore, A.J. Eade, C.B.A. Elliott, A.R.H. England, N.A.M. England, R.C. Evans, I.T.W. Fletcher, G.M. Green, E.J. Greenaway, K.R. Guy, M.B. Hosken, M.G. Ion, A.S. Jhavar, R.T. Kiernan, J. Loveridge, A.A. Mackenzie, C.N. Mason, A.D. McClements, W.A.M. McClements, L.A. Murray, R.A. Overton, J. Pinter, G.C.W Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota, R.G. Scammell, P.J. Scott, R.J. Sloan, C.F. Smith, M.J.

Smith, K.M. Stringer, B.J. Thompson, K.L. Tomlinson, W.L. Tomlinson, C.R. Turley,
P.R. Watling

Abstentions: (3)

Councillors J.C. Minor, J M Seymour, D.R.W. White

RESOLVED – that the motion be agreed.

(NB: Having previously declared an interest, Councillors Minor, Seymour and White did not speak on the motion and abstained from voting)

The meeting ended at 8.22 pm.

Mayor:

Date:

MAYORAL ENGAGEMENTS 12 January 2015 – 22nd February 2015

January	12	M	Trench Fish Bar Award Presentation at Trench Fish Bar, Trench, Telford
	14	M	Open Art Competition at The Place, Oakengates Theatre, Telford
	19	M	Senior Citizens Forum at Dawley Christian Centre, High Street, Dawley, Telford
	21	M	Citizenship Ceremony at the Registry Office, Wellington Civic & Leisure Centre, Wellington
	27	DM	Holocaust Memorial Day at Addenbrooke House, Telford
		M	Royal Visit to The Shropshire Women & Children's Centre, The Princess Royal Hospital, Telford
	30	DM	Lawley Bank Court Coffee Morning, Lawley Bank Court, Lawley, Telford
February	3	M	Telford Dance Showcase 2015 at The Place, Oakengates Theatre, Telford
	5	M	Visit to Wrockwardine Wood Junior School, Wrockwardine Wood, Telford
	6	M	Karen's Happy Days Diner – Civic Dinner and Dance at Telford College of Arts & Technology, Wellington, Telford
	15	M	Abraham Darby Showband 10 Hour Sponsored Play at Hawke Auditorium, Abraham Darby Academy, Madeley, Telford
	18	M	Citizenship Ceremony at the Registry Office, Wellington Civic & Leisure Centre, Wellington
	20	M	Dawley Musical Theatre Group Jazz Hands Holiday Club Visit, St Leonard's Church, Malinslee, Telford

- 21** **M** Hadley & District Orpheus Male Voice
Choir, Wellington Methodist Church,
Wellington

TELFORD & WREKIN COUNCIL

COUNCIL – 5th March 2015

REPORT OF CABINET – FOR INFORMATION ONLY

MATTERS DETERMINED BY THE CABINET

1.0 INTRODUCTION

This report sets out those matters determined by the Cabinet at its meeting on 29th January 2015.

2.0 CABINET BUSINESS

Matters that have been determined by Cabinet are listed below:

2.1 29 January 2015

K/PC	2.1.1	Unlocking stalled housing and empty floorspace above retail premises
K	2.1.2	Telford Homefinder – Property Management Service
NK	2.1.3	Donnington Recreation Ground Centenary Fields
NK	2.1.4	Representation on Outside Bodies 2014/15 – Wrekin Housing Trust
NK	2.1.5	Dawley Regeneration and Improvement Works

Key

K	= Key Decisions
NK	= Non-Key Decisions
E	= Exempt Items
PE	= Part Exempt Item
C	= Council
PC	= Part Recommendation to Council

3.0 DELEGATION OF POWERS GRANTED BY THE CABINET

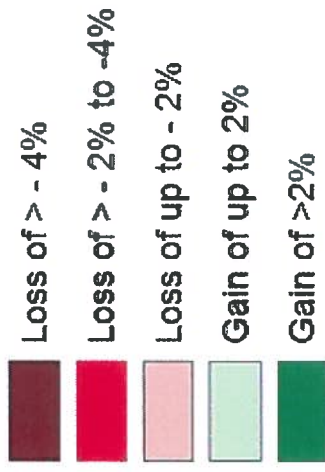
REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Unlocking stalled housing and empty floorspace above retail premises	Assistant Director: Development, Business & Employment	In consultation with the Assistant Director: Finance, Audit & Information Governance and the Cabinet Member: Housing, Development and Borough Towns to implement the proposals and associated agreements to address stalled housing units, in line with the terms set out in the report
	Assistant Director: Development, Business & Employment	To enter into agreements to incentivise owners of vacant floorspace above retail premises to convert this for residential purposes, in line with the terms set out in the report
	Assistant Director: Law, Democracy & People Services	To approve and execute all necessary legal documentation in accordance with the Constitution required for the purposes of implementing the recommendations of Cabinet and Council arising out of the report.
Telford Homefinder – Property Management Service	Assistant Director: Development, Business & Employment	In consultation with the Cabinet Member: Housing Development & Borough Towns to implement the proposals contained within the report, and thereafter refine the Business Case and implement any acceptable service developments that may be recommended by Officers from time-to-time – to be carried out on a cost recovery traded basis only in respect of Telford Homefinders Service and, in particular, the development of a lettings agency service.

Donnington Recreation Ground Centenary Fields	Assistant Director: Law, Democracy & People Services	In consultation with the Assistant Director: Neighbourhood & Leisure Services, Cabinet Member for Leisure Services & Culture and Stakeholders, to execute any Deeds of Dedication should the nomination(s) be accepted.
Dawley Regeneration and Improvement Works	Assistant Director: Development, Business & Employment Assistant Director: Development, Business & Employment Assistant Director: Law, Democracy & People Services	In consultation with the Cabinet Member for Housing, Development & Borough Towns, to undertake regeneration and improvement works as outlined within the report To enter into all necessary contracts for the various regeneration and improvement works as contained within the report To seal or sign any documents to give effect to the above.
LEGAL COMMENT FINANCIAL COMMENT LINKS WITH CORPORATE PRIORITIES RISKS AND OPPORTUNITIES ENVIRONMENTAL IMPACT EQUALITY & DIVERSITY WARD IMPLICATIONS		As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council

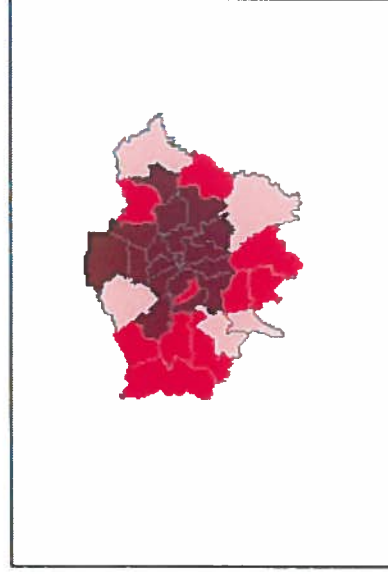
2015/16 Area change in spending power

Key

% Change

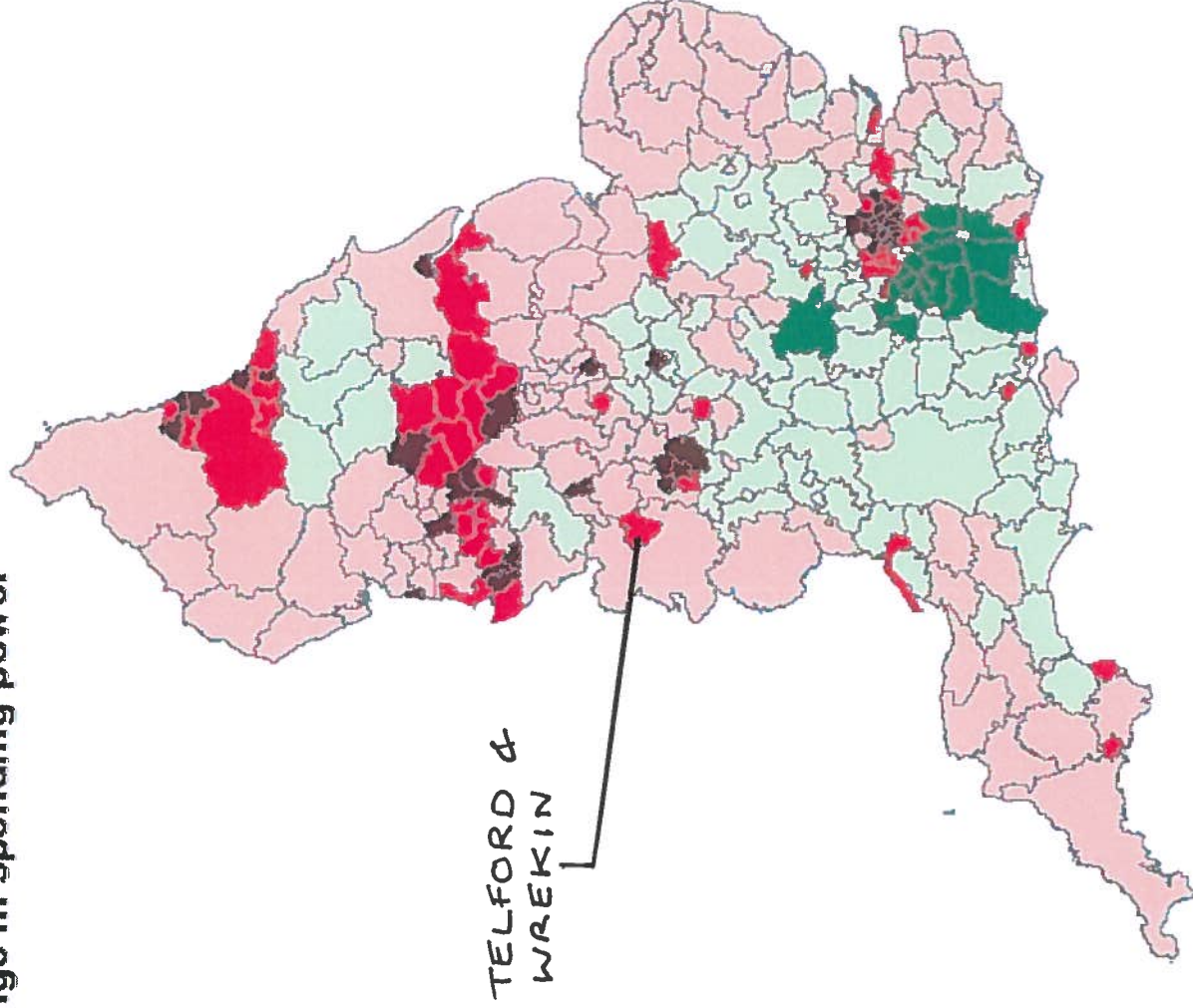


London Borough Authorities



Newcastle
City Council

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SUMMARY OF SAVINGS PROPOSALS

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	225,572	226,428	637,000	0	(44,600)	(82,600)	(127,200)	185,000	983,972	466,828	1,635,800	185,000	180,972	143,828	509,800	
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	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	86,503	0	216,503	0	0	0	0	130,000	294,353	0	424,353	130,000	86,503	0	216,503	
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		(1,586,000)	0	(1,586,000)	0	2,641,000	0	2,641,000	0	(3,555,000)	2,500,000	(1,055,000)	0	(864,000)	2,500,000	1,636,000	0	(2,500,000)	2,500,000	0	
Customer Services	922,000	-	922,000	(155,373)	155,373		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	663,603	28,382	7,184,240	(255,000)	(4,749,600)	3,822,400	(1,182,200)	6,023,132	1,176,496	4,203,782	11,403,410	6,023,132	(5,467,624)	3,850,782	4,406,290	
Cumulative	6,644,121	6,997,121		(214,123)	(1,595,750)	(1,595,750)		6,492,255	7,155,858	7,184,240		(255,000)	(5,004,600)	(1,182,200)		6,023,132	7,199,628	11,403,410		6,023,132	555,508	4,406,290		
Leakage	-	99,662 -	5,295 -	104,957	3,212	20,724	23,936	-	97,384 -	9,954 -	426 -	107,764								-	94,172 -	88,891 -	5,721 -	188,784
Cumulative less leakage	6,544,459	6,892,164		-	210,911 -	1,571,814 -	1,571,814	6,394,871	7,048,520	7,076,476		-	255,000 -	5,004,600 -	1,182,200					5,928,960	372,444	4,217,506		
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	37,000	0	0	430,000	637,000
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	56,390	519,790
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	25,000	375,000
Education & Corporate Parenting	0	0	0	216,503	0	0	0	216,503
Family, Cohesion & Commissioning Services	0	0	0	0	45,000	19,000	153,000	217,000
Public Health, Wellbeing & Public Protection	0	0	0	0	0	0	200,000	200,000
Adult Social Services	0	0	292,000	(2,550,000)	1,606,000	0	3,293,000	2,641,000
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 -	1,557,497	2,001,000	70,420	4,366,867	7,184,240
								0
Changes to Existing Proposals								-1,595,750
Pressures								-1,182,200
Leakage								-188,784
								4,217,506
								0

Notes
Many of the 2014/15 savings are currently included in financial monitoring

APPENDIX 2

DETAILED SCHEDULE OF SAVINGS PROPOSALS

				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
No.	Savings Type	Service Area	Description of Saving	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		17,000		17,000	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 tem 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/Redesin	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 surveys14/15 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 mineshfts 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	225,572	226,428	637,000						

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 budaget	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 budael	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	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	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	
41	Non-Staff	Education & Corporate Parenting	Use of One off resources	130,000	(130,000)		0						
Total Savings Education & Corporate Parenting				130,000	86,503	0	216,503						

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 budaget	Other risks and impacts and possible mitigation
Family, Cohesion & Commissioning Services													
42	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
43	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
44	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
45	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	Minimal	Minimal	Minimal	Minimal
46	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
47	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
48	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.
49	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
50	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 budael	Other risks and impacts and possible mitigation
Public Health, Wellbeing & Public Protection													
51	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	
52	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	
53	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	
54	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	
55	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	
56	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	
57	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 budaget	Other risks and impacts and possible mitigation
Adult Social Services													
58	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	
59	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 an 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.
60	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.	Their 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
61	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 their are still options fro 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
62	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
63	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 access 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.
64	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
65	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
66	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
67	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
68	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 budaget	Other risks and impacts and possible mitigation
Customer Services													
69	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	
70	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	
71	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	
72	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	
73	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	
74	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	
75	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	
76	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				
77	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	
78	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	
79	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	
80	Income	Customer Services	PFI Insurance Credit	37,000		(37,000)	0	Mal Yale	One off in year benefit from PFI Insurance credit				
81	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	
82	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 budaget	Other risks and impacts and possible mitigation
Development, Business & Employment													
83	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
84	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
85	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
86	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
87	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.
88	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
89	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
90	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
91	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
92	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
93	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
94	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
95	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
96	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
97	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	663,603	28,382	7,184,240						
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	- 4,749,600	3,822,400	- 1,182,200						
TOTAL NET ADDITIONAL SAVINGS				6,023,132	- 5,467,624	3,850,782	4,406,290						

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	-	- 9,750						
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			- 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						
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		- 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				
		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				
		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				
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 rephrase 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 rephrase 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		- 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.				
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

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 £						
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
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						

PRESSURES

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.		2,500,000	-2,500,000	0	Paul Taylor
6	Adult Social Services	Loss of funding relating to health needs		355,000		355,000	Paul Taylor
Total Adult Social Services			-	3,555,000	- 2,500,000	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	4,749,600	- 3,822,400	1,182,200	

APPENDIX 3A

Service and Financial Planning 2015/16 to 2017/18 – Equality Impact Analysis

Section 1 – Overview

The Service and Financial Planning report aims to show how we will achieve a balanced budgetary position for the coming financial year 2015/16 and provide a clear pathway for future financial management. This report identifies how we intend to spend our money and gather income for the whole Council on an annual basis. Included in this are recommended savings and potential income generating actions that may have an impact on people within the borough.

This impact assessment is designed to draw out identified potential positive and negative impacts related to the overarching budget strategy and its implementation in relation to the protected characteristics;

- Age
- Disability
- Gender
- Transgender Status
- Race/Ethnicity or Nationality
- Religion or Beliefs
- Sexual Orientation
- Pregnancy Or Maternity
- Marriage Or Civil Partnership
- Deprivation
- Or any combination of characteristics

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

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

This impact analysis does not look at each saving individually but refers to the overarching budget strategy and cumulative sections.

The process that has been used to identify savings which require further analysis is detailed within the main report, Section 30. The outcomes of that process are shown in Appendix 3B.

Background

The Council is facing a challenging time and has done for a number of years. The situation can be summed up as reducing resources in the face of greater demand for statutory services.

On 7 March 2013, the Council's Service & Financial Planning strategy for the period 2013/14-2015/16 was approved by Full Council.

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

- Develop spending plans that address the community's needs and priorities and support the long-term economic growth of the Borough;
- Be transparent about how resources are spent across the Borough, but target spend at issues and areas where need is greatest;
- As a Co-operative Council, involve the community and partners in the budget-setting process;
- Seek to minimise the level of Council Tax increase, balanced against growing demands for Council services;
- Deliver efficiencies and savings, as far as possible minimising the impact on priority front-line services;
- Adopt a commercial, entrepreneurial approach to generating additional income and securing external investment;
- Like a business, it is prudent to set aside some money to deal with any unforeseen circumstances caused by the current economic situation (a contingency);
- Use reserves and balances responsibly, balancing the need to maintain services with financial prudence;
- Where possible cut our reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of our land and property to reduce borrowing, cut running costs and to fund priority facilities and schemes.

These principles have been developed from engagement conducted with several thousand contacts including professionals and members of the public through a range of methods and techniques to deliver a representative sample. The consultation feedback used to develop these principles can be found http://www.telford.gov.uk/info/20262/the_councils_budget/630/previous_budget_consultation_feedback

The saving and efficiency programme has been on-going for sometime and the Service and Financial Planning 15/16–16/17 report continues to build on the 2012/13 and 2013/14 reports The 2014/15 report can be found here; <http://apps.telford.gov.uk/CouncilAndDemocracy/Meetings/Meeting/MTlwNA%3d%3d>

The Council's budget situation is constantly changing, so in line with good financial management we monitor the situation throughout the year. Regular reports are made to Cabinet, Council and Scrutiny with action identified to correct any variations. We revisit analysis of our Service and Financial Planning regularly and as savings are proposed, assess their relevance and impact in relation to our equality duty.

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

Restructuring & service review

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

Growth and investment

There are Government incentives to grow our business and housing numbers. Along with direct capital investment in the likes of Southwater the Council has been able to attract significant levels of investment into the borough. This has seen a return in business rates, Council tax receipts and New Homes Bonus.

Through economic growth we are able to mitigate some of the impact of budget reductions and invest resources into tackling key challenges. Examples include;

- Children and Young People Safeguarding – creation of £1.2million drawdown budget to meet peaks in demand
- Pride in Your Community –A multi-million capital and revenue funding in highways, the environment and community led investments and initiatives across the whole of the borough.

Engagement

Engagement with our communities is essential to develop effective approaches to the varied challenges we face. The feedback helps to inform the direction and implementation of proposals. The methods we have used are detailed in Section 4 of the Service and Financial Planning 2015/16 - 2017/18 report and a programme of engagement and feedback can be found in Appendix 11

Timeframe

The proposals shown in the Service and Financial Planning 2015/16 to 2017/18 report will be implemented between April 2015 and March 2018. Wherever possible they will be delivered ahead of schedule to maximise savings.

This report is updated annually with monitoring reports throughout the year. As savings are proposed they are assessed for their relevance to equality and targeted engagement. Impact analyses are integrated where appropriate. This is to ensure impact on our communities and the Equality Duty are considered in a timely manner

Name of person completing impact assessment and their post	Richard Taylor-Murison, Equalities Officer
Telephone	01952 382104
Date completed	29 January 2015
Other officers/Stakeholders involved	Ken Clarke, Chief Financial Officer; Andy Challenor, Community Engagement and Equalities Manager.

Section 2 – Impact Assessment

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

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

Potential Impact			
	Positive	Negative	None
People of different ages	Young vulnerable people in care are being protected by continued investment in services. Young unemployed people will also benefit from a continued focus on support to gain skills and employment. Older Adult Social Service users will have increased opportunities and decision resulting from the further rollout of personal budgets. They will also benefit for changes in the approach taken by Adult Social Care that will streamline assessment and support planning incorporating the Care Act.	There are potential negative impacts for older people as they represent a large proportion of users of our Adult Social Care services which are undergoing significant change. This disruption whilst temporary may generate significant concern.	
People with ill health or people with a disability	The proposals protect those individuals with the most severe disabilities. Changes to our Adult Care and Support services will also benefit this section of the community	Changes to services/support to meet our legislative requirements, may unintentionally, have the effect of reducing opportunities for participation and access for some people with disabilities. This reflects their assessment of unmet eligible need.	
People of different gender	There is a higher proportion of young unemployed men than		

	women who will benefit from the growth strategy and focus on youth unemployment.		
People who are transgender			X
Different racial groups	Many of the activities related to targeted intervention such as the Youth offer will have a positive impact for people from different racial groups who have significant representation in deprived groups.		
People with different religion or beliefs			X
People of different sexual orientation			X
Women who are pregnant or breast-feeding			X
People that are married or in a civil partnership			X
People affected by deprivation			X

Whilst the overall trend of service provision is realignment and streamlining, there will inevitably be some reduction in the capacity that the Council can deliver. Whilst undergoing significant changes there has been a greater recognition of the needs of vulnerable individuals in the community and that in order to best meet these needs we must work in partnership with the community, voluntary organisations, statutory agencies and businesses.

The emphasis on growth and improvement of the local economy will have significant impact on the wider community benefiting all sections but in particular young people, people with lower educational achievement (largely young men and some ethnic minority groups such as gypsy and travellers), who have been disproportionately impacted in the labour market during recession and reduction in employment opportunities. Growing businesses lead to more jobs and greater prosperity within the local economy and in turn leads to more opportunities. The benefits of this strategy are already being seen within the borough.

Positive impacts

- Young people in care

Investment in children in care is essential to ensure the safety and improve life chances of young people, who for one reason or another find themselves in care.

There has been a steady increase in the number of children entering care in recent years and despite significant efficiencies to practice and structure, resilience in the budget is necessary to manage any peaks or urgent needs. This is consistent with previous investment.

- Young unemployed people

The borough has an acknowledged skill gap between the workforce and businesses with the most growth potential. Without investment in programmes to support young people to gain appropriate skills and to look for employment, the borough is storing up long term problems. The types of programmes available are varied and include job and life skills development, mentoring and volunteering, often delivered in partnership. Continued and increased spending in this area is essential for young local people to take advantage of the opportunities created through the growth agenda.

- Older Adult Social Care service users

The Council has an emphasis on a re-ablement and preventative approach to managing demand for Adult Social Care. Proposals to continue the realignment of services and the influence of the Care Act will lead to more positive and consistent interactions with Adult Social Care. For instance by separating planning and assessment, we will introduce a natural diversity of choice within the local area utilising opportunities and assets within the community and around the individual to meet their needs. Evidence indicates that in most cases this offers significant improvement in outcomes for the service user, helps them to maintain independence and reduces social isolation.

- People with severe disabilities

The most vulnerable in society, people with severe disabilities are largely protected within the proposals. That is not to say that individuals will not necessarily see a change to the way a service is delivered, it is clear that some elements of social care provision have been over-prescribed and go beyond the immediate social care needs of the individual. Proposed in previous years the transition to personal budgets and co-produced support planning is essential for improving outcomes and meeting the requirements and aims of the incoming Care Act.

- Young unemployed men

Men represent 2 out of 3 young people actively seeking work but unable to find it. Investment in youth employment and skills initiatives will enhance their opportunities and have a significant positive impact. Great leaps have been made within the past year with regards to employment and breaching the skills gap but this disparity still exists although on a lesser scale than in recent years.

- Different racial groups

Representation of people from minority ethnic communities is significantly higher in areas of deprivation. Many of the proposals are seeking to target their resources more effectively in to areas of greatest need, for example the youth

offer with tiered support or Community Pride initiatives. These will inevitably enhance the opportunity for people from different racial backgrounds as well as enhance community cohesion and understanding.

Potential negative impacts

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

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

Reductions and changes in Adult Social Services are more likely to impact on older people and people with a disability. A significant proportion of the Council budget is spent on caring for older people or adults with a disability. It is impossible to achieve the required savings without having some impact on these groups of people.

A number of large projects in Adult Social Care are yet to commence so more detailed information is not available. The Equalities Officer is working with the lead officers in Adult Social Care to understand the impact of the proposed changes to working practices on the Equality Duty and an individual's rights.

The introduction of the Care Act will also represent challenges to the resources available to people who share these protected characteristics. Whilst a positive move the improvement in the footing of Carers will share a limited amount of resources across a larger number of people. This will introduce some pressures that are not fully quantified due to scarcity of information regarding funding from Central Government.

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

No identified impact

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

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

Whilst we have no indication that a disproportionate impact will take place for people with these characteristics we will ensure our analysis and monitoring techniques keep this under review. By further enhancing our understanding of the needs of people who share these protected characteristics we may find unidentified impacts to be acted upon.

Supporting this is Census 2011 information, which has been gradually released in more detail. It has allowed us to build an accurate picture of the residents of the borough and some of their needs. Crucial to ensuring a good detailed understanding of our communities beyond statistics is direct community engagement at all levels.

Engagement and consultation

A great deal of engagement and consultation has occurred over the last 3 years, both directly and indirectly with the public, service users and partners including other public sector organisations, businesses and the voluntary sector. This has significantly influenced our approach.

This information has helped to develop the ten guiding principles listed in the background to the main report and this overview analysis.

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

http://www.telford.gov.uk/info/20262/the_councils_budget/630/previous_budget_consultation_feedback

Specific engagement has also taken place throughout the year related to the proposals put forward in this 2015/16 – 2017/18 report. Information relating to this engagement is contained within Appendix 11 of the report and Section 4 of the main report outlines the process followed.

Broad universal consultation for 2015/16 - 2017/18 has followed a similar format for the overall budget approach;

- Paper survey
- Online survey
- Your Voice (Council newspaper) feedback
- Comments, suggestions and ideas
- Public roadshows
- Meeting with groups and organisations

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

The Cabinet will consider final recommendations on 26 February 2015 and Full Council will do so on 5 March 2015.

Specific proposals will be subject to further consultation and engagement, for example the Supporting People Personalisation project, as more information is collected and analysed from service users this will adapt the detail of the proposals fine tuning them to meet the individual needs.

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

<http://apps.telford.gov.uk/CouncilAndDemocracy/Committees/Details/MQ%3d%3d>

Section 3 – Mitigating Actions

Since the Service and Financial Planning 2014/15 to 2015/16 report, the Council have taken steps to mitigate the impact of some savings proposal that would have negative impact on a number of protected groups.

Older People and People with Disability - The current year's savings are being delivered through a complete remodelling of service delivery. The new personalised model of service delivery is based on four key actions:

- The continued development of enablement and re-ablement services for the vast majority of service users prior to assessment for ongoing service eligibility and care planning with the objective of reducing or, where deterioration is occurring, stabilisation of pre-existing care package costs.
- Utilise assistive technology as a preventative measure and as an alternative to personal care provision.
- Develop personal budgets and self directed support by individuals as an alternative to Council led service determination.
- Signpost individuals to community and voluntary sector based support as an alternative to Council funded provision.

Any changes with Adult Social Services can cause concern and anxiety to individuals who receive those services. The Equalities Officer is working with the lead officers responsible for the suite of proposals related to Adult Social Services to ensure the Equality Duty and rights of individuals are respected.

Developing and supporting business opportunities

The 'Business Supporting, Business Winning Council' priority including the proposed investment of £250,000 revenue funding into initiatives and events will promote Telford and Wrekin as a place to visit, live, work and invest in. This approach will support the growth agenda and in turn mitigate future budget changes. The outcome will be improved opportunities for employment that will benefit in particular young people and people with low educational achievement.

Investment programme

The majority of investments within the programme aim to enhance opportunity for sections of the community focusing on enabling the community to help them support themselves and therefore develop sustainable solutions in the long term. In particular People who share the following protected characteristics; young people (under 24), older people, (over 50's), people with a disabilities of all ages, people from lower socio economic backgrounds and people who live in areas of higher than average deprivation; will benefit directly but many other groups of protected characteristics will also indirectly benefit. The focus of investments is largely on narrowing the gap and improving diversity of access and equality of opportunity.

Accurate local information

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

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

Overall, the current strategy will help us to have due regard to the General Equality Duty by driving forward equality of opportunity and eliminating discrimination whilst maintaining appropriate and safe statutory services.

Section 4 – Review and Monitoring

It is intended that the majority of proposals will begin implementation from April 2015.

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

- 8 February 2015 – Engagement completed.
- 26 February 2015 – Report considered by Cabinet
- 5 March 2015 – Report considered by Full Council

A series of monitoring reports to Cabinet, Council and Scrutiny will run throughout the year following appropriate financial control and auditing practice.

Individual impact analysis to be conducted on all future savings proposals using the process outlined in the report, Section 30 to occur as they are planned and developed.

Proposals that have already been identified for further analysis and work are shown in Appendix 3B.

Appendix 3B - Individual Proposals - Equality Impact Analysis

This appendix summarises the savings proposals that have been identified for further investigation.

The proposals can stretch over several years as items that remain open from last year are reported here with their outcome.

There are four sections;

Pages 1-5 Summary of previously identified savings proposals and resolutions

These detail actions proposed, taken and the resolution. In some cases ongoing activity is identified as an outcome and reports will be made via the appropriate route.

Pages 6 Outstanding actions to be carried forward from 2014/15 Service and Financial Planning Strategy

Proposals put forward in previous reports may not have been implemented yet. This section details the actions associated with them.

Page 7-10 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.

Page 11–15 Equality Analysis detailed information

Detailed summary of outcomes where they have been identified for additional explanation or equality analysis.

i) Summary of previously identified savings proposals and resolutions

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.	Efficiency saving derived from the introduction of the Domiciliary Care Framework relating to suppliers. Cabinet report – Domiciliary Care Preferred Provider Frameworks – 26 June 2014 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

Ref No.	Service	Description of Saving	Action Required	Status Update
				framework arrangement. Report and consultation to be reviewed including particular attention to Individual Placement Arrangements. Resolved
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. Resolved
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.	The review identifies a number of potential saving opportunities of which the following have been identified as having relevance to our Equality Duty. Further investigation identified that the following proposals have no or insignificant impact on our equality duties and mitigations are integrated into their development. • 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

Ref No.	Service	Description of Saving	Action Required	Status Update
				Demand driven savings responding to personal budget implementation. - Fleet Re-organisation of services to improve utilisation and commercial viability. Improving sustainability and becoming more customer focussed with a increased diversity of vehicles and service flexibility to better manage customer needs. These proposals were identified as having potential significant impacts on customers and the Equality Duty. - 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. Resolved Equalities Officer will continue to work with relevant commissioning officers on an on-going basis to ensure consistent application of equality principles.

Ref No.	Service	Description of Saving	Action Required	Status Update
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.	Linked to 234 (below) Saving is for delivery in 2015/16. Statement received from Assistant Director: Family, Cohesion and Commissioning shown in Appendix 3B iv) Equality Analysis detailed information. Resolved
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. Resolved • Equalities Officer will continue to work with Public Health Commissioning on an on-going basis to ensure consistent application of equality principles.
14/15 230	Family & Cohesion Services	Implementation of Youth Offer.	Community Engagement to link with lead Officer as proposal develops.	Statement received from Assistant Director: Family, Cohesion and Commissioning shown in Appendix 3B iv) Equality Analysis detailed information.

Ref No.	Service	Description of Saving	Action Required	Status Update
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.	
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
14/15 58	Public Health	Drugs and Alcohol Support Services contract review/service re-design.	Equalities Officer to contact Lead Officer and take forward.	Statement received for inclusion in 2015/16 Service and Financial Planning Report. Broadly positive improvements changing the approach to a more efficient proactive system managing recovery rather than maintenance. Statement received from Commissioning Specialist - Substance Misuse shown in Appendix 3B iv) Equality Analysis detailed information. Resolved

ii) **Outstanding actions to be carried forward from 2014/15 Service and Financial Planning Strategy**

Ref No.	Service	Description of Saving	Action Required	Status Update
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.	Resource Allocation System Impact Analysis is awaiting confirmation.	Individual needs assessment and duty related to unmet social care need. Personalised budget management and sign-posting services provide a choice alternative.
14/15 234	Safeguarding	Partnership approach to delivery of EDT (20%).	Assistant Director: Children's Safeguarding to be updated in July 2015.	Assistant Director: Children's Safeguarding 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. Implementation has yet to take place.

iii) 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.

Investigations into the information behind each proposal have either resolved the initial query clarifying their relevance, or lack of relevance, and where appropriate suitable actions have been carried out or identified to take forward during the financial year 2015/16. Progress will be reported on through out the year and summarised in the 2016/17 Service and Financial Planning Report.

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 Resolved Action -- Equalities officer to work with Group Manager – Transport, Strategy & Road Safety to develop detailed impact analysis on each change as they are developed.
Law, Democracy & People Services		
31	Review of single status implementation.	Equality principles are embedded in the project plan. Resolved Statement agreed Assistant Director: Law, Democracy & People Services

No.	Description of Saving	Action Required
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.	The move to encourage schools to manage their redundancies without the need for the Council to provide automatic financial support. This will mean that schools will need to work more closely with their Finance Officer to ensure that any reorganisation proposal is fully costed from the school budget prior to implementation. Assistant Director: Education and Corporate Parenting. Resolved
39	Schools to fund all new premature retirement costs from April 2015.	This is not a legal requirement for the Council and due to the level of cuts which the Council has faced from central government the schools will need to carry these costs in the future. Assistant Director: Education and Corporate Parenting Resolved

No.	Description of Saving	Action Required
-	Cease to fund remission of payments for pupils for music and Arthog by passing responsibility for this to schools from April 2015.	An initial impact analysis has taken place. The analysis has identified some low level negative impacts on young people, people with a disability and people from different racial backgrounds. Initial impact analysis can be found in Appendix 3B iv) Equality Analysis detailed information. Proposal deleted as an outcome of consultation.
40	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.	The rationalisation of school swimming costs will need to be debated with Schools forum and the funding formula amended to put the money into school funds. Due to the timing of the Schools Budget setting exercise this will not now take effect until 2016. It is proposed that a steering group involving schools, LA officers and the ASA be set up to manage how this change in funding can be incorporated. Action Equality principles to be integrated into project plan and delivery.
Family, Cohesion & Commissioning Services		
47	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.	These are one-off savings related to budget under spends and therefore contributed retrospectively. They do not reduce the capacity of the service to continue to deliver its objectives of supporting equality of opportunity for young vulnerable people.. Resolved.
49	One off contribution from reserves held for supporting positive activities for vulnerable youth and a number of one off projects.	

No.	Description of Saving	Action Required
Adult Social Services		
59	Voluntary Sector contract review.	Detailed impact analysis required. Identified by Service. Action- Equalities Officer to link with Service Delivery Manager: Commissioning (Children & Families and Transport).
60	Separation of support planning from Assessment & Case Management.	Detailed impact analysis required. Identified by Service. Action- Equalities Officer to link with Service Delivery Manager: Service Improvement and Efficiency.
61	Improved procurement of Supporting People Services.	Detailed impact analysis required. Identified by Service. Action- Equalities Officer to link with Service Delivery Manager: Commissioning (Children & Families and Transport).

iv) Equality Analysis detailed information

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

Proposal 230 (2014/15) – Implementation of Youth Offer, Cohesion Services

The revised Youth Offer has led to the creation of a Youth Innovation Team. This has meant they are able to focus their attention on early preventative work facilitating the community and volunteers to deliver quality services.

The Youth Innovation Team is able to respond effectively to the local priorities of Telford & Wrekin Co-operative Council and still meet national expectations of local authorities, as set out in the revised Statutory Guidance for Local Authorities on Services and Activities to Improve Young People's Well-being (June 2012).

Our Youth Innovation Team will continue to develop the Youth Offer by generating income from some services and **developing new services to support vulnerable young people**. At the same time we will continue to build community capacity and support the enhancement of community led and self help services.

The Team operate over three tiers of support;

- Tier 1 -** Open Access /Universal provision will be supported by the Youth Innovation team in priority neighbourhoods and will provide additional support for the voluntary and community groups to manage and deliver services based on the local needs.
- Tier 2 -** Focussed work with identified groups communities or individuals including personal & social development programmes and more responsive actions to address Anti Social Behaviour and other nuisance behaviour through organised detached work.
- Tier 3 -** Targeted and intensive support is required and joint working agreed with young people. This also includes young people and families known to FIT through "Troubled Families" work.

This means that skills and resources are targeted at young people with the most need. We have identified these groups as our priorities;

- Edge of care, in care and leaving care
- Special Educational Needs & Disabilities
- Troubled Families
- Homelessness
- Living in the most disadvantaged areas

This targeted approach will enhance equality of opportunity for young people with disabilities and young people from ethnic minority backgrounds who are often disproportionately represented within these groups.

The Youth Innovation Team has been up and running for a while and there has been no discernible negative impact on the community. There have been some changes where clubs and activities have had low take up or sustainability issues but where this has occurred significant support to encourage participation elsewhere has taken place. These interventions have been successful.

The Team have also had some early positive successes including;

- A partnership with Hadley Junior Club and the parish council.
- Working with Newport Junior Club voluntary youth club committee to develop their sustainability by supporting grant applications to purchase their own building.

Confirmed by Clive Jones, Assistant Director Family, Cohesion & Commissioning

Proposal 30 (2015/16) - Review of single status implementation, Law, Democracy & People Services

Single Status is a national agreement reached between employers and trade unions. The objective of the agreement is to remove unfairness in the pay and conditions of service for NJC employees and ensure equal pay for work of equal value and redress any gender pay gap.

The council is currently working with trade unions towards the implementation of this agreement and is evaluating all NJC jobs across the council using a new, analytical job evaluation scheme. This will ensure that the councils pay and grading structure, including terms and conditions of service, comply with equal pay legislation. When this is completed the scheme will be negotiated and agreed with trade unions and in consultation with affected employees.

Throughout the process all necessary assessments and analysis will take place to ensure the proposals meet current equality and pay legislation, including the general equality duty.

Statement prepared by Anna Plummer, Project Manager, Job Evaluation Team; Law, Democracy and People Services

Proposal Deleted (2015/16)- Cease to fund the remission of payments by pupils for music and Arthog Initial Impact Analysis

Purpose and function of policy	
The Council have previously underwritten the cost of places within the Music service for instrumental tuition and at Arthog Outdoor Education centre. In both cases the subsidy has been given to pupils either in receipt of or eligible for free school meals. There is strong evidence to suggest that both music and outdoor education improve emotional health and well being which is a key determinant in improved outcomes at school. During the last 4 years council budgets have reduced year on year whereas schools have been given additional funds in the form of the Pupil Premium Grant (PPG) to support vulnerable learners through the provision of additional activities. This funding has increased significantly and schools therefore have a funding stream to support these activities. The new policy should not adversely affect our vulnerable learners as schools have the PPG at their disposal to support these activities if they so choose. In the case of Children in Care (CiC) the PPG is monitored and allocated via the Virtual School Head who will ensure that funds are effectively deployed.	

Who does this policy affect			
Workforce / Employees		Service Delivery / Communities	x

Author(s)
Jim Collins

Job title and Service Delivery Unit
Assistant Director – Education and Corporate Parenting

Date completed:
26 January 2015

The general equality duty states that we must have due regard to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity
- Foster good relations between different groups

We use this grid to record where we have identified potential impact upon a particular protected characteristic.

Protected Characteristic	Positive impact		Negative impact			Reasons/evidence
	Yes	No	High *	Low #	No	
Age				x		The policy change affects students of statutory school age.
Disability				x		This policy affects CiC who tend to be over-represented in this client group
Gender (Sex)						
Gender reassignment						
Marriage/civil partnership						
Pregnancy/maternity						
Race				x		This policy affects students from ethnic minority backgrounds who tend to be over-represented in this client group,
Religion/belief						
Sexual Orientation						

High – there is significant evidence of adverse impact or potential for adverse impact. The policy etc has consequences for or affects significant numbers of people and/or has the potential to make a significant contribution to advancing equality.

Low – there is anecdotal or little evidence to suggest adverse impact. The policy etc operates mainly within a small unit and affects few people.

Monitor and Review

No review or monitoring required proposal deleted as an outcome of consultation.

				Value of Saving that will be delivered in Year							
No.	Savings Type	Service Area	Description of Saving	2014/15 £	2015/16 £	2016/17 £	Total Ongoing Saving £	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
Neighbourhood & Leisure Services											
1	Non-Staff	Neighbourhood & Leisure Services	Rationalisation of Arthog and Arthog Outreach expenditure and income budgets		17,000		17,000	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

				Value of Saving that will be delivered in Year							
No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
16	Service Review/Redesign	Neighbourhood & Leisure Services	Transport & Highway Development: Rationalise the Transport policy annual surveys14/15 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

				Value of Saving that will be delivered in Year				Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
No.	Savings Type	Service Area	Description of Saving	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	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
41	Non-Staff	Education & Corporate Parenting	Use of One off resources	130,000	(130,000)		0			None	None
Family, Cohesion & Commissioning Services											
42	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
43	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
44	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

				Value of Saving that will be delivered in Year							
No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
45	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
46	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
47	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
48	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
49	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
50	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											
51	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
52	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
53	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
54	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
55	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
56	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
57	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											
58	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
59	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
60	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
61	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
62	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

				Value of Saving that will be delivered in Year							
No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
63	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
64	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
65	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
66	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
67	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
68	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											
69	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
70	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
71	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
72	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
73	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
74	Income	Customer Services	Revenues & Benefits Sanctions	5,000			5,000	Sophie Lane	An opportunity to offer this up as a small savings	None	None
75	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
76	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
77	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
78	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 additionl costs to identified businesses	None
79	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.		Postive - Carbon Reduction
80	Income	Customer Services	PFI Insurance Credit	37,000		(37,000)	0	Mal Yale	One off in year benefit from PFI Insurance credit	None	
81	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
82	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
Development, Business & Employment											

				Value of Saving that will be delivered in Year							
No.	Savings Type	Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
83	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
84	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
85	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
86	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
87	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
88	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
89	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
90	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
91	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
92	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
93	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
94	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
95	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
96	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
97	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

				Value of Saving that will be delivered in Year							
Old Ref. Savings Type		Service Area	Description of Saving	2014/15	2015/16	2016/17	Total Ongoing Saving	Lead Officer	Rationale	Economic Impact Assessment	Environmental Impact Assessment
				£	£	£	£				
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

Appendix 5

TELFORD & WREKIN COUNCIL

Pay Policy Statement – 2015/16

1. Introduction and Purpose

- 1.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘Statement’) sets out the Council’s approach to pay policy in accordance with the requirements of section 38 of the Localism Act 2011.
- 1.2 The purpose of this Statement is to provide transparency about the Council’s approach to setting the pay of its employees (excluding those working in local authority schools and/or employed under the School Teachers’ Pay and Conditions Document) by identifying:
- the methods by which salaries of all employees are determined;
 - the detail and level of remuneration of its most senior staff, i.e. ‘chief officers’, as defined by the relevant legislation; and
 - the Committee responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.
- 1.3 Once approved by the Council, this policy statement will come into effect on 1st April 2015 and will be subject to annual review.

2. Legislative Framework

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Employment Rights Act 1996, the Equality Act 2010, the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, the Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the equal pay requirements contained within the Equality Act, the Council is taking steps to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality-proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3. Pay Structure

- 3.1 Based on the application of the job evaluation process, the Council uses the nationally negotiated pay spine (further details can be found at www.lge.gov.uk) as the basis for its local grading structure. This determines the salaries of the large majority of the non school-based

workforce, together with the use of other nationally-defined rates where relevant.

- 3.2 The Council adheres to national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine. The last national pay award for employees covered by the National Joint Council for Local Government Services, of an overall 2.2%, was effective from 1st January 2015 and covers the period to 31st March 2016 and for employees covered by the Joint National Council for Chief Officers it was 2% for the same period.
- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
- 3.4 New appointments will normally be made at the minimum of the relevant grade; this can be varied in exceptional circumstances, having regard to the need for equal pay. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4. Senior Management Remuneration

- 4.1 For the purposes of this statement, senior management means 'chief officers' as defined within s43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1st April 2015:
 - a) Managing Director
The salary of the post is £137,000 per annum. The salary is a single 'spot' salary. There is no incremental range.
 - b) Directors
The salaries of the posts designated as Directors are £109,600 per annum. The salaries are single 'spot' salaries and have no incremental range.
 - c) Assistant Directors

The salaries of the posts designated as Assistant Directors have six incremental points ranging from £75,704 to £83,950 per annum
Incremental progression will take place on 1st April each year

5. Recruitment of Chief Officers

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

6. Additions to Salary of Chief Officers

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

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

7. Payments on Termination

- 7.1 The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006, and Regulation 60 of the Local Government Pension Scheme Regulations 2013.
- 7.2 Any other payments falling outside the provisions or the relevant periods of contractual notice shall, in respect of the Managing Director, Directors and Statutory Officers, be subject to a decision made by the Personnel Committee which has otherwise delegated authority to approve such payments to other Chief Officers to the Managing Director.
- 7.3 The Council's policy is not to re-employ, for a period of at least 12 months after their employment with Telford & Wrekin Council ends, anyone who has been made redundant or who has left the Council in the interest of the efficiency of service where a severance payment has been made in accordance with the Council's policy under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 or under Regulation 30 of the Local Government Pension Scheme 2013 or Schedule 2, Paragraphs 2 (2) and 2 (3) of the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014. The re-engagement of an individual on a consultancy, agency or private service provider basis is also prohibited in circumstances where this arrangement could have reasonably been foreseen at the time the individual left.
- 7.4 Flexible retirement under Regulation 30 of the Local Government Pension Scheme Regulations 2013 or Regulation 11 (2) of the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 will be permitted only where savings to fund the cost of such release are achieved.

8. Publication

- 8.1 Upon approval by the full Council, the pay policy statement will be published on the Council's Website. In addition, for members of the Council's Senior Management Team where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of:
- salary, fees or allowances paid to or receivable in the current and previous year;

- any bonuses so paid or receivable in the current and previous year (N.B. The Council does not operate a bonus system);
- any sums payable by way of expenses allowance that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination;
- any benefits received that do not fall within the above

8.2 This information will be listed individually by job title where the salary is £50,000 or more. Persons whose salary is £150,000 or more will be identified by name.

8.3 Additional information relating to pay is published in accordance with the DCLG Local Government Transparency Code 2014 is available on the Council's website as part of its annual [Workforce Information](#) report.

9. Lowest Paid Employees and the Median salary

9.1 The lowest paid persons employed under a contract of employment with the Council are employed on full-time (37 hour per week) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1st April 2015, this is £13,500 per annum. The Council employs Apprentices who are not included within the definition of 'lowest paid employees' as they are employed under a Training Contract

9.2 The statutory guidance under the Localism Act 2011 recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation.

9.3 The pay levels within the Council as at 1st April 2015 define the multiple between the lowest paid (full time equivalent) employee and the Managing Director as 1:10.2 and between the lowest paid employee and average Chief Officer as 1:6.6. The Council's pay multiples therefore fall well below Lord Hutton's public sector threshold set out in 9.2.

9.4 The full-time equivalent median (mid-point) pay level within the Council is £19,742. The multiple between the Managing Director and this median point is 1:7.0 and the average Chief Officer is 1:4.5.

9.5 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

10. Accountability and Decision Making

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

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

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

PART A – RETURNING OFFICER'S FEES

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

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

Parish Councils – Electoral Fees

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

PART A – RETURNING OFFICER'S FEES

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

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

APPENDIX B

NJC CIRCULAR 1/10

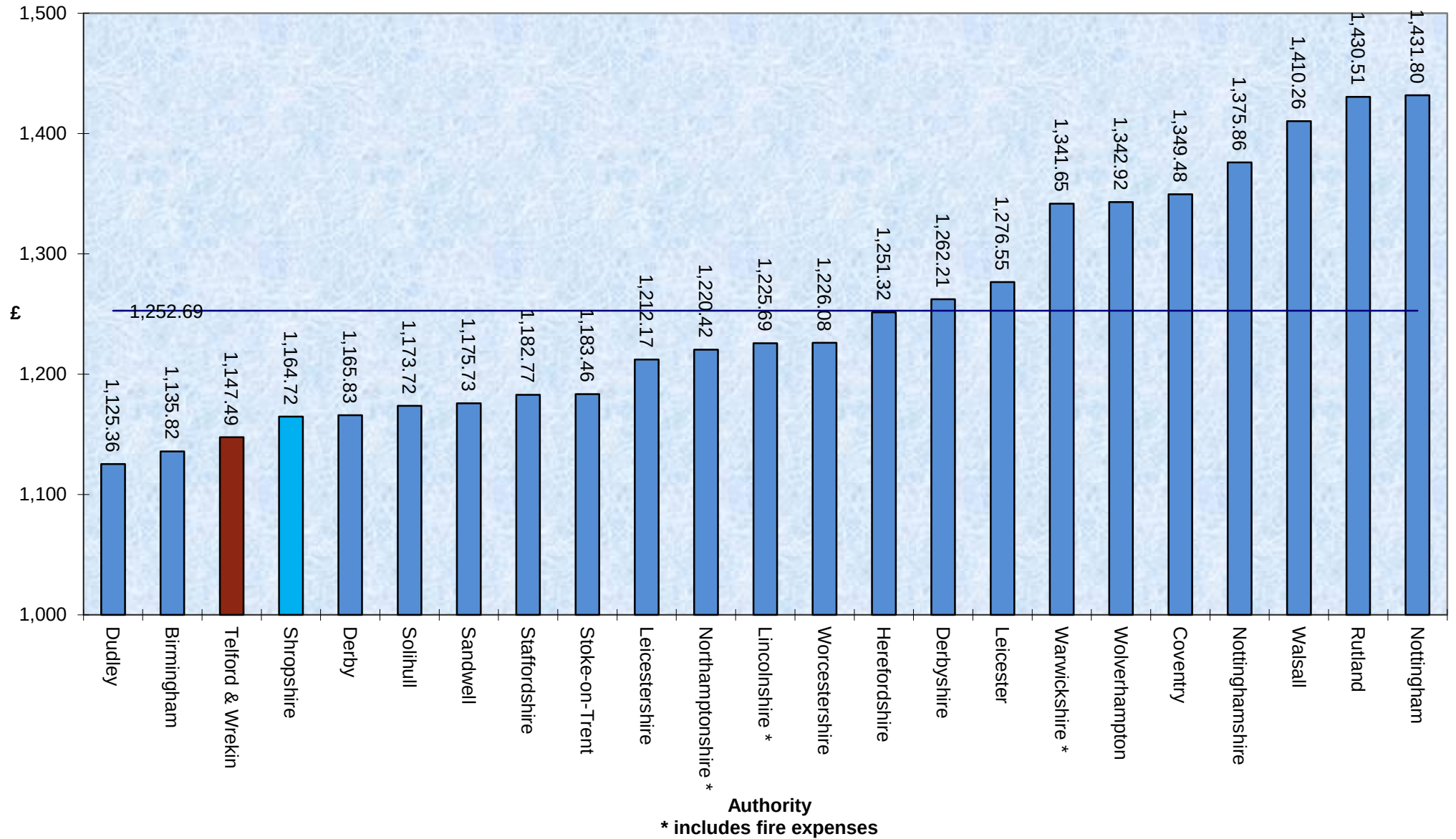
NJC CAR ALLOWANCES 2010/11

1. CAR ALLOWANCES - PART 3 PARAGRAPH 6

It has been agreed that the rates of Car Allowances be revised with effect from **1 April 2010**. The new rates are set out below:

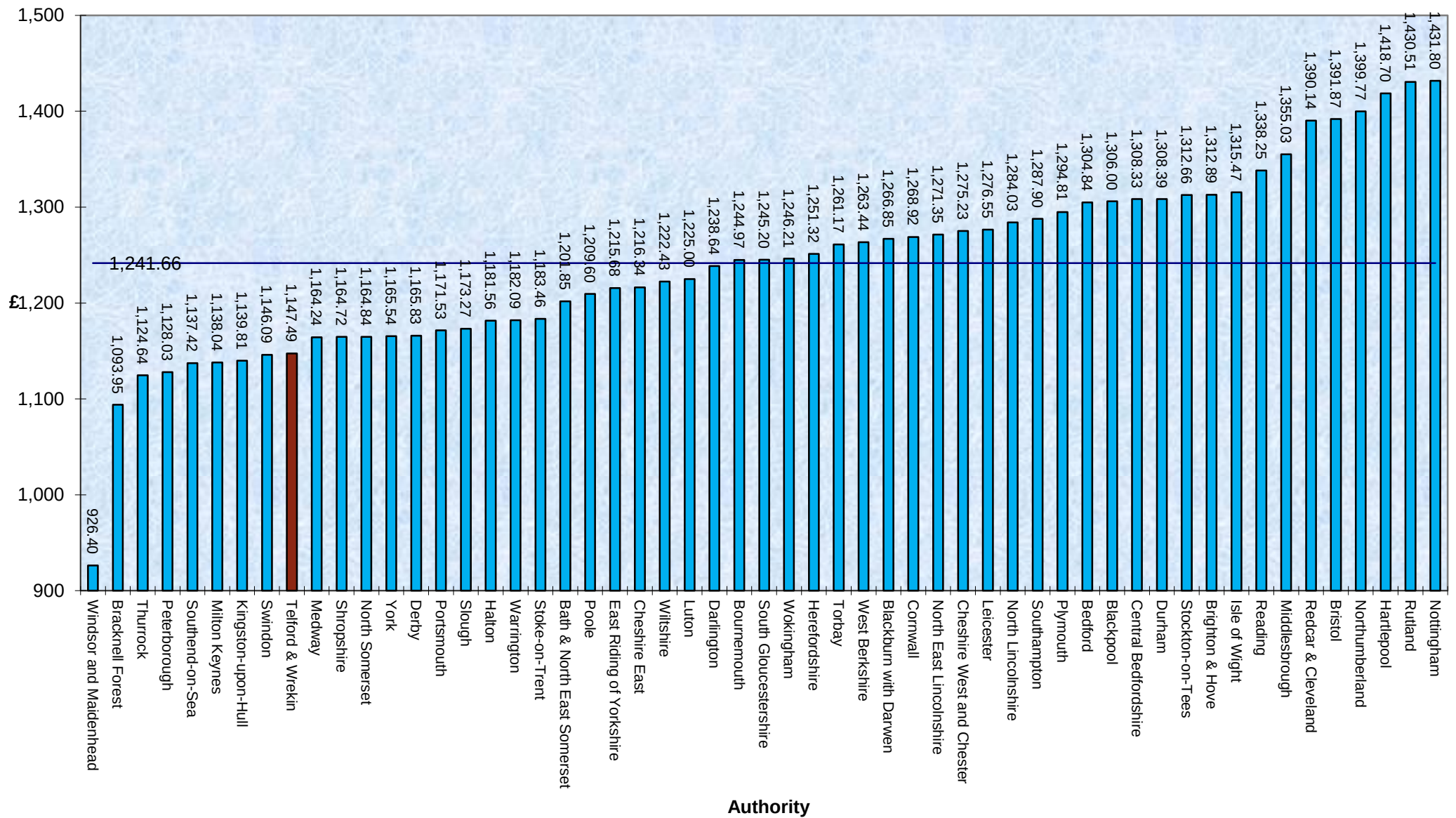
	<u>451 - 999cc</u>	<u>1000 - 1199cc</u>	<u>*1200+</u>
<u>Essential Users</u>			Only Applicable to employees on Wrekin Conditions
Lump sum per annum	£846	£963	£1,239
per mile first 8,500	36.9p	40.9p	50.5p
per mile after 8,500	13.7p	14.4p	16.4p
<u>Casual Users</u>			
per mile first 8,500	46.9p	52.2p	65.0p
per mile after 8,500	13.7p	14.4p	16.4p

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



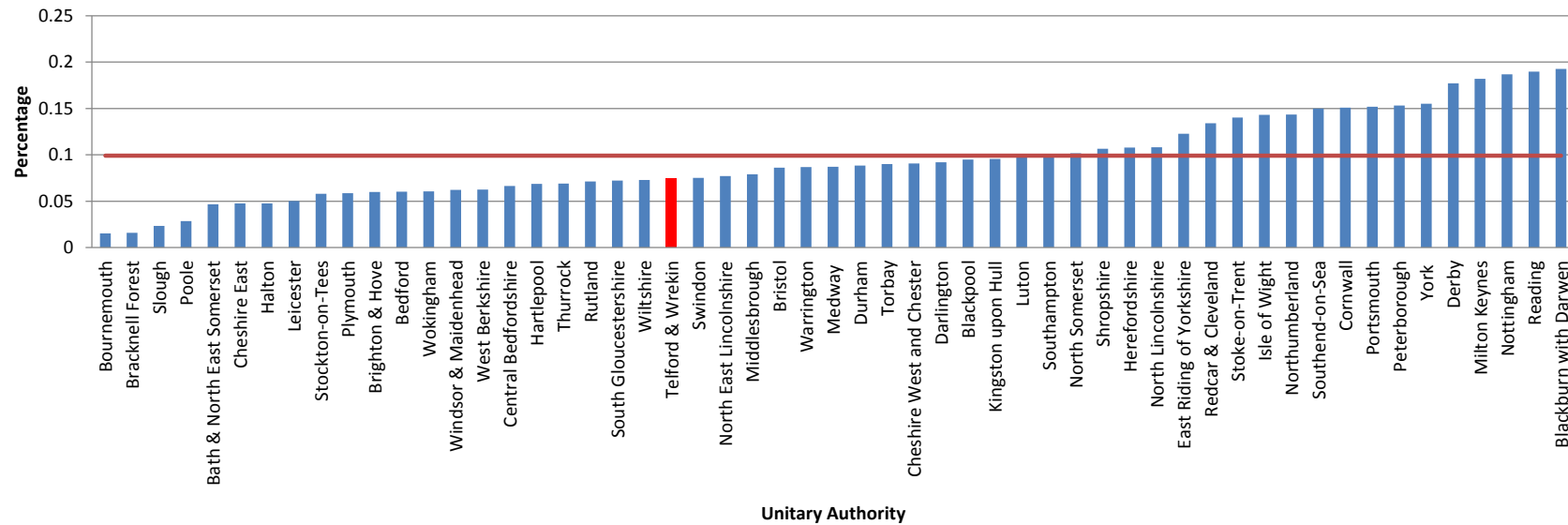
Unitary Authorities 2014/15 Band D Council Tax (Excluding Police, Fire and Parish precepts)

APPENDIX 7



Financing Costs to Net Revenue Stream - 2014/15

Appendix 8



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	14,124,890	4,913,370	9,211,520
Netting off of Internal Recharges included above	(25,413,250)	(25,413,250)	0
Total	402,392,143	274,102,213	128,289,930
Use of Balances	1,862,000	245,110	1,616,890
Net Total	404,254,143	274,347,323	129,906,820

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	(1,097)	
		(543)
<u>Capital/Treasury</u>		
Cost of Capital Programme	1,258	
		1,258
<u>Service Pressures</u>		
Reduction in Education Services Grant	580	
		580
Base Budget		129,906
<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	(612)	
Collection Fund	(2,262)	
Revenue Support Grant/Retained Rates/Top Up	(68,191)	
Total Funding		(121,906)
Base Funding Requirement		1,356

			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	April 2014 Opening	Estimated Change during	April 2015 Opening	Estimated Change during	April 2016 Opening	Estimated Change during	April 2017 Opening	Estimated Change during	April 2018 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
			Actual Closing Balance 31 3 14	2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18		
General / Special Fund Balances													
Special Fund Bals	Special Fund Balance	2	(476,129.52)		(476,129.52)		(476,129.52)		(476,129.52)		(476,129.52)	Working balance	Sufficient Forms part of minimum level of balances required
General Fund Bals	General Fund Balance	2	(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	
Reserves	Budget Strategy Reserve	2	(830,230.45)		(830,230.45)		(830,230.45)		(830,230.45)		(830,230.45)	Available for budget strategy	
Reserves	Additional Contingency	2	(3,125,397.30)	3,125,397.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed	Forms part of medium term financial strategy
Reserves	General Reserves		(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)		
Specific Commitments not Available													
Collection Fund	Council Tax Coll Fund Rev Acc	1	(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	(2,010,960.00)		(2,010,960.00)		(2,010,960.00)		(2,010,960.00)		(2,010,960.00)		
Reserve	NDR Administration	1	(250,000.00)	250,000.00	0.00		0.00		0.00		0.00		
Reserve	Adult Social Services Draw Down Budget	1	(2,500,000.00)	2,500,000.00	0.00		0.00		0.00		0.00	Fully Committed	
Reserve	Accommodaton	1	(300,000.00)		(300,000.00)		(300,000.00)		(300,000.00)		(300,000.00)		
Reserve	Broadband Development	1	(400,000.00)		(400,000.00)		(400,000.00)		(400,000.00)		(400,000.00)	Broadband match funding	
Reserve	Healthy Eating Initiative/Pilot	1	(34,000.00)		(34,000.00)		(34,000.00)		(34,000.00)		(34,000.00)		
Provision	Single Status Provision - General Fund element	1	(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	(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		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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	April 2014 Opening	Estimated Change during	April 2015 Opening	Estimated Change during	April 2016 Opening	Estimated Change during	April 2017 Opening	Estimated Change during	April 2018 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
			Actual Closing Balance 31/3/14	2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18		
Reserves	Local Safeguarding Board	1	(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	(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	(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	(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 Transformationprovided.	
Lawley Nursery Reserves	Early Years	1	(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	(84,583.24)		(84,583.24)		(84,583.24)		(84,583.24)		(84,583.24)	Committed to budget strategy	
Reserves	Arthog Trading Provision	1	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(546,970.84)	246,930.00	(300,040.84)	300,040.84	0.00		0.00		0.00	Committed to ITS schemes which will generated future savings	
Reserves	Corporate Capacity Fund	3	(1,146,249.09)	200,000.00	(946,249.09)	946,249.09	0.00		0.00		0.00	Various initiatives to build capacity.	
Reserves/Provision/Creditor	Insurance Funds	3	(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	(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	(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	April 2014 Opening	Estimated Change during	April 2015 Opening	Estimated Change during	April 2016 Opening	Estimated Change during	April 2017 Opening	Estimated Change during	April 2018 Opening	Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
			Actual Closing Balance 31 3 14	2014/15 (additions/withdrawals)	Estimated Closing Balance 31/3/15	2015/16 (additions/withdrawals)	Estimated Closing Balance 31/3/16	2016/17 (additions/withdrawals)	Estimated Closing Balance 31/3/17	2017/18 (additions/withdrawals)	Estimated Closing Balance 31/3/18		
Reserves	BSF Lifecycle and FM	31	(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	(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)	908,772.33	(5,479,798.12)	1,560,890.93	(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	(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	(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	(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	(8,547.00)	8,547.00	0.00		0.00		0.00		0.00		
Reserves	Balance Control Mechanism / Residual balances from closed schools	4	(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	(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	(80,000.00)	65,787.00	(14,213.00)	14,213.00	0.00		0.00		0.00	Required t o Support Early Help Action Plan	
Reserves	Joint Commissioning Balance	4	(26,598.59)	26,598.59	0.00		0.00		0.00		0.00	Committed into budget	
Reserves	Safer Communities cwfd	4	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(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	(397.00)	397.00	0.00		0.00		0.00		0.00	To purchase a new generator	
Reserves	Legal Reserve	4	(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

Balance Sheet Structure	Description	Type	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	R&B General Staffing	4	(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	(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	(51,796.00)	51,796.00	0.00		0.00		0.00		0.00			
Reserves	ICT Equipment Reserve	4	(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	(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	(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	(14,810.24)	5,700.00	(9,110.24)		(9,110.24)		(9,110.24)		(9,110.24)			
Reserves	Stoneyhill Landfill	4	(21,038.00)	0.00	(21,038.00)		(21,038.00)		(21,038.00)		(21,038.00)			
Reserves	Budget Strategy Reserve	4	(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	(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	(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	(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	(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	(16,000.00)		(16,000.00)		(16,000.00)		(16,000.00)		(16,000.00)	Granville House refurbishment		
Reserves	Arts Grant Control Account	4	(30,000.00)	30,000.00	0.00		0.00		0.00		0.00	Funding for Tlive, fully committed in 14/15.	Committed in 14/15	
Reserves	Sponsorship Fund	4	(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	(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	(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	(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	(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	(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	(18,500.00)	18,500.00	0.00		0.00		0.00		0.00	Amalgamated with Homeless Review Reserve		
Reserves	Transport	4	(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	(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	(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	(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	(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	(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	(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	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
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Reserves	Catering Control Account	4	(102,327.81)	100,000.00	(2,327.81)	2,327.81	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	(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	To fund Organisational Improvement Programme		
Reserves	Cooperative Council Initiatives	4	(24,216.30)	24,216.30	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	(3,000.00)	3,000.00	0.00		0.00		0.00		0.00	Committed to further mystery shopper exercises in 2014/15		
Reserves	Library Self Service Facilities	4	(50,000.00)	50,000.00	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	(13,000.00)	13,000.00	0.00		0.00		0.00		0.00	For replacement Apple MACS in Graphic Design.		
Reserves	Corporate Communications Reserve	4	(17,525.00)	17,525.00	0.00		0.00		0.00		0.00	To fund Gov Connect and training costs.		
Reserves	People Services Reserve	4	(40,000.00)	40,000.00	0.00		0.00		0.00		0.00			
Reserves	Delivery & Planning Reserve	4	(15,000.00)	15,000.00	0.00		0.00		0.00		0.00	Funding for scanning of personnel files.		
Reserves	Register Office	4	(10,303.50)	10,303.50	0.00		0.00		0.00		0.00	IEWM Grant to fund training costs		
Reserves	Finance capacity reserve	4	(79,811.00)	7,906.00	(71,905.00)	22,905.00	(49,000.00)		(49,000.00)		(49,000.00)	E4k for replacement headstones and the balance is for backscanning of registration documents		
Reserves	Library Book Fund	4	(15,950.00)	15,950.00	0.00		0.00		0.00		0.00	To provide additional capacity within Finance.		
Reserves	Land Charges	4	(38,500.00)		(38,500.00)		(38,500.00)		(38,500.00)		(38,500.00)	For the purchase of new books in Southwater		
Reserves	Reablement Reserve	4	(562,618.16)	562,618.16	0.00		0.00		0.00		0.00	To support the pricing review of Land Charges		
Reserves	Transformation Posts Reserve	4	(557,850.60)	473,000.00	(84,850.60)	84,850.60	0.00		0.00		0.00			
Reserve	Public Health Grant	4	(31,000.63)	31,000.63	0.00		0.00		0.00		0.00			
Reserves	Joint Arrangement	4	(3,967.00)	3,967.00	0.00		0.00		0.00		0.00	Small reserve as a one off for services in Joint Arrangement - currently awaiting notification from Shropshire of results of their review of costs - will be used in revenue account in year.		
Reserves	Early Help Partnership	4	(69,263.53)	19,263.53	(50,000.00)	50,000.00	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	(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)	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	(331.04)	331.04	0.00		0.00		0.00		0.00	To be used for activities of Children in Care		
Reserves	Procurement Advice reserve	4	(42,061.00)	18,500.00	(23,561.00)		(23,561.00)		(23,561.00)		(23,561.00)			
Reserves	World Heritage Lottery Fund	4	(5,000.00)	5,000.00	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 Feasilbity Project	4	(79,782.08)	79,782.08	0.00		0.00		0.00		0.00	Remainder of £350k comtingency funding for MOD project	Fully committed in 14/15 against DDBC MOD Project.	
Reserves	Young Persons Substance Misuse	4	(74,891.17)	35,000.00	(39,891.17)	4,891.17	(35,000.00)		(35,000.00)		(35,000.00)	Planned use to offset loss of Drugs funding		
Reserves	Community Safety Fund	4	(21,051.27)	6,051.27	(15,000.00)	15,000.00	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)	16,789,975.19	(51,793,524.09)	6,031,707.63	(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
Launch social media campaign		Nigel Newman	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	• Parish, Town, Ward Members • Other key partners and organisations	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	Gov delivery database of 14,500	Nigel Newman	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, Cllr Paul Watling (Cabinet Member for Children, Young People and Families), Clive Jones (Assistant Director: Family and Cohesion Services) and Karen Perry (Assistant Director: Children's Safeguarding)	8 January
Attend Taking Part Forum	1pm – 2 pm at Park Lane Woodside	Cllr Bill McClements and Deb Rudd	13 January
Road show – Hadley Learning Community	10am – 11.30am	Cllr Bill McClements and Cllr Kuldip Sahota (Leader of the Council), Julia Copus (Finance Manager), Deb Rudd and Sarah Stembridge (Community Engagement Officer)	14 January
Road show – Newport library	10am – 12pm	Cllr Bill McClements and Cllr Kuldip Sahota (Leader of the Council), Ken Clarke, Deb Rudd and Sarah Stembridge (Community Engagement Officer)	16 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	19 January
Road show – Southwater library	10am – 12pm	Cllr Bill McClements and Cllr Hilda Rhodes (Customer Services, Libraries and Transport), Andy Challenor, Richard Taylor-Murison and Tracey Smart (Finance Manager)	20 January
Radio Shropshire call in	10am – 10.45am	Cllr Bill McClements	21 January

Sutton Hill Community Centre – Together we care consultation	8.30am – 11am	Community Participation Team	21 January
Attend Parish Forum	7pm – 9pm at Sutton Hill Community Centre	Cllr Bill McClements, Cllr Shaun Davies (Cabinet member for Neighbourhood Services), Ken Clarke and Andy Challenor	21 January
Budget and Finance Scrutiny Committee on budget proposals for Children and Young People's Services	6.30pm – 7.30pm at Addenbrooke House	Cllr Paul Watling, Clive Jones, Karen Perry and Jim Collins (Assistant Director: Education and Corporate Parenting)	21 January
Road show – Wellington library	10am – 12pm	Cllr Bill McClements and Cllr Charles Smith (Cabinet Member for Housing, Development & Borough Town's Development) and Cllr Liz Clare (Cabinet Member for Leisure Services and Culture) and Deb Rudd and Sarah Stembridge	22 January
Attend Unions meeting	2pm – 2.30pm Addenbrooke House	Cllr Bill McClements and Ken Clarke	22 January
Road show in Dawley	4.30pm – 6.30pm at Dawley House	Cllr Bill McClements, Cllr Shaun Davies, Cllr Richard Overton (Deputy Leader – Cabinet Member for Public Health and Public Protection), Jon Power and Community Participation Team	22 January
Road show in Dawley	9am – 12pm at Dawley House	Cllr Bill McClements, Cllr Kuldip Sahota, Cllr Shaun Davies and Community Participation Team	23 January
Attend Sutton Hill Residents Group	6.30pm – 7.30pm at Sutton Hill Community Centre	Cllr Bill McClements, Cllr Paul Watling and Andy Challenor	26 January
TCAT – Together we care consultation	12pm – 1.30pm	Community Participation Team	28 January

Attend Young People's Forum	5pm – 7pm The Salvation Army Building	Cllr Bill McClements and Sarah Stembridge	28 January
Overdale Children's Centre – Together we care consultation	9.30am – 10.30am	Community Participation Team	29 January
TCAT – Together we care consultation	12pm – 1.30pm	Community Participation Team	29 January
Live Tweet	3pm – 4.30pm	Cllr Bill McClements and Shirley Wilson (Communications and Marketing Officer)	29 January
Hadley Children's Centre – Together we care consultation	9.30am – 10.30am	Community Participation Team	30 January
Road show Woodside	12pm – 2pm at Park Lane	Cllr Bill McClements, Cllr Shaun Davies, Sarah Stembridge and Richard Taylor-Murison	30 January
Donnington – Together we care consultation	9am – 12pm at Donnington Lifelong Learning Centre	Community Participation Team	2 February
Road show Madeley	10am – 12pm at Madeley Library	Cllr Bill McClements, Cllr Kuldip Sahota, Cllr Charles Smith, Andy Challenor and Richard Taylor-Murison	3 February
Arleston – Together we care consultation	9am – 10.30am at Watling Community Centre	Community Participation Team	3 February
Live Tweet	4.30pm – 5.30pm	Cllr Bill McClements and Shirley Wilson	3 February
Road show – Oakengates	1pm – 3pm at The Place	Cllr Bill McClements, Cllr Kuldip Sahota, Cllr Hilda Rhodes, Richard Partington, Sarah Stembridge and Richard Taylor-Murison	4 February
Road show – Southwater	10.45am – 12.15pm	Cllr Bill McClements, Cllr Kuldip Sahota, Cllr Charles Smith, Ken Clarke, Andy Challenor and Deb Rudd	5 February

Brookside – Together we care	9.30am – 11am at Windmills	Community Participation Team	6 February
Attend Listen not Label	1pm – 2.30pm at The Glebe Centre	Cllr Bill McClements, Cllr Arnold England, Paul Taylor, Richard Taylor-Murison and Sarah Stenbridge	6 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 Bill McClements, Richard Partington and Ken Clarke	Jon Power and Andy Challenor	9 February
Budget and Finance Scrutiny Committee to focus on income generation and adult services	6.30pm – 7.30pm at Addenbrooke House	Cllr Bill McClements, Cllr Arnold England, Richard Partington, Paul Taylor, Ken Clarke, Clive Jones and Richard Smith (Assistant Director: Adult Social Services)	11 February
Policy Review			12 February
Budget and Finance Scrutiny Committee to focus on public consultation	6.30pm – 7.30pm at Addenbrooke House	Cllr Shaun Davies, Nigel Newman and Andy Challenor	17 February
Cabinet			26 February
Full Council			5 March

Section 106 Monetary Contributions Received and Expended for Educ

Planning Application No	Scheme
W2010/0011	Wakins Nursery Apley Castle
W2005/0961 & TWC/2012/0408	Marshbrook Way Donnington
W2009/1015	Land at Church Farm Yard
TWC/2012/0320 & TWC/2013/0720	Land off Sommerfield Road
TWC/2011/1037	Land at The Walker Institute (Phase 2)
W2006/1347	Leegomery Centre
TWC/2013/0938	Land to the South Side of Holyhead Rd
W2004/0981 & TWC/2013/0096	KMC (comm.centre/sch design)
W2005/1290	Dawley Bingo Hall
W2005/0659 & W2007/1161	Land @ Britannia Way
TWC/2010/0638	Land at The Pidgeon Box
W2007/1732	Capewell Works
W2005/0661	Parkdale - Hadley
TWC/2012/0371	Land at Muxton C2 & C3
TWC/2010/0147	Land @ Holyhead Rd (former garage)
TWC/2012/0211	Land at Maynards Croft Newport
TWC/2010/0722	Redhill - Education
TWC/2012/0787	Former White Hart Pub
TWC/2013/0297	Land off Edgmond Rd Newport
W2006/0608	Land off Church Walk Donnington
TWC/2013/0083	Land at Hadley Park West (Oakehampton Rd)
TWC/2012/0886	Land at 121-125 Hadley Park Road
TWC/2010/0089	Highfield House
TWC/2010/0828	Lawley Primary New School

Totals

To 31/01/15

ation Purposes 01/04/14 to 31/01/15

Bal brought forward	Income	Expenditure	Bal Carried forward
-30179.62	0.00	33.36	-30146.26
-390.30	0.00	0.00	-390.30
-67501.38	0.00	67509.66	8.28
-125470.00	0.00	4498.44	-120971.56
0.00	-37804.92	0.00	-37804.92
0.00	-27500.00	0.00	-27500.00
0.00	-50000.00	0.00	-50000.00
-705872.56	0.00	706681.14	808.58
-13703.31	0.00	12681.34	-1021.97
-206156.14	0.00	0.00	-206156.14
-58712.59	0.00	5036.01	-53676.58
-392806.08	0.00	353156.61	-39649.47
-46111.00	0.00	18865.27	-27245.73
0.00	-74987.33	0.00	-74987.33
-18.25	0.00	4.86	-13.39
-13188.75	0.00	12613.72	-575.03
4.88	0.00	0.00	4.88
0.00	-21425.00	0.00	-21425.00
0.00	-206057.61	0.00	-206057.61
-283.07	0.00	176.14	-106.92
0.00	-123203.06	0.00	-123203.06
0.00	-39310.56	0.00	-39310.56
0.00	-21254.00	0.00	-21254.00
0.00	-1000000.00		-1000000.00

-1660388.17	-1601542.48	1181256.55	-2080674.09

-2080674.09

0.00

APPENDIX 12

Project
To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Towards Muxton 3 class extension - completed
Preston St Lawrence CE Primary refurb - completed
To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Will be used for expansion in North East Telford - project yet to be confirmed.
To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
Will be used for expansion in North West Telford - project yet to be confirmed.
Meadows Primary Extension - completing shortly
Captain Webb Primary redevelopment
To be used within vicinity of development - HLC
Will be used for expansion in North East Telford - project yet to be confirmed.
Teagues Bridge Primary - class extension - completed
To be used within vicinity of development - HLC
Towards Muxton 3 class extension - completed
Meadows Primary Extension
Newport Infant 2 class extension project - completed
Will be used for expansion in North East Telford - project yet to be confirmed.
Captain Webb Primary redevelopment
To be used toward expansion of education facilities in Newport area - project yet to be confirmed
Muxton 3 class extension - completed
To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
St Patricks Primary School refurbishment
1st installment re new School at Lawley

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tered)

tered)

APPENDIX 13



Corporate Debt Recovery Policy

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1. Introduction and purpose

This purpose of this document is to outline Telford & Wrekin Council's policy on the billing, collection and recovery of money owed to the Council. Money is collected by the Council for a variety of reasons and the delivery of essential Council services relies on income being collected in an efficient and effective manner.

Money owed to the Council can include both statutory and non statutory debts, with the methods for billing and recovery of statutory debts generally being expressly prescribed by legislation. This policy will detail some of the statutory requirements, but will also outline our local procedure.

Where the Council seeks to collect or recover any income, demand notices and invoices will be issued promptly and accurately. Where recovery action becomes necessary, the Council will act quickly, fairly and impartially, having due regard to the welfare and human rights of individuals. This policy will provide a clear framework for the recovery of debt to ensure a fair and consistent process.

Management controls, regular performance monitoring and independent review processes are in place to ensure compliance with this policy and any associated procedures.

2. Policy Objectives

The objectives of the Council's Corporate Debt Recovery Policy are:

- To maximise income collection and minimise debt owed to the Council to support the delivery of key Council services for the citizens of the Borough.
- To maintain a fair and consistent approach to debt recovery whilst recognising and responding to individual circumstances, where the Council is made aware of these.
- To give consideration to the circumstances of vulnerable individuals and where appropriate, signpost individuals to relevant services within the Council or approved partner organisations.
- To take a "reasonable" approach to debt recovery.

3. Scope of the Policy

This Policy details the principles that the Council will apply in relation to debt management across the following types of income:

- Council Tax
- Non-Domestic Rates (or Business Rates)
- Housing Benefit Overpayments
- Sales Ledger Debts (for Council services)

There are specific rules and regulations which govern the recovery and collection of each type of debt and are set out in the respective appendices.

4. Policies applied to all debts

4.1 Notices issued

It is the Council's aim that:

- Every demand notice, invoice or recovery notice issued will be correctly addressed to the person or organisation liable to pay. The name used will be that of an individual or a body possessing "legal personality" and the address used will be the last known address.
- All documents issued, will be done so within the prescribed statutory timescales, in a timely manner and in accordance with the Council's corporate guidelines.

Notices will provide clear details regarding the debt, contact details of the Council and information outlining potential action should payment not be forthcoming.

Records or documentation relating to the demand notice or invoice will be retained in paper or electronic format for at least six years from the date that the demand notice or invoice is raised. If the debt remains unpaid at the end of the six year period, any supporting documentation will be retained until the balance is paid or the debt is written off.

Notices issued will conform to the Telford & Wrekin corporate style and will be easily identifiable as originating from the Council. All communications will be made available to customers in alternative languages, as well as alternative formats for those with sensory impairments upon request.

In the interests of economy, notices will be sent using second class or economy postage unless regulations or legislation require otherwise.

4.2 Method of Debt Recovery

The Council will endeavour to use the most effective and efficient method of collecting and recovering debt, giving consideration to the individual circumstances of cases where those circumstances are known. In order to maximise income, the Council will encourage payment by the most cost effective method with the emphasis being on automated, electronic means where appropriate.

Authorised Officers will have the power to intervene in the recovery cycle in appropriate circumstances, to address hardship or dispute situations. This will include the ability to make deferred payment arrangements where immediate payment is impossible due to financial or personal circumstances.

Where the debt could be reduced by application of a benefit or discount, the Council will be proactive in making the debtor aware of the appropriate benefit or discount and the debtor will be advised on how best to complete the application process.

4.3 External Partners

The Council supports the work undertaken by external agencies in providing advice and advocacy to debtors and will work co-operatively with them (where authorised to by the debtor) in connection with debts due to the Council.

4.4 Costs

Where legislation permits, we will seek to levy and recover from the customer any and all costs/fees that are legitimately due from the customer to the Council or its agents. Only in exceptional cases, will such costs/fees be waived.

Any charges associated with recovery of debt (i.e. Court costs) will be regularly reviewed to ensure they are reasonable, proportionate and commensurate with the costs charged by other local authorities.

4.5 Appeals and Complaints

Where an appeal has been received or further information has been requested, it will be usual practice for recovery action to continue. However, the Council may decide to suspend recovery action on the debt in appropriate cases.

All complaints received will be dealt with in line with the Council's corporate Complaint, Compliments & Procedure Policy. Complaints will be treated seriously and thoroughly investigated in every case.

4.6 Multiple Debts

There may be occasions where a business or individual owes more than one debt or type of debt to the Council (for example a Council Tax debt and a Housing Benefit overpayment). The legislation in relation to Council Tax and Non-Domestic Rates is specific with regard to recovery, and in the majority of occasions, all debts will be pursued individually by the Council.

Where a customer has multiple debts and is struggling to pay due to financial hardship, the Council will ensure it applies a co-ordinated and consistent approach to the recovery of the multiple debts, taking into account any legislative requirements for a particular type of debt. Where possible the Council will agree a payment arrangement with the customer which covers all debts owed to the Council.

4.7 Targets, Compliance and Monitoring

The Council recognises that prompt and proactive recovery action is crucial in maximising income for the Authority and managing debt in a responsible way. To achieve this, the Council will undertake to:-

- Set clear and achievable targets for the recovery of each debt type for each financial year. Progress against the targets will be monitored on a regular basis and reported periodically to the Senior Management Team and appropriate Cabinet Members. Remedial action will be considered and recommended where collection targets are not being met.
- Monitor the level and age of debt outstanding to the Council on a regular basis, ensuring that debts over 6 years old are analysed at least annually.
- Regularly review irrecoverable debts for write-off in accordance with the Write-off Policy included at Appendix 5.
- Have clear written recovery procedures to support consistency and fairness of action.

5. Approach to Debt Enforcement

The Council will always aim to collect all balances due from businesses and individuals. However, it is inevitable that some business and individuals may experience difficulties in paying outstanding debts and further enforcement action will be required to recover debt arrears.

Where debt recovery becomes necessary, the Council is committed to operating under a framework of:-

- **Proportionate action** - the Council will give proper consideration to the available options when seeking to recover debts, taking into account the cost of collection, the size of debt outstanding and the likely effect of any action on the debtor balanced against the potential loss of income to the Council.
- **Transparency** – the Council will be open and honest in its decision making. If action is required, the reasons why will be clearly explained. Consequences of payments not being made will be clearly outlined. The Council will be proactive in helping customers to understand what is expected of them and what they can expect from the Council.
- **Fairness & Consistency** – the Council will aim to achieve consistency in the advice given and the recovery actions taken. Clear written procedures and policies will support Council Officers in making consistent decisions. Officers will also need to take into account a number of other factors to ensure that everyone is treated fairly but as an individual.

The Council will consider a debtor's ability to pay and will distinguish between debtors who *won't* pay and those who *cannot* pay their debts. An assessment of income and expenditure will normally be undertaken to establish ability to pay. Where genuine financial hardship exists, the Council will adopt a sympathetic and reasonable approach to collecting the debt.

Customers are advised to contact the Council when they are struggling to pay at the earliest opportunity. The Council will then engage with the customer to discuss their financial circumstances directly and will aim to reach a mutually agreeable payment arrangement.

The Council will continue to pursue recovery, which may include referral of debts to an external Enforcement Agent (formerly bailiffs), debt recovery company or pursue further legal action, where:-

- The debtor does not contact the Council to discuss their non-payment; or
- A reasonable payment arrangement cannot be agreed; or
- The debtor persistently defaults on payment arrangements.

5.1 Vulnerable Individuals

The Council recognises that some individuals may have a particular vulnerability which could affect their ability to manage their financial affairs. Those considered to be vulnerable could include:-

- Individuals with a physical or learning disability
- Those suffering from a life threatening illness

- Those rendered vulnerable by their age
- Those suffering from a recent bereavement
- Pregnant women

This list is not exhaustive.

The Council is committed to supporting customers who might be classed as vulnerable in the recovery of their debts so it is important that you contact us if you believe that you are vulnerable, or that someone you are acting on behalf of is vulnerable.

Where enforcement action is pursued on behalf of the Council and an enforcement agent becomes aware that an individual may be “vulnerable”, the enforcement agent will stop action immediately and seek guidance from the Council on how to proceed.

Control measures have been built into the Council's Insolvency Policy (see [Appendix 4](#)) to ensure that every endeavour is made to establish whether an individual may have a vulnerability which could affect their ability to manage their financial affairs before bankruptcy action is pursued.

6. Irrecoverable Debts

The Council will always seek to minimise the cost of irrecoverable debts to the Council Tax payers of the Borough by taking appropriate action to recover outstanding debt. However, the Council recognises that where debt is deemed to be irrecoverable, prompt and regular write-off of such debts represents good financial practice.

The Write-Off Policy included at [Appendix 5](#) details a full list of acceptable reasons why a debt may not be pursued further. Any debts which are to be considered for write-off must comply with one of the circumstances stated below:-

- Legally excused debt
- Small balance on a closed account/claim
- Current address of debtor is unknown (untraceable)
- Debtor is deceased
- Balances unsuccessfully pursued by an enforcement / collection agent
- Not in the Council's or public's interest to further pursue
- Recovery procedures exhausted
- Balance subject to an Administration Order, Individual Voluntary Arrangement or Debt Relief Order
- Individual subject to bankruptcy / insolvency procedure
- Company in Liquidation / Insolvent, subject to a Company Voluntary Arrangement, in Administrative Receivership or ceased to trade (insufficient assets)
- Council Error
- Previous evidence of no assets and genuine inability to pay
- Out of time debts /old debts
- Charging Orders and Deferred Payment Schemes
- Full and final settlements.

Referral for write-off will be made to an appropriately Authorised Officer, who will consider all of the circumstances of the case before making a reasoned decision.

An Authorised Officer is a Council employee who is empowered or has permission to approve certain decisions or expenditure. The permission may be expressly granted in formal documentation such as the Council's constitution, or in some cases may be implied from the officer's level of seniority or rank.

7. Use of External Enforcement Agents (formerly bailiffs) or Recovery Agents

The Council may engage an external enforcement company or recovery agent to recover certain debts on its behalf. External enforcement services will be procured by way of a thorough, fair and transparent tender process which is compliant with the Council's Contract Procedure Rules. Enforcement Agents will be required to comply with the law, the National Standards for Enforcement Agents and good industry practice.

In line with the general principles of enforcement detailed at section 5 and specifically regarding proportionality of action, the level of debt will be considered before referral to an enforcement agent is made. Where the debt relates to amounts outstanding for Council Tax or Non-Domestic Rates, referral to an enforcement agent will not be made where the debt value is less than the current Magistrates' Court costs charged for the issuing of the summons and Liability Order.

7.1 Enforcement Agent Fees

Where the Council refers a debt to an Enforcement Agent for recovery, the Enforcement Agent must act in accordance with the Taking Control of Goods Regulations 2013 & Taking Control of Goods (Fees) Regulations 2014. This legislation details the procedure that Enforcement Agents must follow when taking control of goods and selling them to recover a debt, and sets out the fees that the Enforcement Agent must charge.

Current Enforcement Agent Fee Structure (effective 6 th April 2014)				
Fee Stage	Fee Feature	Fee Stage	Percentage Fees (additional fee if debt is great than £1,500)	
			£0 - £1,500	>£1,500
Compliance	This fee is added to your debt as soon as your account is referred to an Enforcement Agent for collection.	£75.00	0%	0%
Enforcement	If you do not arrange to pay the Enforcement Agent, or arrange to make payment and then do not pay as agreed, the Enforcement Agent will visit you and this fee will also be added to your debt.	£235.00	0%	7.5%
Sale	If you do not sign a Controlled Goods Agreement when an Enforcement Agent visits your property, or you do not pay as agreed after signing a Controlled Goods Agreement, the Enforcement Agent can remove and sell your goods and you will be charged this fee.	£110.00	0%	7.5%

Appendix 1

Council Tax and Non-Domestic Rates Recovery Policy

8. Introduction

Council Tax is a local tax payable for domestic or residential properties. The amount of Council Tax charged is dependent on the Council Tax valuation band that the property falls into and the amount of tax each council charges for that Council Tax band locally. Non-Domestic Rates (usually known as business rates) are a tax payable for eligible business properties. The amount of business rates charged is calculated using the rateable value of the property and a national “multiplier” which is set by central Government on a yearly basis.

The Council and its Officers is under a statutory duty to collect outstanding debts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992 and the Non Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended).

9. Policy

9.1 Billing of Council Tax and Non-Domestic Rates

The Council will bill, collect and recover all debts in an economic, effective and efficient manner in accordance with legislation and best practice.

Council Tax and Non-Domestic Rate annual bills will be issued as soon as is practicable after the Full Council has set the Council Tax for the forthcoming financial year. Non-annual bills will be issued as soon as is practicable after the amount of liability is calculated.

9.2 Payment of Council Tax and Non-Domestic Rates

Payment for Council Tax and Non-Domestic Rates will be due on the earliest date permitted by legislation, subject to alternative arrangements being agreed (such as Direct Debit plans). Where a taxpayer or ratepayer can demonstrate an inability to make payment on the set instalment date, certain authorised Officers will have the discretion to vary the instalment dates; however the final instalment will usually fall due before 31st March of the financial year in question.

9.3 Non-payment of Council Tax and Non-Domestic Rates

For Council Tax, the following demand notices will be issued upon non-payment of an instalment:-

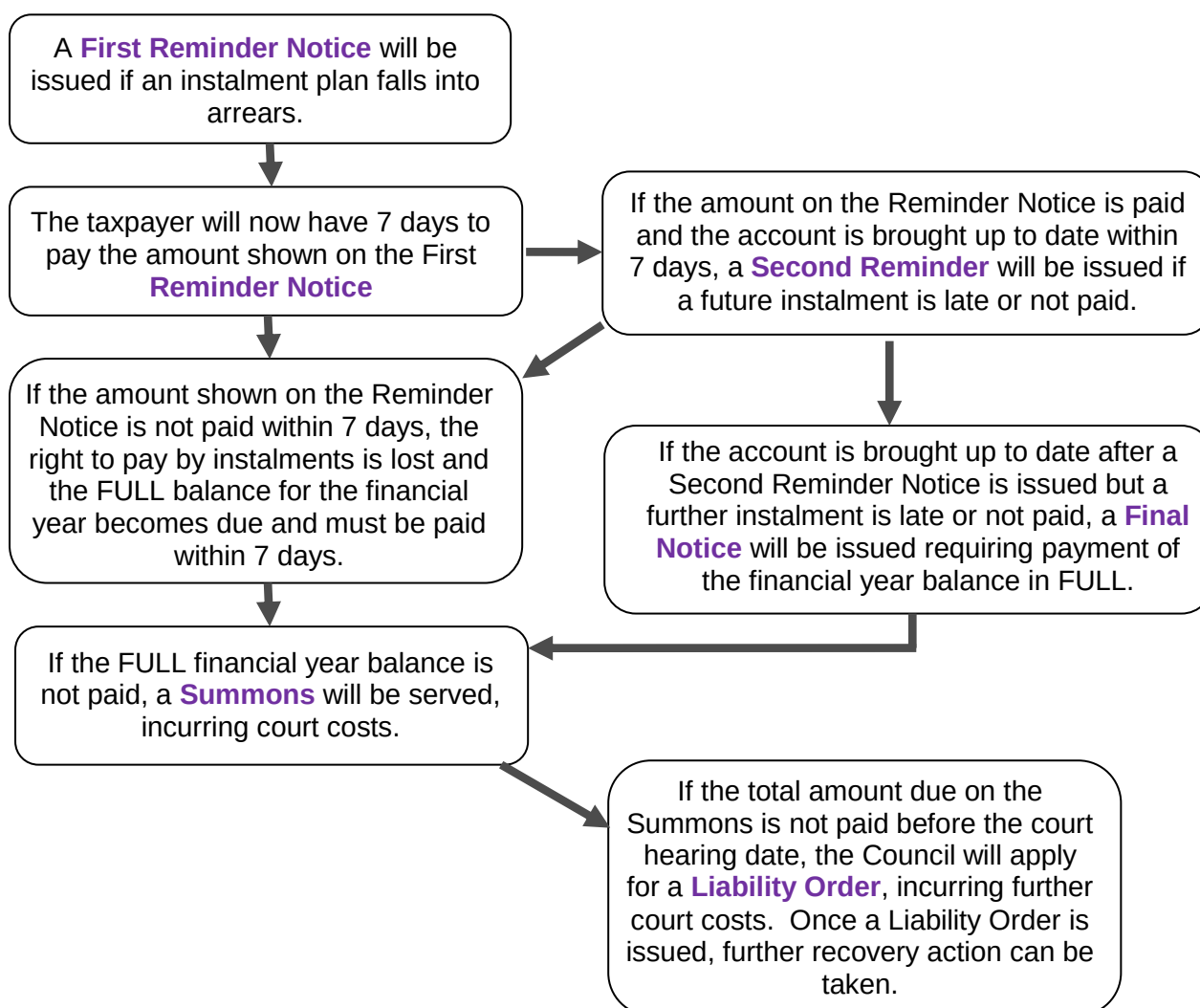
- First Reminder Notice: issued where a Council Tax payer falls into arrears for the first time in a financial year.
- Second Reminder Notice: issued where a Council Tax payer falls into arrears for a second time during the same financial year.
- Final Notice: issued where a Council Tax payer defaults on their instalment plan for a third time during a financial year. At this point, the Council Tax payer will lose the right to pay the remaining year's debt by instalments and the whole amount will become due.

Reminders and final notices will be issued within 14 days of the payment default to which they relate, as far as is operationally practicable and in line with a recovery timetable which will be set at the commencement of each financial year.

Where full payment is not made in accordance with the latest notice sent, a Magistrates' Court Summons will be issued, advising the taxpayer of a hearing date on which the Council will apply to the Magistrates' Court for a Liability Order. The summons will be issued as soon as is reasonably practicable after the default to which they relate has occurred. An additional court cost for the issue of the summons will be added to the debt at this point.

If full settlement of the debt (including summons costs) is not made before the date of the hearing, the Council will apply to the Magistrates to grant a Liability Order. If full settlement is not made, a payment arrangement will generally only be entered into where the debt is secured by a Liability Order and payment by Direct Debit is agreed.

The diagram below gives an overview of the Council Tax recovery process where late or no payment is made against an instalment plan:-



Costs associated with court summonses and Liability Orders will only be withdrawn in exceptional circumstances.

9.4 Recovery Action Following Non-payment

Following the granting of a Liability Order by the Magistrates' Court, the debtor will be given an opportunity to make a reasonable payment arrangement. Arrangements can only be agreed by an Authorised Officer and will usually only be accepted where:-

- The arrangement clears the outstanding debt by the end of the current financial year
- The debtor's offer of payment is reasonable in relation to the amount that could be recovered through alternative means of recovery action
- The debtor demonstrates a clear intention to honour the terms of the agreement
- The debtor provides their contact information and details of their employment, where appropriate.

Should the debtor not make or keep to a payment arrangement the following methods of recovery action(s) can be taken:-

- **Deductions from Benefits** * - deductions will be made from a debtor's Income Support, Jobseeker's Allowance, Employment Support & Allowance or Pension Credit.
- **Attachment to Earnings** * - deductions will be made from a debtor's earnings at the rate set down in legislation.
- **Attachment of Members' Allowance** * - deductions will be made from the Allowances paid to Elected Members.
- **Taking Control of Goods** – Enforcement Agents acting on behalf of the Council will be empowered to take control of goods owned by the debtor and sell them to discharge the debt owed.
- **Insolvency** – the Council can institute bankruptcy or liquidation proceedings. See Insolvency Policy at [Appendix 4](#).
- **Committal to Prison** (individuals only) – The Council may apply to the Magistrates' Court for an order to commit the debtor to prison. See further notes on committal to prison below.
- **Charging Orders** – The Council may apply to the County Court to place a charge on property owned by the debtor where their debt exceeds £1000.00. In some cases, the County Court can force the sale of the charged dwelling.
- **County Court proceedings** – the Council can apply to the County Court as an alternative to the Magistrates' Court.

* Applicable to Council Tax debts only

The method of recovery action used will be dependent on the individual circumstances of each case and will be used in consideration of the principles laid down in section 5.

Committal to Prison – further information

In cases where all other methods of recovery action including enforcement agent referral have been unsuccessful in recovering a Council Tax or Non-Domestic Rate debt, the Council may choose to pursue committal to prison action via the Magistrates' Court against individuals where:-

- The debt outstanding is in excess of £1000.00; and
- The Council or enforcement agents acting on behalf of the Council have been unable to take control of goods belonging to the debtor; and
- The debtor is not a vulnerable person as defined by section 5 of this Policy; and
- Failure to pay is due to the wilful refusal or culpable neglect of the debtor.

Court Costs – further information

The Council Tax (Administration and Enforcement) Regulations 1992 (as amended) and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended) enable the Council to recover reasonable costs from debtors where appropriate.

The Council will regularly review charges associated with the recovery of debts, including court costs, to ensure they are reasonable, proportionate and correlate to charges made by other Local Authorities for the same type of action. Any increase in costs will be agreed with the Magistrates Court.

Appendix 2

Benefit Overpayment Recovery Policy

10. Introduction

Housing Benefit and Council Tax Benefit (now abolished) or Council Tax Support overpayments are amounts of benefit that have been awarded but to which no entitlement exists. Overpayments can occur for a number of reasons including claimant error, council error errors or official errors made by the Department for Work & Pensions, late notification of changes in circumstances, fraudulent claims or payments made in advance.

11. Policy

11.1 Calculation of Housing and Council Tax Benefit/Support Overpayments

The Council is mindful of the detrimental impact that overpayments of benefit can have on individuals and families already receiving a low income and will endeavour to prevent overpayments from occurring and minimise any overpayments that do occur wherever possible by:-

- Identifying and calculating overpayments promptly – on average, within 14 days of receiving all necessary information
- Inviting and encouraging claimants to apply for underlying entitlements to benefit
- Promptly and accurately determining recoverability of the overpayment.

11.2 Recoverability of Housing and Council Tax Benefit Overpayments

The Council has a statutory duty to protect public funds and will endeavour to collect all recoverable overpayments in full. Authorised Officers may, in appropriate circumstances, make a recommendation to write-off a debt under the Write-Off Policy included at [Appendix 5](#).

Where it is established that an overpayment is recoverable, the Council will decide who the most appropriate party to recover the overpayment from is, depending on the circumstances of each case which may include:-

- The claimant; or
- The claimant's partner, if that partner was living with the claimant at the time that the overpayment was made and at the point that the decision to recover was made; or
- The person who received the benefit payment, e.g. the landlord.

In cases where an overpayment has been caused by a proven fraud, the Council will attempt to recover the debt from the person who misrepresented or failed to disclose a material fact in the first instance. For details regarding the use of Prosecution and Administrative Penalties that may be taken against customers who have committed benefit fraud as well as the action taken on benefits overpaid to customers and landlords refer to the Revenues & Benefits Anti Fraud Policy, Anti-Fraud Strategy and Prosecution Policy.

11.3 Method of Overpayment Recovery

Overpayments of Council Tax Benefit or Council Tax Support (where recoverable) will generally be debited to the Council Tax account of the claimant and will be billed, collected and recovered as a normal Council Tax charge as detailed in the Council Tax & Non-Domestic Rates Recovery Policy at [Appendix 1](#).

The method of recovery for Housing Benefit overpayments (where recoverable) may be by any of the following means:-

- Offsetting against arrears of or underlying entitlement to Housing Benefit
- Deducted from ongoing entitlement to Housing Benefit – this will be at a recovery rate based on DWP guidelines and will be at the maximum rate permissible. An Authorised Officer may alter this rate where demonstrable hardship is proven.
- Deducted from other DWP benefits such as Income Support, Jobseekers' Allowance, Employment & Support Allowance and Pension Credit under Section 75(1) of the Social Security Administration Act 1992.
- By raising an invoice to the benefit debtor
- By deducting from the Housing Benefit received by a landlord or raising an invoice to the landlord
- By referral to an external debt recovery agent
- By application for a County Court Order or Judgement which enables the Council to use additional recovery methods such as an attachment to a debtors earnings, court bailiff recovery or insolvency.
- Deducted from earnings by a Direct Earnings Attachment under the Social Security (Overpayments and Recovery) Regulations 2013.

The method of recovery used will always depend of the circumstances of each case but where the overpayment is recoverable from a claimant, the Council will always attempt to recover from arrears of underlying entitlement or ongoing entitlement to Housing Benefit in the first instance.

11.4 Non-payment of Housing Benefit Overpayment Invoices

For Housing Benefit overpayments where the customer is not in receipt of an ongoing entitlement to benefit, an invoice will be issued requesting payment. The following process will be instigated where payment is not made and a suitable payment arrangement is not agreed:-

- First Reminder Notice – issued 21 days after an invoice has been sent and remains unpaid.
- Final Demand – issued 14 days after First Reminder Notice is issued and remains unpaid.
- Telephone Call – where a telephone number for the debtor can be ascertained, an authorised Officer will attempt to contact the debtor by telephone to agree payment.
- Where the debt remains unpaid or a reasonable arrangement for payment has not been made, the Council will prepare the case for recovery using one of the methods detailed above and a final letter outlining the action to be taken will be issued to the debtor.

Appendix 3

Sales Ledger Debt Recovery Policy

12. Introduction

The Council provides a range of services for which a charge is made, for example for use of leisure facilities or care provision. Generally, payment for these types of services is obtained in advance or at the time of service delivery by the Council business unit who are delivering the service but where payment in advance is inappropriate, a Sales Ledger invoice will be issued.

12.1 Billing of Sales Ledger Debts

Responsibility for Sales Ledger debts is held jointly by the Head of Service for the service area that the makes the charge for service and the Revenues Service. Billing, collection and recovery of the debts is undertaken by the Revenues Team, however the originating service area should also be aware of debts which are outstanding for their area. Any issues, queries and disputes relating to validity of the debt must be raised directly with the originating service area.

The Council will issue an invoice for any charges not collected in advance or at the time of service. The settlement terms for all invoices will be deemed to be 21 days from the date of issue of the invoice, unless terms are altered expressly by contract or an invoice payable by instalments is issued.

12.2 Non-payment of Sales Ledger Debts

The following demands will be issued upon non-payment of a Sales Ledger invoice:-

- Reminder Notice - issued 21 days after the issue date of the invoice.
- Final Notice – issued 14 days after the issue date of the Reminder Notice.
- Telephone Call – where a telephone number for the debtor can be ascertained, an authorized Officer will attempt to contact the debtor by telephone to agree payment.
- Where the debt remains unpaid or a reasonable arrangement for payment has not been made, the Council will prepare the case for further recovery action as detailed below.

Where permitted legally, the Council may suspend the provision of further services to the debtor until the outstanding debt is settled.

12.3 Recovery of Sales Ledger Debts

Where a Sales Ledger debt remains unpaid or a reasonable arrangement cannot be agreed after the stages detailed above, the Council will prepare the case for recovery by applying for a County or High Court Judgment order and a final letter outlining the action to be taken will be issued to the debtor. A Court Judgment order enables the Council to pursue recovery of the debt by a statutory method of enforcement which may include:-

- Deductions from a debtors earnings via an Attachment of Earnings order
- Warrants of execution - allowing a County Court bailiff or High Court Enforcement Officer to take the debtors goods for sale to repay the debt
- Garnishee Orders – allowing the Council to recover outstanding debts from a third party who holds money belonging to the debtor such as from a bank account.
- Insolvency Orders – allowing the Council to institute bankruptcy or liquidation proceedings. See Insolvency Policy at [Appendix 4](#).

- Charging Orders - the Council may apply to place a charge on property owned by the debtor where their debt exceeds £1000. In some cases, the County Court can force the sale of the charged dwelling.
- High Court enforcement action – for debts over £600.
- Debts of current tenants for council rented commercial properties will be sent to an Enforcement Agent for further recovery.

The method of recovery action used will be dependent on the individual circumstances of each case and will be used in consideration of the principles laid down in Section 5.

Appendix 4

Insolvency Policy

13. Introduction

This policy relates to debts owed to the Council for Council Tax, Non-Domestic Rates, Sales Ledger and Housing Benefit overpayments. The purpose of this policy is to ensure that the Council's use of insolvency to recover outstanding debts is appropriate, consistent and compliant with legislation and best practice in every case.

13.1 Legislative Background

The Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 enable debts for Council Tax and Non-Domestic Rates that are secured by Liability Orders to be pursued for insolvency proceedings under the provisions of the Insolvency Act 1986.

Housing Benefit overpayment and Sales Ledger debts may be pursued through insolvency proceedings where the debt exceeds £750 and a County Court Judgment has been granted in respect of the debt.

13.2 Local Requirements

The Council recognizes that the consequences of insolvency can be severe and result in considerable legal and administrative costs being incurred, so will undertake to thoroughly examine the rationale for commencing insolvency proceedings on a case by case basis using the following guidelines (the list is not exhaustive):-

- The debt exceeds £2000 (or a lower limit of £750 in some circumstances where fraud is involved). The overriding principle will be to ensure action taken is proportional to the level of outstanding debt.
- The debtor is not making regular, mutually agreed payments that are sufficient to clear any accruing debt and arrears within a reasonable timescale
- The debtor appears to have sufficient assets to ensure the debt is recoverable by the Official Receiver or the Trustee in Bankruptcy.
- Other methods of recovery have failed or are not appropriate to the particular debtor
- Insolvency action is likely to elicit payment from the debtor due to their personal circumstances, for example where a bankruptcy order may affect the debtor's employment, professional status or ability to acquire finance.

13.3 Decision Making and Administration

To provide consistency and support the decision making process, a standard Insolvency Action Checklist ([Appendix 4a](#)) will be created at the point that insolvency proceedings start being considered as a potential method of recovery. The checklist will be used to record evidence considered as part of the decision making process and it will be maintained and reviewed throughout the decision making and insolvency processes to ensure that insolvency remains the most appropriate course of action.

By using the standard checklist, the Council will seek to build a complete picture of the debtor including their personal and financial circumstances to assist in the decision making process.

Are insolvency proceedings appropriate?

At the earliest stage of considering insolvency proceedings, an authorised Council Officer will undertake a full interrogation of the Revenues & Benefits computerised systems to:-

- Establish a full debt history for the debtor and identify whether other debts have been successfully collected in a reasonable period by other means.
- Confirm that all entitlements to benefits, discounts and exemptions have been granted on the information currently held.
- Establish whether the debtor may be vulnerable or unable to manage their financial affairs from the information held. Investigations will include information held by external suppliers where appropriate (for example where an external enforcement agent has previously made contact with debtor).

The Council Officer will make contact with the Council's Adult Care service to establish whether the debtor is known to them. If the debtor is currently receiving any Adult Care services (or has been a service user in the past), the Adult Care Access Team will provide contact details for the debtor's Key Worker. An authorised Officer will make contact with the debtor's Key Worker to obtain further details about the debtor.

If it is established that a debtor is vulnerable and unable to manage their own affairs at any stage prior to a bankruptcy order being granted, the Council will strongly consider withdrawing proceedings in favour of an alternative method of enforcement action. The Council is committed to supporting vulnerable individuals and will always seek to find a responsible and sustainable solution to addressing outstanding debt in such cases. Where appropriate, the Council may seek support from other Council service areas or third party agencies in addressing debt with a vulnerable individual.

Will insolvency proceedings assist in recovering the debt and preventing further debt from accruing?

Where no evidence of vulnerability is identified, an authorised Council Officer will under a financial background check to review whether another enforcement method is suitable and whether insolvency proceedings will be successful in either recovering the debt or preventing further debt from accruing. The following checks will be undertaken, although the list is not exhaustive:-

- H.M. Land Registry records will be checked to confirm whether the debtor holds an interest in any property.
- A search with a Credit Reference Agency will be undertaken to gather financial information relating to the debtor.
- Potential business and employment information held internally will be reviewed and checked against Companies House and LocTa Tracing data.

Can insolvency proceedings be avoided?

Before formal insolvency proceedings are instigated, a further attempt will be made to engage with the debtor. An authorised Officer will visit the debtor's home address (or business address if appropriate) to attempt to make arrangements for the debt to be paid. At the visit, the Council Officer will serve a letter on the debtor requesting payment of the debt, advising them that the Council is considering undertaking bankruptcy or liquidation proceedings and urging them to contact the Council by a specific date. A copy of the Insolvency Service publication "[A Guide to Bankruptcy](#)" will be included with the letter. If contact cannot be made with the debtor, the letter will be served on the debtor's home address.

If full payment is not received or a suitable payment arrangement has not been agreed by the date specified in the letter, the case and checklist will be reviewed and an authorised Officer will decide whether there is any reasonable probability of recovery by other means or if not, to instigate insolvency proceedings.

A final letter will be issued to the debtor advising that a Statutory Demand will be issued after 7 days if payment in full is not received. The letter will explain the reason that insolvency proceedings are being commenced and will advise the debtor to seek urgent independent advice from a Citizens Advice Bureau, a solicitor, a qualified accountant, an authorised insolvency practitioner, a reputable financial adviser, or a debt advice centre.

13.4 Undertaking Insolvency Proceedings

In deciding to undertake insolvency action, the Council will undertake the following statutory process as defined by the Insolvency Act 1986. For bankruptcy this will mean:

- **Issue of a Statutory Demand** – the Council will serve a statutory demand on the debtor requiring the debtor to settle the debt within 21 days. The debtor will be invited to contact the Council with the intention of coming to a reasonable arrangement to avoid further insolvency proceedings at this stage.

The Council will submit proof that the statutory demand has been served to the appropriate court and the debtor may apply to have the statutory demand set aside within 21 days of the service of the demand. The Insolvency Service publication "[Statutory Demands](#)" provides further information about this process.

- **Presentation of a Bankruptcy Petition** – where a debtor has not complied with the terms of the statutory notice and reasonable alternative arrangements have not been made, the Council may present a bankruptcy petition to the appropriate court within 4 months of the statutory demand being served.

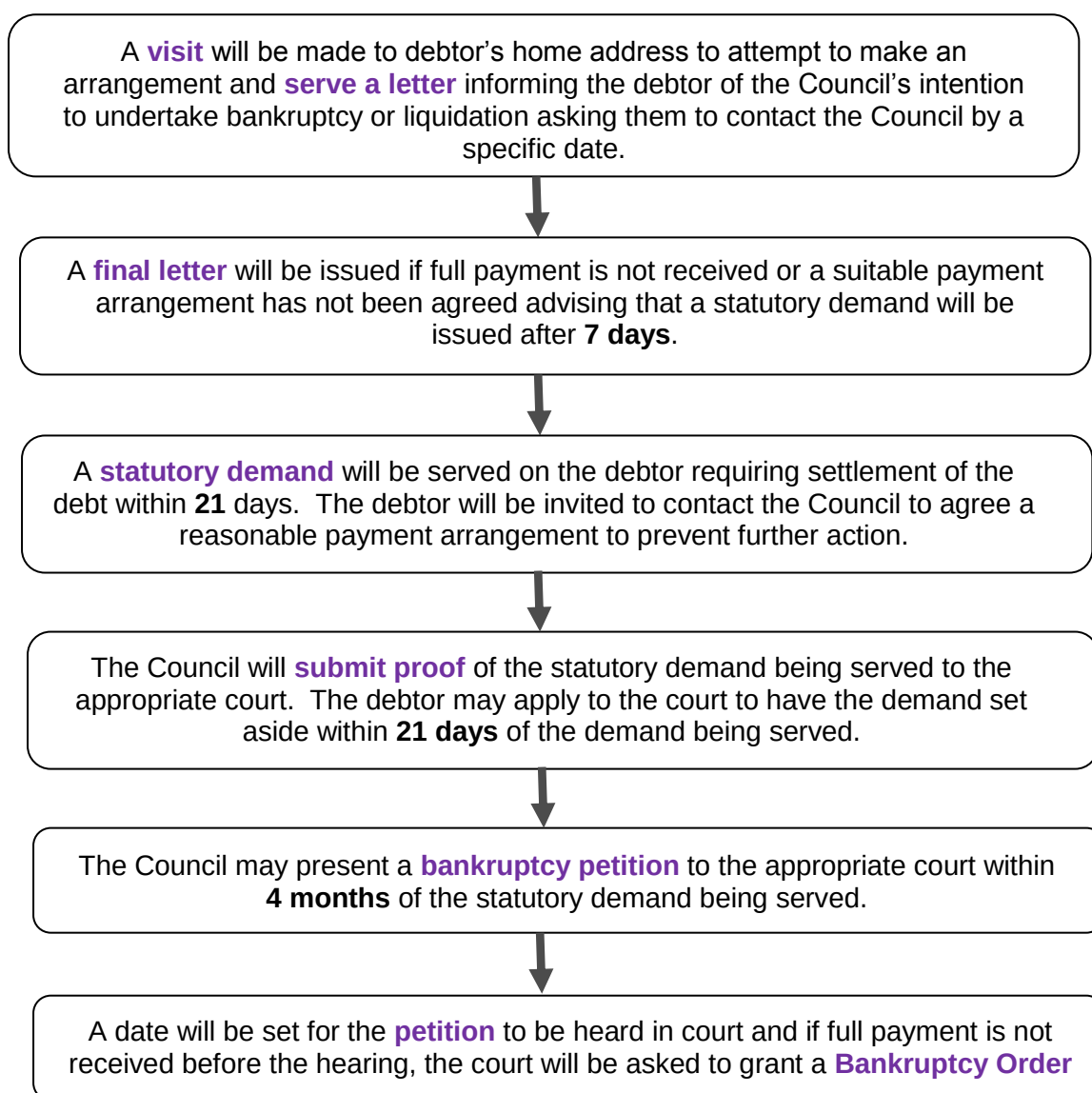
A copy of the petition will be served on the debtor and a date will be set for the petition to be heard in court. If payment in full is not received before the hearing of the petition in court, the Court will be asked to grant a Bankruptcy Order.

Once a bankruptcy order has been made, the Court will appoint:

- An official receiver who is under a duty to investigate the bankrupt's financial affairs and protect the bankrupt's assets; and
- A trustee in bankruptcy who is responsible for selling the bankrupt's assets and distributing any proceeds to creditors.

The insolvency process that applies to companies or partnerships rather than individuals is similar to bankruptcy but seeks to wind-up a company/partnership and liquidate its assets to secure payment to creditors. Detailed information about the winding-up process is available at the [Insolvency Service website](#).

Overview of Insolvency Process



Appendix 4a

Insolvency Referral Checklist

Appendix 5

Write-Off Policy

14. Introduction

This policy relates to debts owed to the Council for Council Tax, Non-Domestic Rates, Sales Ledger (Sundry Debts) and Housing Benefit overpayments. The purpose of this policy is firstly to recognise that where debt is deemed to be irrecoverable, prompt and regular write-off of such debts represents good financial practice and secondly, to ensure that the decision to write-off debts is made in a standard, fair and consistent manner in accordance with documented procedures.

15. Policy

A debt must be deemed to be irrecoverable to be considered for write-off. Whilst not exhaustive, the following is a list of generally acceptable reasons for writing off a debt:

15.1 Legally Excused Debt

Applies **only** to Council Tax and Non-Domestic Rate debts where:-

- The balance (or part of) is remitted by a Magistrate following a committal hearing, having given due regard to the debtors circumstances.
- The debtor has served a custodial sentence for non-payment of the debt and the debt therefore becomes irrecoverable.
- The Magistrates do not issue a committal warrant and do not remit the debt. The Council has no other recovery options open to it and therefore the debt is irrecoverable.

Legally excused debts must be supported by documentation such as proof that the custodial sentence has been served or a form signed by the Magistrate confirming the debt is remitted.

15.2 Small Balances on Closed Council Tax Accounts, Benefit Claims and Sundry Debts

For closed Council Tax accounts, Non-Domestic Rate accounts, Housing Benefit claims and Sundry Debts a small balance will be defined as an amount less than or equal to the level of revenues court costs subsisting at the time of writing off. For financial year 2014/15 the level of the costs are currently set at £80.00 per the Council's constitution.

Council Tax and Non-Domestic Rates Small Balances

A closed account for Council Tax or Non-Domestic Rates is defined as being an account where the liable person no longer resides at the property to which the balance relates.

Small balances for Council Tax or Non-Domestic Rates will receive a bill as a legal requirement. Balances of less than £5.00 will not be sent a formal reminder/final notice but balances of between £5 and the level of revenues court costs subsisting at the time will be.

Value of Balance	Minimum Action before balance can be written off
Less than £5.00	Bill only sent – balances will be reviewed on an annual basis for automated write-off.
Balances between £5.00 and current court cost (£80.00 for 2014/15)	Recovery notices up to and including Final Notice issued.

Housing Benefit Overpayment Small Balances

Closed Housing Benefit claims are defined as being claims where no ongoing entitlement to benefit exists. Where a Housing Benefit claim is closed and any outstanding balance is less than or equal to £10.00, the overpayment will be written off at the point it is created.

Where the balance outstanding is greater than £10.00 but less than the current revenues court costs subsisting at the time of writing off, an invoice, reminder and final notice will be issued. For financial year 2014/15 the level of the costs are currently set at £80.00 per the [Council's constitution](#). If the balance remains unpaid one month following the issue of the final notice, the debt will be reviewed to consider whether it is in the Council and/or public interest to continue to pursue recovery. If not, the debt will be written off.

Sundry Debt Small Balances

For Sundry Debts, where an invoice has been issued and the outstanding balance is less than £5.00, the debt will not progress to reminder stage and will be written off. For debts greater than £5.00 but less than the current revenues court costs subsisting at the time of writing off (£80.00 in financial year 2014/15), they may be considered for write-off once they have completed the recovery cycle and remain unpaid. The exception to this is where there are multiple invoices issued against a single account which together exceed the value of the current revenues court costs subsisting at the time of consideration. These debts will progress to be enforced through legal action and/or collection by an external enforcement/collection agent.

All Small Balances

Small balances should be written off after checks have been completed and recorded on the standard form supplied according to local Revenues procedures.

Where a closed account or claim balance changes, falling below the small balance upper limit and the debt is currently allocated to an enforcement or recovery agent for collection, the debt will remain with the enforcement or recovery agent for collection.

Small balances on closed accounts will not be written off where there is a realistic prospect of recovering the debt, provided that any action taken to recover the debt is proportionate to the total level of debt owed and that it remains within the public interest to recover.

15.3 Current Address of Debtor is unknown (Untraceable)

Where an outstanding debt is in relation to a closed Council Tax, Non-Domestic Rate account or Sundry Debt account or Housing Benefit claim, attempts should be made to establish a current address for the debtor using methods outlined in the team's local tracing procedures. Where these methods are used and fail, the debt should be written off. A tracing check for the debtor will be undertaken one year after the write-off, and if the debtor is successfully traced and their location is in the enforcement area – England and Wales - the debt will be written back on and recovery proceedings re-commenced.

Debts may also be written back onto the system where the whereabouts of the customer become apparent at any point up to 6 years after the debt was created.

15.4 Debtor Deceased

For Council Tax, Non-Domestic Rate, Sundry Debt and Housing Benefit overpayment debts where the outstanding balance is less than the current revenues court costs subsisting at the time of writing off (excluding costs) **and** where there is no joint and several liability **and** the liable party is now deceased, the outstanding debt should be written off.

Where the debt is greater than the current revenues court costs subsisting at the time of writing off (£80.00 in financial year 2014/15) and no joint and several liable party exists, the executors / solicitors of the deceased person should be contacted to establish if any funds are available in the estate to discharge the debt. Where written confirmation is received that the estate has insufficient funds and there is no information to the contrary, the balance should be written off immediately.

For Council Tax and Non-Domestic Rate accounts where joint and several liability exists, recovery of the debt should normally be sought from the surviving jointly liable party.

If a Housing Benefit overpayment is recoverable from the former landlord of the property or benefit is payable to a relative for the same period at the same address, the debt for the deceased party may not be written off in the circumstances outlined above and may instead be recovered from the landlord or relative.

Where attempts to contact the executors or next of kin have failed to illicit a response and appropriate reminders have been issued, the outstanding balance should be written off after a period of 3 months following the latest outgoing communication. If there are reasons to believe that funds do exist in the estate, further attempts to recover the debt can be made following approval from a Team Leader / Group Manager.

Where the debt relates to a Social Care, the Social Care Team should be contacted to establish whether there is any information contained within a previous financial assessment which could be used to pay off the debt before it is written off.

15.5 Balances that have been unsuccessfully pursued by an Enforcement or Collection Agent

For Council Tax, Non-Domestic Rates and Sundry Debts that have been returned by an enforcement agent and where there is no further appropriate recovery action to take, the debt should be written off.

If the debt is a Housing Benefit overpayment, is valued at £100 or more and based on the claimant's circumstances there is a likelihood of being able to recover the debt, a County Court Order/Judgment may be applied for. If this is not the case, the debt will be written off.

Where a debt has been returned from an enforcement agent as untraceable, these cases will already have been through a tri-bureau check at the external recovery company utilising Call Credit, Experian and Equifax. On return of the case, the debt can be recommended for write-off without the need to undertake further local checks.

15.6 Balances where it would not be in the Council's or public interest to take further action

For Council Tax, Non-Domestic Rate, Sundry Debt and Housing Benefit overpayment debts where all appropriate options for recovery have been considered, the extenuating circumstances of the debtor may dictate that further recovery action is not a viable option or may not be in the public interest.

The cost and other resource implications of pursuing a debt will be taken into account and may be used as grounds for writing off the debt where it is considered that the debt is uneconomical to pursue.

15.7 Recovery procedures have been exhausted

In cases where all appropriate debt recovery options have been pursued and have been unsuccessful in recovering the debt, the balance remains unchanged and there is no active communication with the debtor, the debt should be written off.

Where it has been established that the debtor has moved outside of the enforcement area and payments are not being made to reduce the debt, the debt should be written off. A tracing check for the debtor will be undertaken one year after the debt has been written off to identify whether the debtor has returned to the enforcement area. Where the debtor has returned, the debt will be written back on and recovery proceedings will be recommenced.

Additionally, debts may be written back onto the system where it is identified that a debtor has returned to the enforcement area at any point up to 6 years after the debt was created.

15.8 Balances subject to an Administration Order, Individual Voluntary Arrangement or Debt Relief Order

Where a debt becomes subject to an Administration Order, Individual Voluntary Arrangement (IVA) or Debt Relief Order (DRO), the balance on the schedule of creditors should be written off. In the event of a payment being received from the Administrator, court or debtor, this amount should be written back onto the account.

Debts which have not been included in the Administration Order, Individual Voluntary Arrangement or Debt Relief Order may be recovered and/or written off according to normal recovery and write-off procedures.

Where a Housing Benefit overpayment has been deemed to be created as a result of fraud, the debt can continue to be recovered after the discharge of a Debt Relief Order but not after the discharge of an Administration Order or Individual Voluntary Arrangement.

15.9 Individuals subject to Bankruptcy / Insolvency Procedures

In respect of Council Tax, Non-Domestic Rate, non-fraudulent Housing Benefit overpayments and Sundry debts, where the debtor enters into formal insolvency/bankruptcy proceedings, the balance should be written off immediately and a claim sent to the Official Receiver/Trustee in Bankruptcy. It is rare for any payment to be received in insolvency cases but in the event of a dividend being paid, the amount will be written back on to the account.

The Council will undertake an internal check with other relevant internal business units to ensure all debts for the customer are recorded and included before any claim is made to the Official Receiver/Trustee in Bankruptcy.

Where a Housing Benefit overpayment has been deemed to be created as a result of fraud, the debt can continue to be recovered after the bankruptcy has been discharged, using any recovery method.

15.10 Companies subject to Liquidation / Insolvency Procedures, a Company Voluntary Agreement, in Administrative Receivership or otherwise ceasing to trade (with insufficient assets)

Where a company enters into formal insolvency or liquidation and cannot pay its debts (not members' voluntary liquidation), any outstanding balances for Council Tax, Non-Domestic Rates and Sundry debts should be written off immediately and a claim sent to the Official Receiver/Liquidator.

The Council will undertake an internal check with other relevant internal business units to ensure all debts for the company are recorded and included before any claim is made to the Official Receiver/Liquidator.

In the event of a dividend being paid, the balance will be written back on.

If a company enters Administrative Receivership and has outstanding debts for Council Tax and/or Non-Domestic Rates but the Council does not hold a liability order in respect of the debts, the outstanding balances will be written off immediately.

Where a company enters Administrative Receivership and has outstanding debts for Council Tax or Non-Domestic Rates **and** a notice of enforcement has previously been served, the enforcement agent will be instructed to recover any outstanding monies at the earliest opportunity.

For debts relating to Housing Benefit overpayments and Sundry debts, any outstanding balances at the point at which a company enters Administrative Receivership will be written off immediately. Liabilities accrued after the date of Administrative Receivership begins will be sought from the Receiver.

Where a company with insufficient assets to pay its debts ceases to trade but does not enter formal liquidation, it is unlikely that the Council will be able to recover any outstanding balances. The debt should be written off when appropriate attempts to recover the debt have been made and the Companies House register reflects the fact that the company has been dissolved or a proposal to strike off is recorded.

Responsibility for ongoing liability should be identified by investigations with the landlord/owner of the property and in consultation with the Council's Legal Department.

A letter should be issued to Companies House, requesting that the company is removed from the Register of Companies.

15.11 Council Error

An outstanding debt may be written off in cases where there have been multiple errors made by the Council in administering the account or claim. Even in cases where the debtor could have reasonably been expected to realise that errors have occurred (so is legally recoverable) it may still in some instances be appropriate to acknowledge that there has been confusion or inefficiency and agree not to pursue recovery of the debt. A full explanation of the reasons must be attached to each request for write-off.

15.12 Previous Evidence of No Assets and a Genuine Inability to Pay

Where there is current or previous evidence which indicates that there is no realistic prospect of recovering a debt, the balance may be written off at the discretion of the relevant authorized person.

15.13 Out of Time Debts / Old Debts

Where a debt for Council Tax or Non-Domestic Rates is over 6 years old (from the date of the bill issued) and a liability order has not been obtained, the debt will be written off in accordance with the Limitations Act 1980.

For Sundry debts and Housing Benefit overpayments, the debt will be written off where there has been no communication sent to the debtor in the preceding 6 years.

15.14 Charging Orders

Where the Council has secured a charging order against a debtor's property in respect of an outstanding Council Tax, Non-Domestic Rate, Housing Benefit overpayment or Sundry debt, the outstanding debt balance will be written off immediately. The debt balance will be written back onto the account when the property is sold and money from the sale is available to discharge the debt, or when the debtor otherwise makes payment to clear the debt.

15.16 Full & Final Settlements

A full and final settlement is a partial offer of repayment of a customer's outstanding debts. It is made under the condition that the Council agrees to write-off the remainder of the debt. The offer can relate to a single debt owed or against the combined balance of multiple debts.

Council Officers are only permitted to discuss the option of full and final settlement of a debt if it has been suggested or offered by the debtor. The offer must be made in writing and should be supported with an income and expenditure sheet. Only a Revenues or Benefits Group Manager will be authorised to accept or refuse a settlement offer.

The Authorising Officer will compare the offer against the prospects, rate and timescale of recovery of the debt being paid via an instalment arrangement and will only accept a full and final settlement offer if they are satisfied that it offers the best possible return to the Council.

The categories outlined above are intended only as a guide and do not represent an exhaustive list of write-off reasons. There may be other instances where it would be appropriate to write-off the balance of an account. In these cases, a full report explaining the circumstances will be submitted to the Authorising Officer for consideration.

16. Procedure

This policy is written in compliance with the Council's Standing Orders and Financial Regulations as outlined in the Council's constitution.

Council Officers recommending write-off of a particular debt will be responsible for recording the following information on a write-off pro-forma for checking and approval by the Authorised Officer:-

- Customer name
- Write-off category
- Account/Invoice/Claim number
- Period of liability or overpayment period
- Last known address
- Liability address (if different from last known)
- Reason for recommending write-off
- Amount to be written off
- Recovery history
- Details of traces/enquiries carried out
- Report of the appointed Liquidator/Receiver in cases involving insolvency
- Any other relevant information

Section 15.4 of the Council's constitution outlines the levels of authority which must be held by the Authorising Officer as follows:-

“15.4 The Council does not accept the discharge of a debt other than by payment in full other than in respect of write-offs as below:-

What	Who
Value up to the level of Revenues Court costs - £80	Revs & Bens Senior Officer/1 st line Supervisor
Revenues Court Costs to £999.99	Revs & Bens Team Leader/Group Manager
£1,000 to £9,999.99	Revs & Bens Service Delivery Manager
£10,000 to £24,999.99	Assistant Director – Finance Audit & Information Governance
Where the debtor has been declared insolvent or bankrupt and all monies due in dividend has been received or, if the debtor is a company where it has ceased trading or is insolvent.	Chief Financial Officer
A debt of more than £25,000 which is not subject to insolvency or bankruptcy proceedings	Leader/Cabinet

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
Business supporting, business winning council											
CM412	Number of jobs created through business expansion (Homes and Communities Agency only)	N/A	N/A	N/A	N/A		234	280	N/A (Estimate)		No targets are set - market driven
Commentary on performance: FTE jobs. For HCA employment sites only. Based on completed sales not completed developments									Full year data covers 2014/15 financial year.		
CM413	Amount of Inward Investment secured (£) - Homes and Communities Agency only	N/A	N/A	N/A	N/A		£16,510,000	£19,610,000	N/A (Estimate)		No targets are set - market driven
Commentary on performance: Company Investment + the land value paid. Based on completed sales not completed developments.									Full year data covers 2014/15 financial year.		
CM002	Unemployment rate (16-64 year olds)	9.2%	8.4%	9.3%	7.8% (2012-13)	Worse	6.7%	6.2% (83871/5200)	N/A (Estimate)	Getting better	
Commentary on performance: The Borough's modelled rate of unemployment fell in the period of Oct 13 - Sep 14, from 9.4% to 6.2%. This places T&W below regional (7.2%) and national (6.5%) comparators.									Full year data covers October 2013 - Sept		
CM004	Youth unemployment rate (16-24 year olds)	23.1%	29.8%	32.1%	21% (2012-13)	Worse	20.9%	15.7% (12100/1900)	N/A (Estimate)	Getting better	
Commentary on performance: The Borough's estimated unemployment rate for 16-24 year olds has fallen in the period of Oct 2013-Sep 2014 from 33.7% to 15.7% and is now below regional (19.8%) and National (17.3%) comparators.									Full year data covers October 2013 - Sept		
Improve local people's prospects through education and skills training											
CM007	% of workforce with level 3 qualifications	16.3%	19.4%	21.7%	17.3% (Jan - Dec 2013)	Better	N/A	N/A	N/A (Outturn)		
Commentary on performance: Not available until mid April 2015.									Full year data covers Jan to Dec 2014		
CM008	% of workforce with level 4 qualifications	29.7%	29.6%	30.7%	39.3% (Jan - Dec 2013)	Worse	N/A	N/A	N/A (Outturn)		
Commentary on performance: Not available until mid April 2015.									Full year data covers Jan to Dec 2014		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM396	% of pupils attending a school which Ofsted have rated as Good or Outstanding	N/A	54.0%	76.0% ➡	N/A		81.0%	83.4% (13886/16644)	85% (Estimate)	Getting better	▲
Commentary on performance: Based on data held by the School Improvement Service for published Ofsted Reports received to the end of December 2014.									Full year data covers 2014-15 academic		
CM082	% of children achieving at least the expected level in the prime areas of learning (Early Years Foundation Stage)	N/A	N/A	45.0%	52% (School year 2012-13)	Worse	58.3% (1283/2200)	58.2% (1288/2210)	58% (Outturn)	Getting better	▲
Commentary on performance: T&W is now in line with West Midlands and 2%-pts lower than England (60%).									Full year data covers 2013-14 academic		
CM397	Achievement rate for Key Stage 1 - Reading	84%	85% ➡	88% ➡	89% (School year 2012/13)	Worse	89% (1992/2161)	89.0%	89% (Outturn)	Getting better	▲
Commentary on performance: T&W is now in line with West Midlands and 1%-pt lower than national average achievement rates									Full year data covers 2013-14 academic		
CM667	Achievement rate for Key Stage 1 - Writing	81%	81% ➡	86% ➡	85% (School year 2012/13)	Better	87% (1876/2161)	87.0%	87% (Outturn)	Getting better	▲
Commentary on performance: T&W is now 1%-pt above both West Midlands and national average achievement rates									Full year data covers 2013-14 academic		
CM668	Achievement rate for Key Stage 1 - Maths	88%	89% ➡	91% ➡	91% (School year 2012/13)	Comparable	92% (1989/2161)	92.0%	92% (Outturn)	Getting better	▲
Commentary on performance: T&W is now in line with both West Midlands and national achievement rates									Full year data covers 2013-14 academic		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM083	Achievement rate of level 4 or above in Reading, Writing and Mathematics at Key Stage 2	N/A	74.0%	74.0% ➡	76% (School year 2012-13)	Worse	78% (1479/1908)	78.0%	78% (Outturn)	Getting better	▲
Commentary on performance: T&W is now in line with the National Average (78%). This measure will be changing as children will be expected to be working within level 4 therefore it will be based on the % achieving Level 4B or more. This year 66% of pupils achieved this target, 1%-pt below national (67%)									Full year data covers 2013-14 academic		
CM379	Attainment gap for Key Stage 2 for Children in Care (% points)	N/A	N/A	-43%-pts	-31%-pt (2012-13 academic year)	Better	N/A	-28%-pts (50%/78%)	-28%-pts (Outturn)	Getting better	▼
Commentary on performance: In Telford & Wrekin 50% of CIC achieved L4+ in RWM compared to 78% of all pupils, an attainment gap of -28%-pts in 2014. England had a higher attainment gap of -31%-pts (CIC - 48%, All pupils - 79%). Please note that the % of CIC achieving L4+ in reading, writing and maths in T&W is suppressed in the Statistical First Release									Full year data covers 2013-14 academic		
CM087	The attainment gap between Pakistani children and their peers at Key Stage 2 (rolling 3-year average)	N/A	N/A	-28.7%-pts	N/A		-27%-pt (49%/76%)	N/A	-27%-pts (Outturn)	Getting better	▼
Commentary on performance: Data collected annually in August									Full year data covers 2013-14 academic		
CM085	The attainment gap between Free School Meals and their peers at Key Stage 2	N/A	-28%-pt	-16%-pt ➡	-19%-pt (School year 2012-13)	Better	-18%-pt (63.3%/81%)	-17%-pts (64%/81%)	-17%-pts (Outturn)	Getting worse	▼
Commentary on performance: Data released by the DfE in December shows that the attainment gap was -17%-pts, a bigger gap than the previous year (-16%-pts). Both groups saw an improvement but non-FSM pupils improved faster, resulting in a wider attainment gap. Despite this, it falls in line with the West Midlands gap and is better than National (-18%-pts gap)									Full year data covers 2013-14 academic		
CM084	Achievement rate of 5 A*-C GCSE's or equivalent including English and Maths (Key Stage 4)	57.9%	61.3% ➡	58.6% ➡	60.8% (2012/13 academic year)	Worse	N/A	51.2% (2059/1054)	51.2% (Outturn)		▲
Commentary on performance: The methodology of this measure has changed and is not comparable to previous years' data. First entry result is counted rather than best entry. (National figure 56.1%, Regional figure 54.2%)									Full year data covers 2013-14 academic		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM027	% of Children in Care who get 5 GCSE's A*-C including English and Maths (Key Stage 4)	20.0%	33.3% ➡	19.2% ➡	N/A		N/A	26.1% (23/6)	26.1% (Outturn)	Getting better	▲
Commentary on performance: This measure is suppressed in the Statistical First Releases due to low numbers and has been calculated using data from Key to Success. The methodology of this measure has changed and is not comparable to previous year's data									Full year data covers 2013-14 academic year		
CM088	The attainment gap between Pakistani children and their peers at Key Stage 4 (rolling 3-year average)	-12%-pts	-10.4%-pt ➡	-9.9%-pt ➡	N/A		N/A	-20.9%-pts (30.8%/51.7%)	-20.9%-pt (Estimate)	Getting worse	▼
Commentary on performance: As the methodology for KS4 has changed from best entry to first entry, previous years' data is no longer comparable. Therefore the data provided is for one academic year only. This is provisional until the final KS4 data becomes available.									Full year data covers 2013-14 academic year		
CM086	The attainment gap between Free School Meals and their peers at Key Stage 4	-29%-pts	-28.8%-pt ➡	-33.3%-pt ➡	N/A		N/A	-31.3%-pts (24.6/55.9)	-31.3%-pt (Estimate)	Getting better	▼
Commentary on performance: Released data will be available from February 2015. There have been significant changes to assessment and accountability therefore it is not recommended that this years data is compared to previous years'									Full year data covers 2013-14 academic year		
CM398	Progression rate from Key Stage 2 to Key Stage 4 for all children - English	67.6%	67.1% ➡	69.9% ➡	71.7% (2012-13)	Worse	N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic year		
CM669	Progression rate from Key Stage 2 to Key Stage 4 for all children - Maths	64.0%	70.5% ➡	68.3% ➡	72% (2012-13)	Worse	N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key
 Improving (high is good)

 Worsening (high is good)

 Improving (low is good)

 Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014- 15	Direction of travel compared to 2013-14	Target 2014/15
CM380	Progression rate from Key Stage 2 to Key Stage 4 for Children in Care	N/A	N/A	N/A	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic		
CM381	Progression rate from Key Stage 2 to Key Stage 4 for Pakistani learners - English	N/A	N/A	N/A	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic		
CM665	Progression rate from Key Stage 2 to Key Stage 4 for Pakistani learners - Maths	N/A	N/A	N/A	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic		
CM382	Progression rate from Key Stage 2 to Key Stage 4 for Free School Meals - English	N/A	N/A	N/A	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic		
CM666	Progression rate from Key Stage 2 to Key Stage 4 for Free School Meals - Maths	N/A	N/A	N/A	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: Data will be released in late January									Full year data covers 2013-14 academic		
CM399	Number of young people (16-24) accessing our services successfully supported into employment	N/A	N/A	N/A	N/A		158	230	N/A (Estimate)		▲
Commentary on performance: Cumulative figures as at end December 2014									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key Improving (high is good) Worsening (high is good) Improving (low is good) Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM400	Number of young people (16-24) accessing our services successfully supported into training	N/A	N/A	N/A	N/A		125	186	N/A (Estimate)		▲
Commentary on performance: Cumulative figures as at end December 2014									Full year data covers 2014/15 financial year.		
CM401	Number of young people (16-24) accessing our services successfully supported into voluntary work	N/A	N/A	N/A	N/A		7	14	N/A (Estimate)		▲
Commentary on performance: Cumulative figures as at end December 2014									Full year data covers 2014/15 financial year.		
CM090	% of young people not in education, employment or training (16-19 years of age)	8.5%	8.2% 	8.5% 	5.6% (June/ July/ August)	Worse	6.0%	6.1% (344)	N/A (Estimate)	Getting better	▼
Commentary on performance: Latest figures on NCCIS are from November 2014 3 month average. The national figure is 5.0%									Full year data covers 2014/15 financial year.		
Protect and support our vulnerable children											
CYP021	Children subject to a Child Protection Plan (rate per 10,000 population)	58.6	36.5 	33.2 	42.1	Better	34.6 (135)	36.4 (142)	N/A (Estimate)		
Commentary on performance: This slight increase may relate to the fact that there have been a number of large sibling groups made subject to child protection planning.									Full year data covers 2014/15 financial year.		
CYP018	% of children becoming the subject of a Child Protection Plan for a second or subsequent time	16.2%	16.8% 	22.8% 	15.8%	Worse	21.3% (16/75)	18% (26/142)	N/A (Estimate)	Getting better	▼
Commentary on performance: A review is currently being undertaken to understand de-planning and re-planning with particular emphasis on children who are relisted within a short period of time.									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CYP015	Rate of children in care (rate per 10,000 population under 18)	79.5	82.3 ➡	79.2 ➡	60.0	Worse	77.2 (301)	74.9 (292)	N/A (Estimate)	Getting better	▼
Commentary on performance: Improved since Q2 and is on a general downward trend. T&W are now close to the average of its statistical neighbours for 2014 (74).									Full year data covers 2014/15 financial year.		
CYP045	% of children in care living in foster care within Telford & Wrekin boundary	33.0%	58.0% ➡	61.3% ➡	47% (2012-13)	Better	61% (134/219)	62% (131/212)	N/A (Estimate)	Getting better	▲
Commentary on performance: Small improvement since Q2, against a backdrop of a reduction in overall CIC numbers. National comparison is not possible as local measure is different to national									Full year data covers 2014/15 financial year.		
CYP058	% of children in care living in foster care more than 20 miles from their home address	N/A	17.0%	14.9% ➡	27.0%	Better	16% (35/219)	15% (31/212)	N/A (Estimate)	Getting worse	▼
Commentary on performance: Small improvement since Q2, against a backdrop of a reduction in overall CIC numbers.									Full year data covers 2014/15 financial year.		
CYP050	% of children who were in care for 2.5 years with the same placement for 2 years	78.0%	77.0% ➡	72.4% ➡	67% (2012-13)	Better	67.9% (89/131)	69% (90/131)	N/A (Estimate)	Getting better	▲
Commentary on performance: Small improvement since Q2, against a backdrop of a reduction in overall CIC numbers.									Full year data covers 2014/15 financial year.		
CM375	% of care leavers at 19, 20 and 21 in suitable accommodation	73.7%	80.0% ➡	67.7% ➡	88% (2012-13)	Worse	89.7% (61/68)	86% (55/64)	N/A (Estimate)	Getting better	▲
Commentary on performance: No comments returned for 9 month monitoring									Full year data covers 2014/15 financial year.		
CM028	% of care leavers now aged 19, 20 and 21 in education, training or employment	52.6%	35.0% ➡	43.0% ➡	45% (2012-13)	Worse	38.2% (26/68)	40% (26/64)	N/A (Estimate)	Getting worse	▲
Commentary on performance: No comments received for 9 month monitoring									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key Improving (high is good) Worsening (high is good) Improving (low is good) Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
Protect and support our vulnerable adults											
CM073	Proportion of people using social care who receive self-directed support	36%	59% 	61% 	62%	Worse	75% (1564/2106)	80.3% (1616/2015)	93% (Estimate)		
Commentary on performance: Performance has improved but the definition has changed for 2014/15 and is not directly comparable to previous years.									Full year data covers 2014/15 financial year.		
CM074	Proportion of people using social care who receive direct payments	6%	8% 	11% 	19%	Worse	12% (255/2106)	12.8% (258/2015)	13.5% (Estimate)	Getting better	
Commentary on performance: A drive to increase the number of individuals receiving direct payments will commence again in the new financial year with plans to increase performance to 16% and then rising to 20% during 2015/16									Full year data covers 2014/15 financial year.		
CM075	Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into re-ablement/rehabilitation services	74%	54% 	65% 	82%	Worse	N/A	N/A	N/A (Estimate)		
Commentary on performance: The cohort for this measure is due to be followed up in Jan/Feb/Mar 2015.									Full year data covers 2014/15 financial year.		
CM383	Proportion of older people (65 and over) who were still at home 91 days after discharge into reablement/ rehabilitation services (offered the service)	3.0	3.5 	2.5 	3.3	Worse	N/A	N/A	N/A (Estimate)		
Commentary on performance: The cohort for this measure is due to be followed up in Jan/Feb/Mar 2015.									Full year data covers 2014/15 financial year.		
CM384	Social Care - related quality of life	18.3	18.4 	18.9 	19.0	Worse	N/A	N/A	N/A (Estimate)		
Commentary on performance: Survey will be carried out in February/March 2015.									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM079	Carer-reported quality of life	N/A	8.0	No 2013/14 data- No survey	N/A		N/A	7.5	7.5 (Estimate)	Getting worse	▲
Commentary on performance: We will be examining the results of the carers survey to better understand the key issues highlighted by carers									Full year data covers 2014/15 financial year.		
CM386	Delayed Transfers of Care (delayed days) from hospital per 100,000 population (average per month)	N/A	N/A	N/A	N/A		352 (2265)	342 (3546)	351 (Estimate)		▼
Commentary on performance: Local discharge model is being improved as part of the Better Care Fund which is anticipated will improve performance in this area. It should be noted that this includes Health and Social Care delayed days (of which 1273 days are attributable to Social Care, 2009 days attributable to health and 264 attributable to both Social Care and Health)									Full year data covers 2014/15 financial year.		
CM387	Permanent admissions of older people (aged 65 and over) to residential and nursing care homes per 100,000 population	723.0	652.4 ➡	656.4 ➡	668.4	Better	99 (25)	360	550 (Estimate)	Getting better	▼
Commentary on performance: This is reflective of our policy to support people to live in their own home for as long as possible and promote independence									Full year data covers 2014/15 financial year.		
CM388	Avoidable emergency admissions per 100,000 population (average per month)	1302.8	1447.5 ➡	1486.6 ➡	1204.3 (2012/13)	Significantly worse	N/A	N/A	N/A (Estimate)		▼
Commentary on performance: Anticipate a positive impact on this indicator as a result of the prevention and integration work being undertaken as part of the Better Care Fund Programme, though some influencing factors can only be influenced within the NHS									Full year data covers 2013-14		
CM393	% of out of area placements reviewed within the last 12 months	N/A	N/A	N/A	N/A		53% (8/15)	79% (19/24)	N/A (Estimate)		▲
Commentary on performance: We will have reviewed outstanding cases by the end of the financial year									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key
 Improving (high is good)

 Worsening (high is good)

 Improving (low is good)

 Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM394	% of cases in which the level of risk reduced from referral into the Safeguarding process to closure	N/A	N/A	N/A	N/A		81.5% (110/135)	82.6% (214/259)	N/A (Estimate)		▲
Commentary on performance: Making Safeguarding Personal action plan is now in place and being implemented									Full year data covers 2014/15 financial year.		
CM395	Proportion of clients receiving a long term service who have a completed review during the previous 12 months	N/A	N/A	N/A	N/A		60% (1263/2106)	64.6% (1301/2015)	66% (Estimate)		▲
Commentary on performance: Urgent work is being undertaken to validate this figure									Full year data covers 2014/15 financial year.		
Ensure that neighbourhoods are safe, clean and well maintained											
CM368	Resident satisfaction with household recycling collection service	N/A	N/A	N/A	N/A		N/A	94.0%	N/A (Estimate)		
Commentary on performance: This data is a three year survey and is currently being compiled for the first year by Veolia.									Full year data covers 2014/15 financial year.		
CM526	% household waste sent for reuse, recycling and composting	43.0%	43.2%	44.8%	N/A		51.2%	50.3%	46% (Estimate)	Getting better	
Commentary on performance: The amount of green waste collected is variable in accordance with the time of year. Please note 9 month monitoring based on 8 month totals. Data is always 1 month in arrears.									Full year data covers 2014/15 financial year.		
CM258	% of local authority principal road network where structural maintenance should be considered	1.0%	1.0% ➡	N/A	N/A		N/A	N/A	N/A (Estimate)		▼
Commentary on performance: Available at year end - March									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM373	Average journey time (mph) on an authorities A road's (cars)	N/A	40.0	39.2 ➡	24.4 (24.4mph is as at June 2014 - annual figures not released yet)	Better	N/A	N/A	N/A (Estimate)		▲
Commentary on performance: This is an annual figure only.									Full year data covers 2014/15 financial year.		
CM259	% of non-principal classified road network where maintenance should be considered	10.0%	8.0% ➡	0.2 ➡	N/A		N/A	N/A	N/A (Estimate)		▼
Commentary on performance: Available at year end - March									Full year data covers 2014/15 financial year.		
CM039	Overall crime rate per 1,000 population	65.9	56.3 ➡	59.2 ➡	66.0	Better	30.4 (5063/166641)	45.1 (7532/166641)	N/A (Estimate)		▼
Commentary on performance: Was 44.2 (7358 crimes) so Dec 2014 (45.1) outturn is slightly higher than at the same point in Dec 2013. 9 month data is not comparable to other points during the year.									Full year data covers 2014/15 financial year.		
CM332	Anti social behaviour rate (per 1000) population	64.0	57.1 ➡	54.4 ➡	N/A		29.1 (4848/166641)	40.1 (6675/166641)	55 (Estimate)		▼
Commentary on performance: Was 42.4 (7064) so Dec 2014 (40.1) outturn is lower than at the same point in December 2013. 9 month data is not comparable to other points during the year									Full year data covers 2014/15 financial year.		
CM041	% of residents with a fear of crime	45.0%	39.2% ➡	38.1% ➡	N/A		36.3% (225/619)	38.4% (331/862)	N/A (Estimate)	Getting worse	▼
Commentary on performance: Data relates to the period Q2 2014/15									Full year data covers 2014/15 financial year.		
CM029	% of residents who feel that their neighbourhood is one where people of different backgrounds get on well together	N/A	60.7%	60.5% ➡	N/A		N/A	N/A	N/A (Estimate)		▲
Commentary on performance: New survey not yet completed. (Annually end of January).									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
Regenerate those neighbourhoods in need and work hard to ensure the local people have access to suitable housing											
CM072	Number of new homes built per annum (net)	720	607 ➡	842 ➡	N/A		417	N/A	1000 (Estimate)		1000
Commentary on performance: This data will be available April 2015.									Full year data covers Financial year		
CM310	Number of long term empty properties brought back into use (Total)	N/A	N/A	492	N/A		N/A	463	463 (Outturn)		▼
Commentary on performance: This data is taken from the CBT1 completed in October 2014. This is a rolling figure with empty properties and through intervention work and owners bringing their properties back into use the number is open to change									Full year data covers 2014/15 financial year.		
CM311	Number of stalled housing units (Total)	N/A	271	219 ➡	N/A		219	219	195 (Estimate)	No change	195
Commentary on performance: No comments returned for 9 month monitoring									Full year data covers Financial year		
CM060	Number of homeless acceptances per 1,000 households	2	2 ➡	1.8 ➡	2.3	Better	0.59 (40)	0.9 (62)	1.4 (Estimate)	Getting better	▼
Commentary on performance: Homeless acceptances have continued to fall the third year running. 9 month data is not compatible to year end data									Full year data covers 2014/15 financial year.		
CM061	% of all homeless households which were of 16 to 24 year olds	57.7%	57.6% ➡	45.4% ➡	28.0%	Worse	77.5% (31/40)	71% (44/62)	70% (Estimate)	Getting worse	▼
Commentary on performance: The number of 16 to 24 year olds accepted as homeless continues to increase despite the total number of homeless acceptances continuing to decrease									Full year data covers 2014/15 financial year.		
CYP010	Homelessness cases prevented or relieved as a proportion of homeless acceptances	2.5	1.9 ➡	1.3 ➡	4.4	Worse	1.9 (74/40)	2.6 (159/62)	2.4 (Estimate)	Getting better	▲
Commentary on performance: Although starting slowly, homeless preventions have increased in recent months.									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CYP014	% of 16-17 year olds in Bed and Breakfast accommodation	18.7%	0.0%	0.0%	N/A		0% (0/0)	0% (0/0)	0% (0/0)	No change	
Commentary on performance:									Full year data covers 2014/15 financial year.		
Although there are currently no 16-17 year olds in Bed and Breakfast, there have been 6 B&B tenancies for 16-17 year olds during the last quarter.											
Improve the health and wellbeing of our communities and address health inequalities											
CM318	% excess weight (reception children)	24.9%	23.9%	24.2%	22.2% (2012/13)	No significant difference	25.9%	N/A	25.9%		22.9%
Commentary on performance:									Full year data covers 2013-14 academic		
Target agreed by the Early Help Partnership Board who oversee progress against this indicator. School nursing contract in place with activity delivered by the Healthy Families Team within CAFLS. Main challenge is the potential reach of these programmes- this will be addressed via the Early Help Partnership Board and Living Well Board who will raise the profile and actively promote key issues (including those highlighted by the Annual Public Health Report) with key partners in order for them to promote and create healthier environments to support children to live healthier lives											
CM319	% excess weight (Year 6 children)	33.5%	35.7%	35.0%	33.3% (2012/13)	No significant difference	37.3%	N/A	37.3%		34.3%
Commentary on performance:									Full year data covers 2013-14 academic		
Target agreed by the Early Help Partnership Board who oversee progress against this indicator. School nursing contract in place with activity delivered by the Healthy Families Team within CAFLS. Main challenge is the potential reach of these programmes- this will be addressed via the Early Help Partnership Board and Living Well Board who will raise the profile and actively promote key issues (including those highlighted by the Annual Public Health Report) with key partners in order for them to promote and create healthier environments to support children to live healthier lives											
CM067	Teenage conceptions (rate per 1,000 females aged 15-17 years)	44.9	37.4	36.8	27.7 (2012)	Significantly worse	N/A	36.1	N/A (Estimate)	No change	
Commentary on performance:									Full year data covers 2013		
This remains a priority of the Early Help Partnership Board. We are reviewing best practice and approaches/strategies being used in other areas to develop actions plans.											
CM402	Chlamydia diagnoses (15-24 year olds)	N/A	1456.0	1719.0	2016 (2013)	Significantly worse	N/A	N/A	N/A (Estimate)		
Commentary on performance:									Full year data covers January - December		
No new data available - next PHOF update Feb 2015											
CM403	Late HIV Diagnoses % of adults (aged 15 or above)	N/A	37.5%	42.9%	48.3% (2010-12)	No significant difference	N/A	50.0%	50% (Outturn)	Getting worse	
Commentary on performance:									Full year data covers 2011-13		
Latest data for 2011-2013 from the Sexual and Reproductive Health Profile update shows an increase in the late diagnosis of HIV compared with the England average (45%)											

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key

➡ Improving (high is good)

➡ Worsening (high is good)

➡ Improving (low is good)

➡ Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM026	Smoking in pregnancy (% of mothers smoking at delivery)	22.7%	22.4% ➡	22.4% ➡	12% (2013/14)	Significantly worse	21.8%	21.4%	N/A (Estimate)	No change	20.0%
Commentary on performance: Latest data for Q2 14/15 shows that the proportion of mothers smoking at time of delivery is 1 percentage point less than in 2013/14 but continues to be significantly worse than the England average (11.5%).									Full year data covers 2014/15		
CYP001	Breast feeding (% of infants breastfeeding at 6 to 8 weeks)	32.9%	33.2% ➡	33.9% ➡	45.8% (2013/14)	Significantly worse	32.0%	33.8%	N/A (Estimate)	No change	35.0%
Commentary on performance: Data for Q2 2014/15 shows improvement in the percentage of infants breastfed at 6-8 weeks from Q1. However, this continues to be significantly worse than the national average (43.7%). Breastfeeding initiation at birth is much closer to the England average however there is a greater drop off rate in Telford & Wrekin between breastfeeding at birth and 6-8 weeks. In Q2 this 50% of mothers breastfeeding at birth had stopped by 6-8 weeks compared with 41% nationally.									Full year data covers 2014/15		
CM066	Smoking cessation (rate of successful quitters, per 100,000 pop)	1482.0	1389 ➡	1015 ➡	688 (2013/14)	Better	N/A	334	N/A (Estimate)	Getting worse	➡
Commentary on performance: The numbers accessing Stop Smoking Services has declined despite high quality, accessible services locally. The popularity of e-cigarettes is impacting on the demand for NHS Stop Smoking Services. The Tobacco Control Partnership continues to oversee key actions arising from the CLear self assessment. A partner workshop is being held on 6th Feb to discuss our smoke-free Telford & Wrekin aspirations-key partners will be attending, including from SaTH, Shropshire Community Trust and our stop smoking service providers.									Full year data covers 2014/15 financial year.		
CM365	Proportion of all in drug treatment, who successfully completed treatment and did not re-present within 6 months (opiate clients)	8.9%	8.3% ➡	8.3% ➡	7.8% (2012)	No significant difference	8.2% (42/498)	7.9% (39/493)	N/A (Estimate)	No change	➡
Commentary on performance: Latest data from NDTMS shows the proportion of successful completions and the numbers in treatment have remained consistent.									Full year data covers 2014/15 financial year.		

APPENDIX 14: 9 MONTH PERFORMANCE BY COUNCIL PRIORITY

Key
 Improving (high is good)

 Worsening (high is good)

 Improving (low is good)

 Worsening (low is good)

ID	Title	2011/12 Outturn	2012/13 Outturn	2013/14 Outturn	National Comparator 2013-14	Comparison to national position 2013-14	Performance at 6 months 2014-15	Performance at 9 months 2014-15	Estimate/ Outturn 2014-15	Direction of travel compared to 2013-14	Target 2014/15
CM364	Proportion of all in drug treatment, who successfully completed treatment and did not re-present within 6 months (non opiate clients)	26.0%	21.4% 	37.6% 	37.7% (2012)	No significant difference	42% (108/257)	31.9% (73/229)	N/A (Estimate)	Getting worse	
Commentary on performance: Data recording issues, including changes to the national system and local double counting of clients leaving prison and re-entering treatment, have affected the validity of data for the drug treatment indicators in recent quarters. These data quality issues have been resolved and data for 2015/16 will be more accurate									Full year data covers 2014/15 financial year.		
CM410	Take up of NHS Health Check programme by those eligible - health check offered	N/A	N/A	21.4%	18.4%	Significantly better	31.6%	37.3%	N/A (Estimate)	Getting better	
Commentary on performance: Unpublished Q3 data. National comparison data will be available 25-02-2015									Full year data covers 2014/15 financial year.		
CM411	Take up of NHS Health Check programme by those eligible - health check take up	N/A	N/A	38.7%	49% (2013/14)	Significantly worse	38.6%	38.5%	N/A (Estimate)	Getting worse	
Commentary on performance: We will undertake to improve the uptake of health checks and capacity plan to match this									Full year data covers 2014/15		

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

BACKGROUND

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

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

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

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

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

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

The Accounts and Audit Regulations 2011 – Regulation 4 requires that the accounting records and control systems include measures to ensure that risk is appropriately managed.

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

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

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

ROBUSTNESS OF ESTIMATES

Overview

Since 2010 the Council has faced unprecedented cuts in Government grant and over the past six years has made over £70m of ongoing savings. The outlook continues to be bleak as the Government's plans to eliminate the national deficit are behind schedule and further cuts will inevitably fall on local authorities.

The projected budget gap over the next three years for the Council is £26m which will be met through a package of savings measures.

In conjunction with the funding pressures, there is also an increase in demand for some Council services. Due to the strong financial management resulting in the early delivery of savings in 2014/15 the Council is also able to make a number of investments, largely of a one-off nature, to support its priorities.

The Council's medium term service and financial strategy has 4 core elements which will take the organisation forward and deliver budget savings: Reviewing and Reorganising; Challenging and Changing; Reducing our Dependency of Government Grants; Focussing on Upstream Solutions and Social Responsibility & Action. More detail on these is provided in Section 24 of the report. Given the level of cuts to Government Grant funding, it is important that the Council continues to reduce its dependency on government grant, develops other sources of income and works differently with partners and the community by operating in a more commercial way.

Despite the financial challenges being faced, the Council has a clear goal to attract new jobs and investment and promote growth in the borough. Growth will deliver increased numbers of houses and businesses in the borough which will result in additional council tax, new homes bonus and business rates and whilst some additional costs will arise from a larger population, the net additional income generated will contribute towards helping to reduce the level of cuts needed. Clearly as the date for the proposed re-set of the local government finance system draws nearer close attention will need to be paid to any information made available explaining how and when this will be implemented. Despite requests to DCLG from the Local Government Association no information is currently available.

2015/16 is the third year in which local government funding is provided through the Business Rates Retention Scheme. Under this system, authorities retain 50% (49% for Telford & Wrekin Council and 1% for the Combined Fire Authority) of locally collected business rates and 50% of any growth in business rates until the system is "reset" in 2019/20. This brings opportunities, in terms of the council directly benefiting from business rate growth, but also increased risk, in terms of lost income if businesses close or

move out of the area or claim significant empty property reliefs. Ensuring business rates income is maximised is a key priority for the Council which is being closely monitored.

The financial outlook is clearly challenging and there is an ongoing programme of targeted service reviews and restructuring underway.

Overall therefore, given the continued delivery of savings which now total over £70m, the long-term service redesign, particularly in relation to Adults and Children's services, the commercial approach being adopted, and the investment being made in the borough, it is considered that the Council is pursuing a sound financial strategy in the context of the most prolonged and challenging financial position it has ever faced due to the combined effect of Government grant cuts and increased service pressures.

The 2015/16 Service & Financial Planning Strategy has been informed by:

1. Impact Assessment and Risk Management

We are continuing to develop and deliver savings; with the high level of grant cuts some impact on service delivery is inevitable. Where implications have been identified a proportionate equality impact analysis has been carried out. Targeted engagement with service users and stakeholders is also undertaken where required. The environmental impacts of budget proposals have also been considered, and overall, on balance, the environmental assessment of the proposals is positive. Some proposals are likely to have an economic impact as spending by the council is reduced. Final decisions are informed by extensive consultation with the community in general but also where appropriate with specific groups of service users. It therefore seems inevitable that the level of financial risk will increase both to individual services and the operation of the council as a whole and this will be common to local authorities across the country. Cumulative risk attached to adopting an increasingly commercial approach will also need to be kept under review and key commercial decisions will continue to be subject to development of business cases and Cabinet approval

A differential approach to savings targets has been taken by Directors within their service areas, rather than an across the board percentage reduction, to recognise the relative demands, risks, opportunities and challenges faced by different Council services.

We have set aside a revenue contingency of £2.5m next year; in addition a further £2.5m one off budget facility has also been set aside specifically for Adult Social Services and £0.750m for Safeguarding.

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

2. The Monitoring Process

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

3. The Budget Setting Process

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

The budget setting process links to both the budget monitoring process, performance monitoring and risk management, discussed above, together with other issues such as meeting new legislative requirements and statutory obligations.

2015/16 Budget Assumptions and Considerations:

Given the difficult financial position the Council faces, a tight line has been taken on planning assumptions for next year but this is mitigated by the inclusion of the general revenue contingency of £2.5m and one-off funding of £2.5m for Adult Social Services and £0.750m for Safeguarding. A risk assessed review of reserves and balances which identifies uncommitted balances of £4.3m.

<u>Inflation</u>	
Pay Award	2.2% has been included for pay awards wef. 1 January 2015; 1.5% for 2016/17 and 2% for 2017/18, including teachers pay. If the estimates are inaccurate the actual level of pay

Employer's Pension Contribution	award will be allocated to service budgets and any adjustment made to the budget model which will either increase or reduce the savings requirement. As anticipated, the triennial evaluation of the pension fund at 31 March 2013 identified a pension fund deficit. Following discussion and negotiation with Pension Fund Officers, it has been agreed that the Council will pay an employers contribution rate of 12.6% plus a fixed lump sum amount each year, with a deficit recovery period of 25 years being set. The lump sum payment in 2015/16 will be £2.8m, rising to £3.2m in 2016/17. The lump sum will continue to rise in subsequent years, although the next triennial evaluation is due at 31 March 2016 (and effective from 1st April 2017) at which point the deficit position will be reviewed. These increases are included in the Service & Financial Planning Strategy forward planning model.
Employer's National Insurance Contribution	The abolition of contracting-out and the introduction of a Single State Pension wef April 2016 results in a loss of NI rebate to the Council in that year. Estimated costs to the Council have been included in budget projections.
Non-Pay budgets	A provision for known <u>contractually committed</u> inflation has been included. No other allowance for non-pay inflation has been made as budgets are cash limited. With the prevailing relatively low rate of inflation this is a more sustainable strategy than if inflation were to rise significantly but the position and pressures that this policy places on service budgets will be kept under review through regular financial monitoring.
Contingencies	There is a general contingency of £2.5m plus a further one off budget of £2.5m specifically for Adult Social Services and £0.75m for Safeguarding. The Council also has around £4.3m available balances as part of its medium term financial strategy.
Service Pressures	The difficult economic situation has an impact on the community and results in an increase in demand for council services. The key service pressures identified for the medium term relate to Adult Social Services and Safeguarding. Children's Safeguarding– there are currently 295 Children in Care (at 8.1.15) and financial monitoring shows a projected overspend of £1.4m in the current year. To recognise the considerable pressure this area is facing a one-off additional budget of £0.750m has been created alongside a Cost

	Improvement Plan to address areas of pressure including care placements and the use of agency staff. The position will be reviewed again as part of the 2016/17 service and financial planning process. 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. Pressures include high cost placements, a lack of supply in key market areas, 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. Additional one-off funds of £2.5m have been ring-fenced for Adult Social Services in recognition of the pressures being faced.
Central Government Funding / Local Government Resources Review	The Business Rates Retention Scheme replaced the current system for funding Local Government in April 2013. This allows local authorities to retain 50% of locally collected business rates and going forward 50% of any growth in business rates (49% for Telford & Wrekin Council and 1% for the Combined Fire Authority). There are opportunities in relation to business rates growth but also risks in terms of reduction in business rate income. The amount included for business rates in 15/16 has been based on local information, rather than the national estimate used by the Government in their settlement figures and will need to be closely monitored throughout the year.
Council Tax	Council tax will be frozen for 2015/16 and the Council will accept the council tax freeze grant, which is equivalent to 1.2% council tax increase (due to the grant being based on the pre-local council tax support council tax base), offered by Government. There is no information on whether there will be a freeze grant offer in 2016/17, however a firm commitment has been given to freeze council tax in 2016/17 in recognition of the financial pressures being faced by local people. This is possible as a result of the effective financial management and the demonstrable track record in consistently delivering challenging savings targets. Confirmation of the referendum limit thresholds for 2015/16 (2%) was only received in late December adding the risk of a planned council tax increase being above the threshold set and the council therefore incurring additional costs of holding a referendum and potential re-billing costs.
Council Tax Support	Telford & Wrekin's Local Council Tax Support Scheme was approved by Council in January 2015 and recommended that

	the scheme continue unchanged from 2014/15. A council tax hardship fund of £0.030m is available to award discretionary discounts in cases of extreme financial hardship. Council tax support is paid as a council tax discount and there is a greater financial risk than under the Council Tax Benefit System as claimants classed as “non-vulnerable” who previously received 100% benefit will now have some council tax to pay. Collection levels are closely monitored to assess whether the assumptions on losses on collection and growth in the tax base were appropriate.
Interest Rates	Base rates have remained at 0.5% all year; the next rise is expected to be upwards in the second half of 2015 or early 2016. The Bank of England’s Quantitative Easing programme remained at £375bn. Our investment and borrowing strategies for 2015/16 are set within this context. The assumptions for new borrowing are 2.5%, 3.5% and 4.5% in 15/16, 16/17 and 2017/18 respectively. A flexible approach to borrowing will be taken, in consultation with our treasury advisors, consideration will be given to affordability, maturity profile of existing debt, interest rates and refinancing risks as well as borrowing source. Maximum investment levels with counterparties are set to ensure prudent diversification and following strict investment criteria. Full details are included in the Treasury Management Strategy report included in this suite of service and financial planning reports. One of the primary objectives is to reduce the Council’s exposure to risk while at the same time maximising returns. In the current interest rate environment and with considerable uncertainty on the financial robustness of counterparties, it is more advantageous to reduce investment levels and therefore reduce borrowing requirements. The investment portfolio is monitored on a regular basis and advice is received from independent professional treasury advisors.
Treasury Management	The Treasury Strategy for 2015/16 follows the requirements of the CIPFA Treasury Management Code of Practice and clearly identifies the various exposures to risk and strategies in place to minimise this. The Audit Committee has a role to review and monitor the Council’s treasury management arrangements which includes policies, procedures and the management of risk. The 2015/16 Treasury Strategy was presented to Audit Committee on the 27 January for their consideration and comments and was supported by them. The Committee will monitor progress during the year.
Dedicated Schools Grant	The figure estimated for Dedicated Schools Grant was £130.229m (including academies) at the time of writing this

(DSG)	report. The final DSG allocation to the Council will not be known until June 2015 when all adjustments for academies and pupil numbers are finalised. Compared to Local Authority funding, school funding has been comparatively protected from central government funding cuts. There are two significant changes to the DSG for 2015/16 which have increased the DSG allocation to the Council. The application of the national “minimum funding levels” methodology that is intended to ensure that each Local Authority has sufficient funding to fund it’s schools at minimum levels resulted in an additional £1.3m being allocated to Telford & Wrekin . The change in methodology to include the DSG for non recoupment academies within Local Authorities allocations has increased the Council’s allocation by £4.6m. Pupil numbers are a key factor in this formula and while in the medium term it is anticipated that pupil numbers will increase, there will be an interim period where funding may be an issue for some secondary schools where numbers on roll fall, which will have to be managed by them. The changes to the national funding regime in 2013 have resulted in more of the Dedicated Schools Grant flowing to schools, which directly impacts on centrally retained services as the Council must gain approval from the Schools Forum for funding to be retained. Going forward, any transfers to academy status will have an adverse impact on Council funding as an element of funding previously passed to the Council will instead go to academies.
Estimates on the level and timing of capital receipts	The revenue budget and capital programme assume around £66.6m anticipated future capital receipts over the medium term planning period. Any shortfall or delays in generating expected receipts or in the amounts generated will need to be taken into account in future service and financial strategies. This could require scaling the capital programme back, re-phasing schemes or entering in to additional prudential borrowing which would necessitate further cuts to services. Delivery of projected receipts is monitored on a monthly basis as part of overall financial monitoring and reported to Cabinet quarterly.
Minimum Revenue Provision (MRP)	The policy in relation to MRP is set out in the Treasury Management Strategy Report. The rules around the calculation of the cost of borrowing that must be charged to the revenue account – the minimum revenue provision (MRP) - have been prudently applied in setting the 2015/16 budget strategy.

	The MRP policy is unchanged from 2014/15, however within the existing policy we are changing our approach to calculating the provision from straight line to an annuity basis for Supported Borrowing. This has been agreed in principle with KPMG, our external auditors. Detailed calculations will be audited as part of the 2014/15 final accounts audit. The change has generated a one-off saving of £1.420m in 2014/15 and a saving of £0.290m in 2015/16. The saving will reduce in subsequent years and ultimately becomes an additional cost in 15-20 years time although in real terms (allowing for the time value of money) there is a net benefit to the Council. The impact of the MRP change has been included in the Service & Financial Planning Strategy.
Prudential Borrowing / Prudential Indicators	The use of prudential borrowing is in line with the capital programmes approved by full Council. Prudential Indicators are approved as part of the budget strategy (see separate report on this agenda) and are monitored and reviewed on a regular basis.
Single Status	The Single Status process is in progress with planned implementation in late 2015/16 or early 2016/17. An annual provision equal to 4% of the relevant pay bill has been set aside in the accounts for the 4 years 2007/08 to 2010/11. It is now considered that there is adequate funding in the provision and no further contribution will be made and potentially if a locally designed scheme is implemented some of the funding set aside may be available to be released. The additional ongoing budget is included in the budget strategy from 2015/16 in line with the implementation date although has been reduced to reflect the reduced risk by the movement of employees on fixed points to salary grades and the reduction in the workforce of over 20%. It now stands at £1.5pa (a reduction of £0.45m pa on 2014/15) There is possible exposure to liabilities from back pay and equal pay claims. Possible application for a capitalisation direction enabling the use of capital receipts to fund equal pay one-off costs relating to back pay or equal pay settlements although this new flexibility is likely to be limited by strict controls on the total available nationally.
Savings	Over the past 6 years savings totalling over £70m have been delivered. There is a schedule of savings proposals included in the strategy at Appendix 2 which will deliver savings over the medium term planning period. Total savings are expected to reach well in excess of £100m by 2018/19. There is a reserve set aside to meet severance costs. Commitments against this are being monitored as restructures progress; the position will be reviewed at year

	end to assess whether further transfers in are required from any final underspend against the 2014/15 budget.
Financial Risks inherent in any new funding partnerships, major outsourcing deals or major capital developments	There are a number of major capital projects that have been identified which require careful project management and monitoring during 2015/16 and beyond to ensure commitments are matched by funding actually achieved, particularly the reliance on capital receipts and future government funding levels for the council and its public sector partners. These include the Gorge instability project, the Housing Investment Programme and Building Schools for the Future programme.
The availability of other funds to deal with major calls on contingencies	General reserves or other funds may have to be used temporarily and restored if revenue contingencies, management and policy action is insufficient to deal with a major issue. The Council has evaluated the risks it faces against available balances as outlined earlier in this appendix and concluded that around £4.3m is available to use in the overall budget strategy; there is no proposed use of general balances in the strategy for 2015/16 although some investments and the small residual budget shortfall will be funded from the projected one-off funds expected to be available due to the early delivery of savings in 2014/15
The overall financial standing of the authority (level of borrowing, debt outstanding, collection of council tax etc.	The Council's approach to sustaining its overall sound financial position is covered in a number of sections of this Appendix. The overall projected net indebtedness position at 31 December 2014 was £100.2m; net additional prudential borrowing anticipated in 15/16 is £54.1m, although a significant element of this relates to the Housing Investment Programme and PIP investments which will generate a commercial return greater than the cost of associated debt charges. The total reliance on capital receipts in the medium term strategy is £66.6m in line with profiled disposals (additional information is provided in both the Capital Programme and Treasury Management Strategy Reports). The Council budgets prudently for its level of borrowing, avoiding external borrowing where cash flow permits and running down investment exposure while rates available for new investments are very low. The assumed council tax collection rate for 2015/16 onwards is 98%. For each 1% not collected the cost is approximately £0.519m in lost income to the Council. Legislation requires that any collection fund deficit is corrected through Council Tax in the next year. In recent years collection has outperformed projections allowing use of a council tax surplus as part of next year's strategy.

	Cumulative collection rates to date for recent years are <table> <tr> <td>2009/10</td><td>99.58%</td></tr> <tr> <td>2010/11</td><td>99.50%</td></tr> <tr> <td>2011/12</td><td>99.37%</td></tr> <tr> <td>2012/13</td><td>99.04%</td></tr> <tr> <td>2013/14</td><td>98.11%</td></tr> <tr> <td>2014/15*</td><td>66.36%</td></tr> </table> Recovery for all years is projected to be over 98% finally. *as at 31 October 2014 Close monitoring of the impact of CTS on collection rates will continue during 2014/15.	2009/10	99.58%	2010/11	99.50%	2011/12	99.37%	2012/13	99.04%	2013/14	98.11%	2014/15*	66.36%
2009/10	99.58%												
2010/11	99.50%												
2011/12	99.37%												
2012/13	99.04%												
2013/14	98.11%												
2014/15*	66.36%												
The authority's track record in budget and financial management	The Council continues to demonstrate strong financial management with outturn being very close to the net budget set: • 2007/08 – underspent by £0.300m (0.27% of budget) • 2008/09 - underspent by £0.366m (0.31% of budget) • 2009/10 – underspent by £0.332m (0.27% of budget) • 2010/11 – underspent by £0.083m (0.07% of budget) • 2011/12 – underspent by £1.843m (1.42% of budget) • 2012/13 – underspent by £0.055m (0.04% of budget) • 2013/14 – underspent by £0.099m (0.07% of budget) This demonstrates an outstanding track record of continuous strong financial management, despite considerable pressure on service budgets, notably adults and childrens services and an unprecedented protracted period of significant cuts to Government funding.												
Virement and Contingencies	Virement is an important feature of budgetary control. It provides flexibility to adapt expenditure patterns to meet changing needs and objectives, consistent with Council policy. No Assistant Director or Service Delivery Manager should plan to overspend. All expenditure should be consistent with approved service priorities and the overall approved budget.												
The adequacy of the authority's insurance arrangements to cover major unforeseen	The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self insure". The Council use the services of an external insurance advisor to provide additional expertise in managing insurance arrangements. The Council has a strategic risk register which is used to												

risks	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.

These assumptions are reviewed on an annual basis.

Reserves & Balances Policy

Introduction

Guidance on local authority reserves and balances is available from the Chartered Institute of Public Finance & Accountancy (CIPFA). This represents good financial management and underpins the framework followed by Telford and Wrekin Council in this policy.

Types of Reserves and Balances

As part of the Service & Financial Planning process, the Council will consider the establishment and maintenance of reserves and balances.

Reserves and balances can be held for a number of purposes. Some reserves and balances are essential for the prudent management of the Council's financial affairs. These will provide a working balance to cushion the impact of uneven cash flows; a contingency for the impact of unexpected events or emergencies and allow the creation of earmarked reserves to meet known liabilities. The consequences of not keeping a minimum level of reserves can be serious and is therefore one of the considerations taken into account when setting the medium term financial plan.

When establishing reserves, the Council will ensure compliance with the Code of Practice on Local Authority Accounting in the United Kingdom.

Some of the most commonly established earmarked reserves are:

- Sums set aside for major schemes, such as capital developments
- Insurance reserves – to provide for an element of self-insurance
- Service Balances – to permit under spends to be carried forward for future commitments
- School Balances – unspent balances of budgets delegated to individual schools

Level of Reserves and Balances

The minimum prudent level of reserves that the Council should maintain is a matter of judgement. It is the Council's safety net for unforeseen circumstances and must last the lifetime of the Council unless contributions are made from future year's revenue budgets. CIPFA guidance does not set a statutory minimum level so it is up to the Council itself, taking into account all the relevant local circumstances, to make a professional judgement on what the appropriate level of reserves and balances should be. Telford & Wrekin Council adopts a risk based approach to determine the appropriate level of reserves and balances to sustain and that which can be released to support the medium term financial plans.

Reserves and balances are only maintained in accordance with the risk assessment undertaken and are used in a planned way. Therefore the

opportunity cost of maintaining the determined levels is kept to a minimum while interest is earned on the retained amount.

Process

Each reserve and balance will have a clear purpose showing how and when it can be used together with a process for review to ensure continuing relevance and adequacy.

An annual review of reserves and balances will be undertaken as part of the budget process each year and a schedule presenting the estimated opening balances for the forthcoming year, planned additions to/withdrawals from and the estimated closing balances will be presented in the budget report. The schedule will also show the purpose of each reserve and a comment on the appropriateness of the value held.

Consideration is given to the key financial risks and mitigation available to determine the resources available over the medium term to support the Council's budget.

This process will be repeated each year to ensure the ongoing adequacy of the Council's reserves and balances.

Responsibilities and Reporting Mechanism

The Chief Financial Officer has a duty to local tax payers, and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.

The level and usage of reserves will be formally approved by Council, as part of the budget strategy, informed by the Chief Financial Officer's judgement and expertise.

The budget report to Council will include a statement showing the estimated opening balances for the year ahead (including general fund and earmarked funds), any projected additions to/withdrawals and an estimated end of year balance. This will be accompanied by a statement from the Chief Financial Officer on the adequacy of the general reserves and provisions for the forthcoming year and the authority's medium term financial strategy.

Budget & Finance Scrutiny Committee

Response to Service & Financial Planning Strategy 2015/16- 2017/18

Introduction

The Budget & Finance Scrutiny Committee is a politically balanced Committee of eight elected members, one co-opted member of the public and one co-opted Town & Parish Councillor. The Committee is the main mechanism by which Cabinet consults with scrutiny annually on the service and financial planning strategy (budget proposals).

Cabinet approved the Service & Financial Planning strategy 2015/16-2017/18 for consultation on 8th January 2015 until 8th February 2015. The Committee met on 6th, 13st and 21st January and 3rd, 11th and 17th February to consider the proposals, explore issues and to formulate a response to the proposals.

The main opposition group also put forward an alternative budget and savings proposals which the Committee considered at the meeting on 3rd February. The Committee has made a separate response to the alternative budget.

Efforts were made to encourage participation of other Scrutiny Members in scrutiny of the budget proposals and other Scrutiny Committees were invited to attend meetings and participate in the discussion to scrutinise relevant issues.

The Committee identified a number of issues Members wanted to scrutinise in more detail. These included the recent and proposed Pride in the Community Programmes, investment to reduce youth unemployment, Children's Services, Adult Services, Income Generation and feedback from the public consultation.

During its deliberations the Committee met with:

- Cabinet Member Finance & Enterprise
- Cabinet Member for Neighbourhood Services, Employment and Skills
- Cabinet Member for Children, Young People and Families
- Cabinet Member Adult Social Care
- Managing Director
- Chief Financial Officer
- Director, Care Health & Wellbeing
- Assistant Director Neighbourhood and Leisure Services
- Assistant Director Children's Safeguarding
- Assistant Director Family & Cohesion Services
- Assistant Director: Education & Corporate Parenting
- Interim Assistant Director Adult Social Services
- Programme Manager – Youth Unemployment
- Skills Service Delivery Manager
- Delivery & Planning Manager
- Service Delivery Manager Community Participation Team

- The Leader and Shadow Cabinet Member of the main opposition group (alternative proposals)

Written answers to questions were also provided. The Committee would like to extend thanks to Members and officers who assisted them during their work.

The Committee has agreed a number of comments in response to the budget proposals which are set out below for consideration by Cabinet. Some of the issues highlighted will be included in the scrutiny work programme over the coming year. The Committee concluded that the most significant issues in the budget proposals next year and for future years are the savings required from Adult Care Services which account for 40% of the Council's budget and also the opportunities for income generation which will reduce the level of cuts that will be required.

Committees Comments on Budget Proposals

- 1) The Committee recognised the challenge faced by the Council to make the savings required while protecting front line services. It was noted that over 1200 posts have been removed from the Council saving £22 million and that the cost of retaining staff has been lowered because of the low wage inflation. The Committee was assured that the revenue budget for 2014/15 is balanced. It was, however, recognised that in future years it will be more difficult to protect front line services.
- 2) When considering the capital budget it was noted that this is smaller as the Council is progressing with the Building Schools for the Future Programme (BSF). It was noted that the borrowing to finance the Council's programme to build housing will be reported separately. This will also be the case if the Council's bid for the MOD base at Donnington is successful.
- 3) It was reported to the Committee that the Council has one of the lowest level of reserves for a Unitary Authority in the country.
- 4) Members were assured that the Property Investment Portfolio is managed effectively and that it is self funding.
- 5) The Committee supported the Council Tax freeze proposed for 2015/16. It was recognised that this was the second year that Council Tax has not increased. The Committee stands by the response to the budget proposals for 2013/14 which supported the increase in Council Tax as, at the time, the Government funding available to councils that did not increase Council Tax was time limited.
- 6) Members welcomed roles for the Council's apprentices at Job Junctions and suggested that this be expanded/increased as appropriate.
- 7) Members supported continued work on the Skills Agenda and challenging perceptions of different types of work (eg factory work).
- 8) The Committee support the continuation of the Pride in Your Community Fund. Many of the schemes funded through this programme address the

environmental issues that were identified as a concern through the public consultation on the budget proposals. The Committee were also assured that the governance arrangements for this scheme are robust and that local groups were offered appropriate support to enable them to submit applications.

- 9) Consideration be given to the scope for engaging Junior Street Champions in initiatives to test accessibility of the footpaths for disabled/elderly.
- 10) It was recognised that a growing population places increased pressure on both children's services – both education and social services. The Committee were assured by the work of the Children and Young People's Scrutiny Committee on primary school places which found that in spite of some challenging local pressures, enough capacity is being planned to meet the demand from growing pupil numbers across the borough as a whole.
- 11) Members feared that the Arthog Centre could be jeopardised in light of the proposals, together with the loss of the immense learning opportunities it afforded to young people. Further consideration needed to be given to the way that schools could be encouraged to take up the places offered. The Committee considered that this situation needed to be monitored and fully assessed after one year to ensure that take up figures did not fall.
- 12) Members also recommended monitoring the impact of ceasing remission payments for pupils for music.
- 13) Creative solutions towards assisting schools to manage redundancies were required, for example a programme of education about alternative options (eg unpaid sabbaticals and opportunities for working part time) for teaching staff was considered.
- 14) Members supported the work which had been undertaken to manage the schools swimming budget; since under 16s were already entitled to free swimming, the savings were considered manageable.
- 15) Members welcomed and encouraged projects to incentivise registration for the pupil premium.
- 16) The Committee concluded that Adult Services is an area that they want Scrutiny to retain a close overview and this should be a priority in the Scrutiny Work Programme in 2015/ 16. Members welcomed the change in approach taken by the Cabinet Member and Officers which directly addresses the need to radically change the way that adult services are provided. The Committee recognised the scale of the challenge and noted that Adult Services accounts for 40% of the Council's budget and that there will be costs associated with the implementation of the Care Act. The ability of this service to deliver the savings set out in the budget is fundamental to the Council's savings programme. The Committee was assured that safeguards will be put in place to ensure that contracts with Adult Care Providers will be rigorously monitored to ensure the quality of the services. Members were also informed that, if during this monitoring process, it were to be identified that service users

would be put at risk in order to achieve the savings that the Cabinet Member would inform Cabinet and Scrutiny.

- 17) The Committee recognised the pressure placed on the Adult Care Budget as a result of the reduction in NHS Continuing Healthcare Funding. Members supported the continued efforts of the Health and Adult Care Scrutiny Committee and Cabinet to ensure that this is addressed.
- 18) The Committee recognised the need to work with and support community and voluntary organisations through the changes in the commissioning and provision of adult care services.
- 19) The Committee also asked for assurance that consultation has been carried out with service users, families and carers. The Committee was informed that adult services, service users, family and carers would be involved in the assessment or review of their care and that partnership boards such as the Carers Partnership and the Learning Disability Partnership have been consulted. It was noted that it is more difficult to consult with frail elderly people through such forums.
- 20) The Committee supported the introduction of free swimming for people over 50 and recognised the wider public health benefits of increasing opportunities for people in this age group to exercise.
- 21) The Committee welcomed the Council's approach to income generation. Members agreed it is important to communicate the benefits of this work to residents in the Borough. It was suggested that one way to illustrate the importance of the profit that is generated from this income could be equated to the additional amount of Council Tax per household that would need to be raised to generate the same level of funding for the Council.
- 22) The Committee was assured that the traded services were not subsidised by the Council and that all traded services were charged at full cost.
- 23) The Committee was also assured that capital receipts received were largely in line with the predicted receipts and that the Council's Property Investment Portfolio provides a significant income for the Council which compares favourably with comparable income achieved in the private sector.
- 24) The Committee recognised the need to build capacity within the Council to develop the business cases for income generation and implement the programmes in a professional manner.
- 25) The Committee commended the public consultation on the budget proposals and were pleased with the number of people who had engaged in this process. Members hoped that future budget consultations will build on this work so that the issues raised can be compared with previous years. The Committee was also pleased the Executive has considered the feedback from the budget consultation and that this will influence the recommendations put to Cabinet.

Executive summary

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 is a key part of the budget process. Consultation began on 5 January 2015 and ended on 8 February 2015. Our approach was made up of 3 key elements:

1. 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 proposed to 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 were published in the December 2014 edition of Your Voice with a response form. There was also an opportunity to complete the short survey online and the questions formed part of the budget road show in January 2015.

2. 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.

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

3. Communication of key budget messages including the growth agenda.

Messages included:

- Council investments
- Our vision and focus and priorities
- Winning and supporting jobs and investment
- Savings delivered since 2010/11
- Council Tax – frozen in 15/16 with a commitment to freeze Council Tax again in 16/17 – subject to no major changes in funding by Government

To encourage people to find out more about the budget, hear about the Council proposed investments, engage with the 'Together we care about the future' key questions and find out ways they can help save money we went around the Borough with a road show in January. The road show was a portable informative 'mini exhibition' which demonstrated the above three key elements. We 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 Members and senior managers.

Our communication and engagement plan included at Appendix 11 provides full details:

- Your Voice which was 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 Parish Forum, the Senior Citizens Forum and the Young People's Forum.

In total **2,594 contacts** were involved with this consultation programme.

The Cabinet Member of Finance and Enterprise, the Chief Finance Officer and relevant senior managers, between them attended a number of local groups and forums including:

Group/Forum	Number attending
Telford Business Board	30
Parents with disabilities (PODS)	7
Taking Part Committee	24
Senior Citizens Forum	91
Telford and Wrekin Parish Forum	20
Union meeting	3
Sutton Hill Resident's Group	23
Young People's Forum	11
Listen not Label	14
Total in attendance at local groups and forums	223

This year we delivered an interactive road show, 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.

Road Show Event	Number attending
Hadley Library	9
Newport Library	44
Southwater Library (x2)	17 & 19
Wellington Library	47
Dawley House (x2)	12 & 73
Woodside Park Lane	8
Madeley Library	24
Oakengates The Place	16
Total number in attendance at the road show events	269

The Community Participation Team went out and about in local buildings across the Borough in the following areas:

Local community meetings	Number attending
Sutton Hill Community Centre	20
Donnington Community Centre	0
Arleston Community Centre	2
TCAT (x2)	172
Overdale Children's Centre	9
Hadley Children's Centre	9
Brookside Children's Centre	14
Total in attendance at local community meetings	226

The 'Together we care about the future' consultation questions were completed as follows:

Consultation method	n	%
Following face to face engagement with a Member or Officer	557	34.6%
Community Panel survey	486	30.2%
Online survey	282	17.5%
Drop box form	135	8.4%
Email	81	5.0%
Your Voice tear out slip	62	3.9%
Method not recorded	3	0.2%
Telephone or letter	2	0.1%
Total respondents	1608	100%

- With regard to the proposed Council investments a total of 103 completed the questionnaire.
- Opportunities for people to get involved and give their views on the budget strategy via social media, including Facebook and Twitter attracted a total of 113 comments.
- We also received 65 'other comments' i.e. specific budget savings.
- We received 27 submissions online which we were unable to read the comments due to compatibility issues for the Chrome web browser version 30 and 37.

Communication activity to encourage people to get involved in the budget consultation includes the following:

Online and Social Media

- 57,515 total reach for Facebook, Twitter and Streetlife
- 231 Advocacy (similar to likes and retweets)
- 3,634 unique page views (individuals viewing pages) of clicks on the link to our budget web pages with a total number of page views 4,849 (total number of views including repeat views). This excludes views of number of web forms.
- Two live Twitter discussions with Cllr Bill McClements

Direct targeting of people

- Article and 'tear out' for comments in Your Voice which aims to be delivered in every household in the Borough
- 25,699 emails to those people signed up through News for You
- Email from Cllr Sahota to Council partners launching the budget consultation
- First Point, Leisure Centre and Library reception staff handing over budget consultation response forms to customers
- Internal communication messages to staff

General information to people

- Six press releases around the Council's budget and promoting involvement in participation in the budget consultation
- Social media campaign throughout the consultation to gather views on key investment proposals
- Two radio interviews involving Cllr McClements the Cabinet lead for Finance and Enterprise

The key findings of the 'Together we care about the future' consultation, the demographic profile of respondents and the outcome of the Investment Proposals survey are set out in the following section.

All of the comments received in relation to the consultation can viewed online at <http://www.telford.gov.uk/budget>.

Consultation findings

Summary of findings

Reach



Social Media 57,515



3,634 unique web page views



25,699 emails to News for You subscribers



Your Voice delivered to every household in the borough

Total contacts 2,594

Total respondents 1,608

Face to face (35%)

Community Panel (30%)

Online/Email (23%)

Drop box forms/Your Voice (12%)



What is the best thing about the borough?



Shopping & recreation



Parks, play areas & open spaces



Heritage & local identity

What is your biggest concern or problem in the borough?



Highways & pavements



Environmental cleanliness & maintenance



Crime & safety

If you could do one thing to improve the borough what would it be?



Highways & pavements



Shopping & recreation



Environmental cleanliness & maintenance

Piktochart

Consultation findings

Question 1: What is the best thing about the borough of Telford and Wrekin?

Category	Panel	Online survey/ email	Your Voice/ drop boxes	Face to face	Total (n)	Total (%)
Shopping & recreation (range of shops, nightlife & activities)	123	111	37	246	517	36.5%
Parks, play areas & open spaces (town & local parks, open & green spaces)	182	135	72	93	482	34.0%
Heritage & local identity (museums, preservation, rural issues, borough towns)	38	71	45	57	211	14.9%
Transport (transport network, public transport, access to motorway)	58	29	15	15	117	8.3%
Environment (street cleanliness, grounds maintenance, street lighting)	56	11	23	21	111	7.8%
Highways & pavements (condition of roads & paths, traffic lights, roundabouts)	40	33	16	11	100	7.1%
Community buildings (libraries, community centres)	10	8	22	46	86	6.1%
Council budgets & value for money (Council tax, investment, salaries)	28	33	6	13	80	5.6%
Education & skills (schools, colleges, adult education, training courses)	12	18	2	48	80	5.6%
Wellbeing & health (access to GPs, dentists & hospital, exercise/sport facilities)	12	19	15	27	73	5.2%
Jobs/employment/economy (businesses, apprenticeships, job creation, tourism)	36	10	2	14	62	4.4%
Communication (Council consultations, feedback & providing information)	25	18	5	6	54	3.8%
Equality, diversity & community cohesion (community diversity, cohesion & access)	20	8	4	15	47	3.3%
Housing (quality of housing, affordable housing, social housing)	20	9	5	6	40	2.8%
Children & young people (services & facilities for young people & families)	4	9	3	19	35	2.5%
Safety (crime & ASB levels, policing, road safety)	21	6	2	4	33	2.3%
Older people & vulnerable adults (services for disabled, social services and care)	1	3	6	8	18	1.3%
Housing development (new housing developments)	1	8	2	4	15	1.1%
Total respondents	421	347	174	474	1416	-

Consultation findings

Comments received for this question included:

"It's a great place to live - Telford now has a heart with Southwater and I visit library on a regular basis. It's still so much green and good to see market towns are not ignored"

"Excellent town centre and bus services, which has meant that I have only covered 1,500 miles in my car since moving here 15 months ago! The new Southwater development is excellent, including the Library and Park; it is nice to see money spent on things that everybody has a chance of using."

"Easy to get around the area so access to all local centres is quick. Also the town park and Southwater are impressive facilities."

"Telford is a lovely area to live. Ironbridge with its history and the new Southwater complex is superb. The re-vamp of libraries and leisure centres is money well spent The new Social Housing builds are superb and have helped many local families secure their children's own future."

"Love my house, love the history of the area. Close proximity to amenities yet not far from countryside"

"Clean and tidy town centre (ignore work going on) Fresh ideas seem to be taking shape in many areas."

"In general it is a very pleasant place to live. The council try to do their best in what are difficult circumstances"

"It has a great variety of shops and places to eat. Telford Town Park is a great asset as is Ironbridge and Southwater."

"I feel the council is working for me. Many lovely green spaces to walk in. Council working for young jobless"

"The mixture of industrial and commercial areas surrounded by rural settings including lovely villages and Hamlets offering a wide range of experiences to residents."

Consultation findings

Question 2: What is your biggest concern/problem in the borough?

Category	Panel	Online survey/ email	Your Voice/ drop boxes	Face to face	Total (n)	Total (%)
Highways & pavements (condition of roads & paths, traffic lights, roundabouts)	114	74	30	80	298	20.6%
Environment (street cleanliness, grounds maintenance, street lighting)	67	40	34	112	253	17.4%
Safety (crime & ASB levels, policing, road safety)	74	35	19	119	247	17.0%
Housing development (new housing developments)	99	64	44	26	233	16.1%
Transport (transport network, public transport, access to motorway)	40	25	26	57	148	10.2%
Heritage & local identity (museums, preservation, rural issues, borough towns)	36	43	28	27	134	9.2%
Jobs/employment/economy (businesses, apprenticeships, job creation, tourism)	34	43	13	43	133	9.2%
Shopping & recreation (range of shops, nightlife & activities)	41	22	32	39	134	9.2%
Parks, play areas & open spaces (town & local parks, open & green spaces)	42	29	16	31	118	8.1%
Council budgets & value for money (Council tax, investment, salaries)	30	33	23	17	103	7.1%
Wellbeing & health (access to GPs, dentists & hospital, exercise/sport facilities)	35	19	17	20	91	6.3%
Children & young people (services & facilities for young people & families)	18	16	9	35	78	5.4%
Older people & vulnerable adults (services for disabled, social services and care)	26	22	7	15	70	4.8%
Housing (quality of housing, affordable housing, social housing)	22	20	7	17	66	4.6%
Communication (Council consultations, feedback & providing information)	15	7	7	5	34	2.3%
Equality, diversity & community cohesion (community diversity, cohesion & access)	14	4	7	7	32	2.2%
Education & skills (schools, colleges, adult education, training courses)	6	14	1	6	27	1.9%
Community buildings (libraries, community centres)	6	3	12	3	24	1.7%
Total respondents	450	346	188	466	1450	-

Consultation findings

Comments received for this question included:

"The building of more and more tightly packed housing/development which will end up with all our local infrastructure being overloaded and our quality of life compromised by overcrowding. Our medical and Police services are already at full stretch."

"Not enough AFFORDABLE housing for people trying to get on the property ladder."

"That development will erode the rural areas The amount of litter That the level and quality of services will deteriorate as austerity measures continue to affect us all"

"They seem to spend or should I say treat Telford centre and a 3-4 mile radius of the centre better than the old market town and rural parts of the district"

"Very unsatisfactory public transport. Far too much money wasted on new roundabouts and the Southwater project. Terrible state of our real high streets i.e. Wellington and Oakengates. Lack of any decent cultural facilities. Too much reliance on cars. Too much development on our green fields i.e. housing"

"Since we moved here 18 months ago, the amount of litter on the main roads has increased significantly. Either the refuse service isn't sufficient or education is lacking"

"Traffic management - far too many traffic lights that people become blasé to and ignore/jump/speed through. Islands becoming more complicated and congested, slowing traffic and creating large jams. Junctions where the road opens to two lanes then immediately closes back to one, encouraging 'boy racers'; and accidents."

"Some areas have gained a poor reputation; some residents don't have any pride or expectation of their areas and the living conditions aren't desirable. i.e. fly tipping hotspots, drug paraphernalia, bikes and quads ripping up turf etc."

"Highways congestion due to increasing population and lack of infrastructure, in combination with a mania for traffic light controlled roundabouts which used to operate perfectly well and ease traffic flow before control lights were introduced, together with an overabundance of lane markings which positively encourage drivers to switch lanes across one another's path."

"Lack of police on streets. Response times for Emergency Services need improving. Lack of punishment/community service for criminal offenders"

Consultation findings

Question 3: if you could do one thing to improve the borough what would it be?

Category	Panel	Online survey email	Your Voice/ drop boxes	Face to face	Total (n)	Total (%)
Highways & pavements (condition of roads & paths, traffic lights, roundabouts)	75	50	26	54	205	14.4%
Shops & recreation (range of shops, nightlife & activities)	19	44	28	90	181	12.7%
Environment (street cleanliness, grounds maintenance, street lighting)	49	39	20	61	169	11.9%
Transport (transport network, public transport, access to motorway)	38	39	23	47	147	10.3%
Council budgets & value for money (Council tax, investment, salaries)	24	34	27	19	104	7.3%
Housing development (new housing developments)	41	26	18	18	103	7.2%
Children & young people (services & facilities for young people & families)	11	21	4	64	100	7.0%
Heritage & local identity (museums, preservation, rural issues, borough towns)	23	28	22	27	100	7.0%
Safety (crime & ASB levels, policing, road safety)	27	15	8	49	99	6.9%
Jobs/employment/economy (businesses, apprenticeships, job creation, tourism)	27	24	10	24	85	6.0%
Wellbeing & health (access to GPs, dentists & hospital, exercise/sport facilities)	13	17	22	29	81	5.7%
Parks, play areas & open spaces (town & local parks, open & green spaces)	8	20	13	37	78	5.5%
Communication (Council consultations, feedback & providing information)	23	8	13	15	59	4.1%
Older people & vulnerable adults (services for disabled, social services and care)	12	13	8	16	49	3.4%
Housing (quality of housing, affordable housing, social housing)	6	14	4	19	43	3.0%
Community buildings (libraries, community centres)	6	0	18	11	35	2.5%
Education & skills (schools, colleges, adult education, training courses)	2	16	2	14	34	2.4%
Equality, diversity & community cohesion (community diversity, cohesion & access)	12	8	4	8	32	2.2%
Total respondents	425	347	183	471	1426	-

Consultation findings

Comments received for this question included:

"Preserve more of the fields & green areas. Build houses elsewhere."

"Develop a comprehensive project to regenerate our market towns (and fully involve the communities)."

"I suppose the centre has been refurbished its about continuing to market the area to bring in business and therefore business owners and workers to our fair town. Apparently young professionals are leaving London in droves, Birmingham being a prime destination. With a 'cooler' nightlife including non - chain restaurants, bars and maybe clubs, why not Telford??"

"More community projects to tidy and reduce crime e.g. Unemployed/volunteers etc."

"1. Definitely retain vital A&E services at PRH. Please. 2. Reduce significant amount of dog waste/litter about/on pavements. 3. Improve pedestrianisation (throughout the town centre) to vital transport links/hubs etc. 4. Enforce traffic calming around Telford please"

"We have some great restaurants now but lacking adult night life but also some activities for young people"

"There needs to be a serious attempt to regenerate and revitalise our historic market towns - the present policy of only developing/supporting the Telford Shopping Centre/Southwater is creating a huge problem by drawing shoppers and footfall away from our local high streets, creating unnecessary extra car journeys and leaving the areas in which most people live with empty shops/rundown streets. There are for example: 16 empty shops in the centre of Wellington, many which have been empty for a long time. This works completely against developing any 'pride in the community'. The Â£1 million proposed support for our market towns is just tokenism, compared to the Â£40 million council resources which have been poured into Southwater. There needs to be serious regeneration and real investment in our market towns."

"Remove the traffic lights from the major traffic roundabouts, or at least turn them off after the evening rush hour"

"make sure that the infrastructure of roads keeps up with the growth to the town and that bus services are supportive to ensure that those less able are able to get around the town in the evening as well as the day time."

"I'd make every single resident look at the whole Telford and Wrekin area and show people how it would look if nobody cared about making it the place it is. I'd show them a vision of it covered in the waste and dumped stuff that people discard then of it clean and tidy, then tell them that this is our home and we all should make it a cleaner, better place to live our lives. Some people need to see that it could be a tip but with the love of all of us, it could be the nicest place in England"

Respondent Profiles

Community Panel Survey

The three consultation questions were included in the January Community Panel survey sent to 1,164 panel members (736 by post and 428 by email). The survey was completed by 486 panel members (a total response rate of 42%). A total of 207 were from the email survey (response rate of 48%) and 279 from the postal survey (response rate 38%).

Demographic profile of Community Panel respondents

Age	n	%
18-24	2	0.5%
25-34	6	1.4%
35-44	31	7.1%
45-54	81	18.5%
55-64	103	23.6%
65-74	149	34.1%
75-84	60	13.7%
85+	5	1.1%
Total responses	437	100%
Not known	49	-
Total	486	-

Gender	n	%
Male	259	54%
Female	221	46%
Total responses	480	100%
Not known	6	-
Total	486	-

Index of Multiple Deprivation: National Decile	n	%
10 (among 10% most deprived communities nationally)	35	7.2%
20	37	7.7%
30	47	9.7%
40	43	8.9%
50	48	9.9%
60	44	9.1%
70	65	13.5%
80	61	12.6%
90	51	10.6%
100 (among 10% least deprived nationally)	52	10.8%
Total responses	483	100.0%
Not known	3	-
Total	486	-

Respondent Profiles

Ward	n	%
Apley Castle	12	2.5%
Arleston	6	1.2%
Brookside	22	4.6%
Church Aston and Lilleshall	10	2.1%
College	17	3.5%
Cuckoo Oak	20	4.1%
Dawley Magna	23	4.8%
Donnington	7	1.4%
Dothill	5	1.0%
Edgmond	13	2.7%
Ercall	6	1.2%
Ercall Magna	8	1.7%
Hadley and Leegomery	24	5.0%
Haygate	12	2.5%
Horsehay and Lightmoor	8	1.7%
Ironbridge Gorge	14	2.9%
Ketley and Oakengates	28	5.8%
Lawley and Overdale	12	2.5%
Madeley	16	3.3%
Malinslee	11	2.3%
Muxton	19	3.9%
Newport East	10	2.1%
Newport North	16	3.3%
Newport South	19	3.9%
Newport West	3	0.6%
Park	11	2.3%
Priorslee	25	5.2%
Shawburch	15	3.1%
St Georges	14	2.9%
The Nedge	21	4.3%
Woodside	8	1.7%
Wrockwardine	25	5.2%
Wrockwardine Wood and Trench	23	4.8%
Total responses	483	100.0%
Not known	3	-
Total	486	-

Locality	n	%
Hadley Castle	211	43.7%
Lakeside South	112	23.2%
The Wrekin	160	33.1%
Total responses	483	100.0%
Not known	3	-
Total	486	-

Respondent Profiles

Online survey/email

A total of 282 responses were received via the online survey at www.telford.gov.uk/budget. A further 81 were received directly via email.

Demographic profile of online survey/email respondents

Gender	n	%
Male	147	41.5%
Female	207	58.5%
Total responses	354	100%
Not known	9	-
Total	363	-

Age	n	%
12-18	2	0.6%
19-25	13	4.1%
26-39	66	20.6%
40-64	187	58.3%
65+	53	16.5%
Total responses	321	100%
Not known	42	
Total	363	

Your Voice/drop box forms

A total of 62 tear out forms were received from the December 2014 edition of Your Voice, along with 135 forms from drop boxes in Council premises.

Demographic profile of Your Voice respondents¹

Gender	n	%
Male	25	42.4%
Female	34	57.6%
Total responses	59	100%
Not known	3	-
Total	62	-

Age	n	%
19-25	2	3.2%
26-39	5	8.1%
40-64	25	40.3%
65+	30	48.4%
Total responses	62	100%
Not known	0	-
Total	62	-

¹ Demographic questions were not included in the drop box forms

Respondent Profiles

Face to face

A total of 557 responses were received as a result of face to face engagement with Members and/or Officers at a range of forums, road shows and events across the borough.

Demographic profile of face to face respondents

Gender	n	%
Male	24	53.3%
Female	21	46.7%
Total responses	45	100%
Not known	512	-
Total	557	-

Age	n	%
0-11	147	40.6%
12-18	39	10.8%
19-25	135	37.3%
26-39	18	5.0%
40-64	4	1.1%
65+	19	5.2%
Total responses	362	100%
Not known	195	-
Total	557	-

Investment Proposals

Investment Proposal	% Agree	% Neutral	% Disagree
£1 million for high streets and local centres	71.2%	11.5%	17.3%
£250,000 (over 3 years) to attract more visitors to the borough	80.6%	16.7%	2.8%
Almost £4 million to roll out superfast broadband across the borough	62.9%	22.9%	14.3%
A further £650,000 for youth unemployment initiatives	89.2%	5.4%	5.4%
£6 million (over 3 years) to maintain and improve our roads	80.0%	10.0%	10.0%
£1 million for a second round of Community Pride Fund in 2017/18	82.1%	3.6%	14.3%
£750,000 (over 2 years) to address residents' key environmental issues	80.8%	19.2%	0.0%
£650,000 for St. Georges regeneration (including Gower Street youth centre)	61.5%	28.2%	10.3%
£200,000 (over 4 years) for free swimming for over 50's	55.6%	17.5%	27.0%
£30,000 for the local food bank	82.4%	11.8%	5.9%
£240,000 for crisis support and cheap loans	82.1%	7.1%	10.7%
What do you think of this package overall?	75.0%	25.0%	0.0%

TELFORD & WREKIN COUNCIL

**CABINET – 26 FEBRUARY 2015
COUNCIL – 5 MARCH 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. INTRODUCTION

This report seeks approval of the Service & Financial Planning strategy for the three year period 2015/16 to 2017/18 with specific budget proposals for 2015/16. This overview report, along with other linked reports on the agenda covering:-

- The Capital Programme
- The Treasury Management Strategy and
- Prudential Indicators

form the Council's overall Medium Term Service & Financial Planning framework and proposes the service priorities and budget for 2015/16 as well as savings proposals that will be delivered over the next two years and a medium term capital programme.

The Council published its draft budget proposals for 2015/16 on 5 January 2015 and they were approved at Cabinet on 8 January 2015. A one month consultation period commenced after publication of the Council's service and financial planning proposals. The results of the consultation exercise are included in this report but the results are summarised in section 4 below with further information detailed in Appendix 17.

2. OVERVIEW.

Following the consultation process, the Cabinet has confirmed its key budget strategy proposals for 2015/16 and later years as:-

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 frozen 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 £10,000,000 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. This service and financial planning strategy makes £2.5m additional one-off funding available to Adult Social Services in 2015/16 to help phase in the savings that will be required to meet the unprecedented reductions in our grants from Government. £0.75m is also made available to Childrens' safeguarding.

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 and the Council's Pride In Your Community programme.
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 £33,000 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. £2,500,000 for Adult Social Care, to protect and support vulnerable adults – this is an increase of £1,250,000 on that proposed in January to respond to requests from scrutiny and the community during our extensive consultation process and can be afforded given the significant additional benefit now available in 2015/16 from the additional business rates generated by the Council's growth agenda, including the developments at Southwater.

3. CHANGES TO THE COUNCIL'S FINANCIAL POSITION SINCE THE DRAFT BUDGET PROPOSALS WERE APPROVED FOR CONSULTATION.

The provisional Local Government Finance settlement was announced on 18th December and the final settlement for 2015/16 was announced on 3rd February 2015. The net impact of the changes in the final funding settlement resulted in an increase of £0.276m Revenue Support Grant for the Council. Updated projections for estimated income from business rates show a further benefit of £1.185m next year arising from strong growth in the local economy, including additional rates income generated by the developments in Southwater.

4. SUMMARY OF CONSULTATION AND ENGAGEMENT ACTIVITY AND FEEDBACK.

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 is a key part of the budget process. Consultation began on 5

January 2015 and ended on 8 February 2015. Our approach was made up of 3 key elements:

- i) Demonstrating Council achievements since 2011, linking with an earlier major consultation and asking people to tell us again.
- ii) Highlighting some simple ways that residents can help the Council to save more money.
- iii) Communication of key budget messages including the growth agenda.

To encourage people to find out more about the budget, hear about the Council's proposed investments, engage with the 'Together we care about the future' key questions and find out ways they can help save money we went around the Borough with a road show in January and early February. The road show was a portable informative 'mini exhibition' which demonstrated the above three key elements. We 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 Members and senior managers.

In total **2,594 contacts** were involved with this consultation programme. Our communication and engagement plan included at Appendix 11, further information about how we undertook consultation is included in section 32 of this report details of the results are included in Appendix 17.

The Cabinet Member of Finance and Enterprise, the Chief Finance Officer and relevant senior managers, between them attended a number of local groups and forums and our interactive road show which visited a number of areas across the Borough gave local people an opportunity to hear about the budget and future plans and speak with Cabinet Members and senior managers. The Community Participation Team also went out and about in local buildings across the Borough.

With regard to our 'Together we care about the future' consultation a total of 1,608 completed the survey and 103 people completed the questionnaire on the proposed Council investments.

During the budget road show, visits to local groups and forums and out and about at local buildings a total of 718 people had the opportunity to have their views heard.

People also got involved and gave their views on the budget strategy via social media, including Facebook and Twitter attracting a total of 113 comments and 65 comments were received on specific savings.

Communication activity to encourage people to get involved in the budget consultation included two live Twitter discussions with Cllr Bill McClements who also undertook two radio interviews.

Headline findings from consultation

‘Together we care about the future’

- 37% of people said that the best thing about the borough is the range of shopping and recreational activities. This was followed by 34% of respondents who said that the best thing is the borough’s parks, play areas and open spaces and 15% who said that the best thing about Telford and Wrekin is its heritage and local identity.
- 21% of respondents said that their biggest concern or problem relates to highways and pavements. 17% identified concerns with environmental issues (including street cleanliness, litter and fly tipping). 17% also highlighted problems with safety (including crime and anti-social behaviour)
- 14% of respondents would like to see improvements made to highways and pavements. 13% would like further improvements to the shopping and recreational offer in the borough, and 12% would like to see improvements made in dealing with environmental issues.

Investment proposals

- 75% of people responding to the investment package survey supported the package overall with 25% neutral, with a majority of respondents supporting each separate proposal.
- The proposals with the highest level of support was a further £650,000 for youth unemployment initiatives (89%) followed by £30,000 for the local food bank, £240,000 for crisis support and cheap loans, and £1million for a second round of Community Pride Fund in 2017/18 – all with 82% support.
- Proposals with lower levels of support, but with still a majority of respondents supporting , included £200,000 for free swimming for over 50s (56%) and 62% for £650,000 for St Georges regeneration) and £4m for superfast broadband rollout (63%).

Our Response to What People Told Us

We received 65 comments on individual savings and we now propose three key changes to our original proposals:-

- The saving related to changes to the remissions policy for fees for Arthog and the Music Service has been deleted,
- A proposed saving from rationalisation of expenditure and income budgets at the Arthog Outdoor Centre of £50k has been reduced to £17k and
- An additional £1.25m one-off funding on 2015/16 has been set aside for Adult Social Services. This has been funded from additional business rates income arising from the Council's proactive work to support and encourage business investment.

5. **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. These cuts now total over £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, every year, 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.

Savings proposed for 2015/16 (including those already approved by Council as part of the 2014/15 – 2015/16 service and financial planning strategy) are summarised in the table below:-

Service Area	Already Approved £	2015/16 Savings		Total £
		Adjustments £	Ongoing £	
Neighbourhood & Leisure Services	833,000	-	317,000	1,150,000
Finance, Audit & IG	5,000	-	-	5,000
Law, Democracy & People Services	94,534	49,000	1,000	144,534
Cooperative Council Delivery Unit	40,000	-	250,000	290,000
Childrens Safeguarding & Specialist Services	384,000	-	325,000	709,000
Education & Corporate Parenting	207,850	-	216,503	424,353
Family, Cohesion & Commissioning	984,744	-	59,000	1,043,744
Public Health, Wellbeing & Public Protection	164,906	-	200,000	364,906
Adult Social Services	1,636,000	- 1,586,000	2,641,000	2,691,000
Customer Services	922,000	155,373	163,000	1,240,373
Development, Business & Employment	1,415,087	-	189,282	1,604,369
Council Wide	-	- 257,000	-	- 257,000
Total	6,687,121	- 1,638,627	4,361,785	9,410,278

In addition a benefit of £0.126m is expected in 2015/16 from the Housing Investment Programme.

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. At Cabinet on 29 January a commitment of £0.4m for regeneration works in Dawley was also approved and is now built in to this strategy.

The proposed Capital Programme detailed in a separate report on this agenda totals £293.56m.

As there is a general election in May, 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. Up to date information on our financial performance is included in the Financial Monitoring report also on this agenda which shows a current projection of £5.7m one-off resources being available at year end.

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 final settlement was received on 3 February 2015 and resulted in a net increase in resources of £0.276m next year. The overall service and financial planning strategy for 2015/16, updated for latest available information, is summarised in the table below:-

Projected Budget Gap	2015/16 £m
Base Budget gap as reported to Cabinet 8 January 2015	+2.541
Additional projected business rates income	-1.185
Net additional Savings proposals after cancelling proposed changes to remissions policy for Arthog and Music Service and other planned savings at Arthog	-5.377
Revenue benefit from Housing Investment Programme	-0.126
Pressures – For details please see Appendix 2c but including an increase in the one-off additional ring-fenced funding for adult social services to £2.5m	+5.005
Projected net Budget shortfall funded from the projected 2014/15 underspend	+0.858

Please note that:-

- Debt charges on the recommended capital investments outlined in the capital programme report also on this agenda 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 £2.9m. Clearly, the final figure may be greater or lower than this but any remaining underspend available at year end will be transferred to the severance fund or capacity fund to support the delivery of further savings.

The proposals in this report have been 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. Conclusions from scrutiny are included at Appendix 16 and the results from consultation are included at Appendix 17. Final recommendations will be considered at full Council on 5 March 2015.

6. DRIVING THE DELIVERY OF THE COUNCIL'S PRIORITIES: 9 MONTH PROGRESS REPORT

In considering the Council's service and financial planning strategy for 2015/16 and later years, it is important to reflect upon current performance. We continue to monitor progress against the Council's Priorities in year.

Appendix 14 sets out progress as at '9 months' (December 2014). Priority 1, 'Putting our Children and Young People first', is an overarching priority and as such does not have any specific performance indicators.

The headline areas of progress include:

- The Council continues to drive both economic and housing growth. Through the stewardship agreement with the Homes and Communities Agency a further £3.1million inward investment has been secured (totalling £19.6 million) and a further 46 jobs (totalling 280) in the last 3 months. Linked to the growth agenda, the Council's programme to tackle youth unemployment, including Job Box, is paying dividends with youth unemployment falling by over 50% (from 33.7% to 15.7%) and unemployment falling by a third (from 9.4% to 6.2%) in the year October 2013 to September 2014, with both achieving lower than regional and national rates.
- Importantly, the Council continues to support the development of the Borough's workforce of the future. Early Years Foundation Stage, Key Stage 1 and Key Stage 2 have seen improvements compared to the West Midlands and National positions. Due to methodology changes there has been a drop in Key Stage 4 (GCSE) achievement in 2013/14 (from 58.6% to 51.2%). Despite these disappointing GCSE examination results the percentage of students attending good or outstanding secondary schools is 87.5%, the best in the West Midlands. Overall, the percentage of schools that OFSTED have graded as good or outstanding has continued to improve since the end of 6 months; progressing from 81.0% to 83.4%.
- Safeguarding children performance has continued to see improvements, especially around the numbers of children in care reducing. Similarly, there are emerging improvements being seen within adult social care and safeguarding. For example the percentage of cases in which the level of risk reduced (from point of referral to point of closure) has improved to 82.6%. Further work is being done to ensure continuous improvement is seen and is being driven by the Care Act Programme Board, Better Care Fund Management Board and the Cost Improvement Plan.
- Since the introduction of the Veolia recycling contract in April 2014 improvements have been seen in waste services. In late 2014 Veolia undertook a satisfaction survey of waste services and 2,100 responses were received. From the survey the percentage of residents that are satisfied with household recycling collection service was 94%. Similarly, high levels of satisfaction were seen across the whole of waste services, including refuse, garden waste and Community Recycling Centres.

A key area of concern is homelessness. The Government's benefit reforms have impacted on young people in Telford and Wrekin. The proportion of homelessness acceptances that are young people aged 16-24 years old is at 71% and remains significantly higher than the national average (28%). A

partnership approach is being taken to tackle this issue and the Homelessness Partnership is driving forward this work, including the development of The Woodlands (a 16 unit accommodation targeting 16-25 year olds with complex needs offering 24/7 support) which will open in March 2015 with a linked facility to support the young people in and out of this accommodation.

7. ROBUSTNESS OF THE BUDGET STRATEGY

The Council is required to set a balanced budget and under section 25 of the Local Government Act 2003, the Council's Chief Financial Officer is required to give a view on the robustness of the Council's financial strategy including the use of balances and of the financial planning process.

Appendix 15 gives a more detailed view, but overall the conclusion is that, given the continued delivery of savings which now total over £70m, the long-term service redesign, particularly in relation to Adults and Children's services, the commercial approach being adopted, and the investment being made in the borough, it is considered that the Council is pursuing a sound financial strategy in the context of the most prolonged and challenging financial position it has ever faced due to the combined effect of Government grant cuts and increased service pressures.

8. RECOMMENDATIONS.

Members are asked to approve the following recommendations for consideration by Council on 5th March 2015:-

1. To consider the feedback from consultation summarised in Appendix 17 and from Scrutiny in Appendix 16.
2. To approve the base budget summarised by Service Area in Appendix 9A.
3. To approve the freezing of council tax levels in 2015/16 and the commitment to freezing council tax again in 2016/17.
4. To approve the savings package detailed in Appendix 2 and the additional saving from the Housing Investment Programme.
5. To approve the revenue pressures detailed in Appendix 2C including:-
 - The allocation of £2.5m one-off funding for Adult Social Services in 2015/16,

- The allocation of £0.75m one-off funding for Children's safeguarding in 2015/16,
 - The allocation of £0.25m over 3 years for Destination Telford initiatives.
6. To approve the revenue investment of £1m to revitalise High Streets of Borough Towns and District Centres.
 7. To approve the revenue investment of £0.75m over 2 years for a Borough wide Environmental Investment Programme.
 8. To approve the revenue investment of £0.2m over 4 years to provide free swimming for all residents Over 50.
 9. To approve the revenue investment of £33,000 to continue funding for the Food Bank during 2015/16.
 10. To approve the policy framework for Reserves and Balances outlined in Appendix 10.
 11. To approve the revenue implications of the medium term capital programme for the period 2014/15 - 2017/18 set out in the Capital Programme report also on this agenda. This report includes new commitments of £6m Council funding for Roads and Highways over the next 3 years, £1m to re-run the Community Pride Fund in 2017/18, £0.65m for regeneration works in St. Georges and £0.4m for regeneration works in Dawley.
 12. To note the Impact Assessments contained in Appendices 3A, 3B and 4.
 13. To approve the creation of provisions during 2014/15 to fund those investments funded from the projected revenue budget underspend in 2014/15 together with the remaining budget gap of £0.858m with any remaining underspend at year end to be transferred to either the severance fund or invest to save/capacity funds to support the delivery of further savings in future years.
 14. To approve the Pay Policy included as Appendix 5.

15. To note the CFO's robustness statement in Appendix 15.
16. To approve the Corporate Debt Recovery Policy included as Appendix 13.
17. To note the 9 Month Performance Update included as Appendix 14

Recommendations approved for referral to Council by the Cabinet will be considered at full Council on 5 March 2015 as full Council is responsible for setting the overall revenue and capital budget framework. At this meeting full Council will also consider a Council Tax Resolutions report and will set the Council Tax for 2015/16.

9. **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 have therefore conducted a full impact assessment of all of the budget proposals which is included in Appendix 3.</i>
TARGET COMPLETION/DELIVERY DATE	<i>A series of borough wide public consultation activities have been undertaken during January and early February. The proposals contained in the report were also subject to Member scrutiny during this period. Final proposals will be considered by full Council on 5th March</i>	

	<i>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>The Council's budget setting process is governed by the Local Government Finance Acts, 1988, 1992, and 2012, and the Local Government Act 2003. This report presents the proposed budget which has been consulted upon in accordance with the Council's Policy Framework & Budget Procedure Rules as contained in the Constitution to meet its Public Sector Equality duty.</i> <i>It is a legal requirement that the Chief Finance Officer must report on the robustness of estimates made for the purpose of final budget calculations, and the adequacy of the proposed financial reserves.</i> <i>The Council is required by law to agree its budget for the financial year 2015/16 and to set its Council tax levels for the year 2015/16 before the 11th March 2015.</i> <i>The approval of the Council's Pay Policy Statement must, by law, be approved by full Council.</i> <i>In Accordance with regulations any vote taken at a budget decision meeting of an authority must be a recorded vote</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the availability of balances.</i> <i>Environmental assessment is a procedure that ensures that the environmental implications of Council</i>

		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 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. 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 significant capital and revenue investments outlined on the report.
IMPACT ON SPECIFIC WARDS	Yes/No	Borough-wide impact.

10. PREVIOUS MINUTES.

- Full Council 27 February 2014 – Service & Financial Planning 2014/15 – 2015/16
- Cabinet 8 January 2015 – Service & Financial Planning 2015/16 – 2017/18
- Cabinet 24 July 2014 - 2013/14 end of year performance analysis and strategic risk register.
- 12 December 2014 - Driving the Delivery of the Council's Priorities 6 month report.

11. 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 over 50% in the year October 2013 to September 2014 taking it below 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.

12. 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 over 50% during 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 £9.6m "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.

13. 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 £5.5m 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.

14. 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	1.710
2015/16	25.752
2016/17	31.368
2017/18 onwards	7.775

Total	66.605

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 although capital receipts are managed as an overall funding stream and not managed at individual scheme level. 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.

15. 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 January 2015 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.

16. MEDIUM-TERM FINANCIAL OUTLOOK

16.1 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.

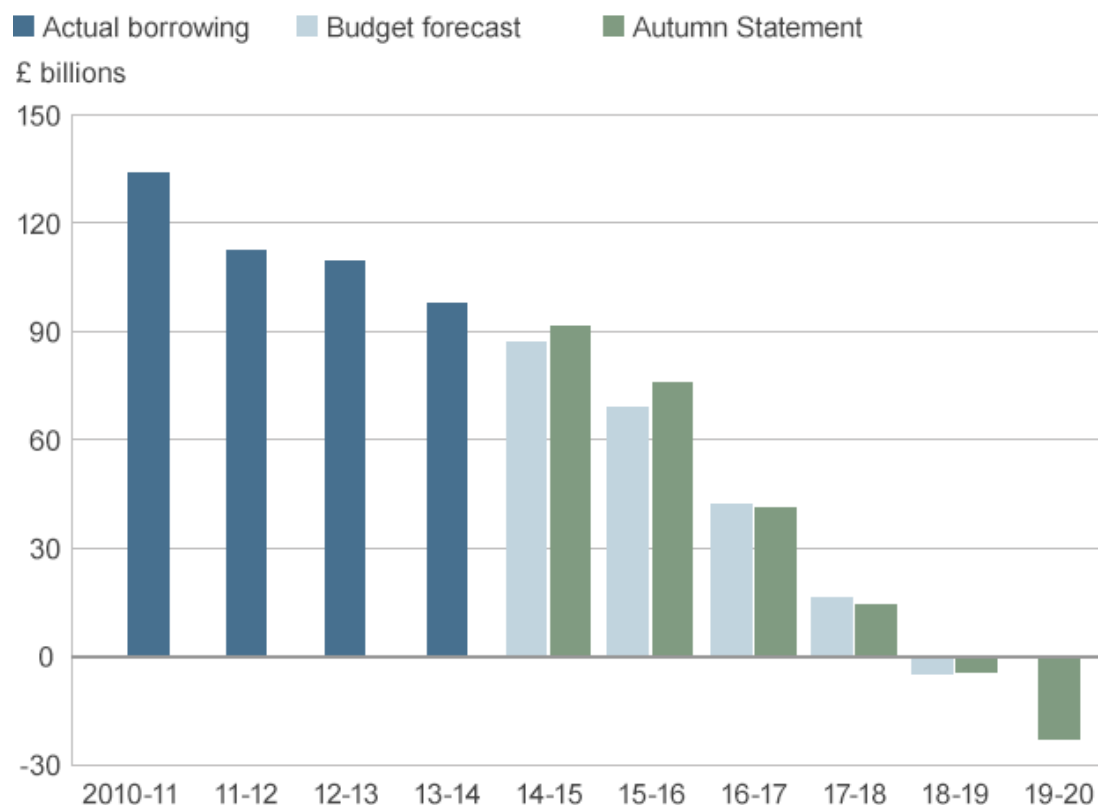
As the squeeze on public finances continues, cuts will become more difficult to find and the impact on front line services will become greater. More prosperous parts of the country are less affected by the cuts to grants but also tend to have a higher level of council tax base and growth which increases 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."

16.2 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’.

16.3 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. The final settlement was received on 3rd February 2015.

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	31.444
Business Rates income which the Government considers the authority should be able to collect locally	33.046
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	66.606

Revenue Support Grant and the top-up grant are direct payments from the Government and are therefore fixed. The level of business rates included in the Council's budget depends on local factors including estimated growth and collection rates.

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 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 1.7% 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 2.5% 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 (RSG) for this Council is £42.071m in 2014/15, but in the provisional settlement for 2015/16 was proposed to be cut by £10.904m which is a reduction of 25.92%. The final RSG settlement was not received until 3rd February 2015 with the final figure for 2015/16 being £31.444m a cut of £10.627m or 25.26%. The additional RSG will be held within the revenue contingency.

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.
- Additional Revenue Support Grant has been provided for “*welfare needs and to improve social care provision*”
- 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.

16.4 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 2014/15 and 2015/16 at Council in February 2014 is summarised for context 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.

16.5 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 including adjustments to reflect changes since the cabinet meeting on 8 January 2015:-

Updated Budget Gap projections.

	2015/16 £'000	2016/17 £'000	2017/18 £'000
8 January Cabinet Report Base Budget Gap	2,541	15,011	26,511
Revenue Costs relating to Capital Investments:			
Dawley Regeneration	3	12	14
Capital receipts re-phasing	78	228	140
Stalled Sites	25	94	109
Theatre Invest to Save	2	18	19
Housing Investment	-	67	209
Contingency funded from additional RSG	276	276	276
Funding Changes:			
Additional RSG and other Grants	- 384	- 392	- 392
Additional Retained Rates/S 31 Grant	- 1,185	- 1,185	- 1,185
Total of Changes Included	- 1,185	- 882	- 810
Updated Base Gap	1,356	14,129	25,701
8 January Cabinet Report - Updated Projected Cumulative Gap	833	10,708	22,208
Base Changes – above	- 1,185	- 882	- 810
Housing Investment Programme	- 126	- 161	- 478
Delete Saving - Music service, no 40	53	53	53
Reduce Saving - Arthog, no 1	33	33	33
Increased One-off funding for Adult Social Services	1,250		
Updated Gap	858	9,751	21,006

17. 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 £5.7m 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.

18. 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 £4.217m 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 using latest projections, further savings of at least £9.7m 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 in 2017/18 and 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 24 of this report.

19. 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 of £2.5m for Adult Social Services and £0.75m 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 Ill (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 £2.5m for Adult Social Services, (the same amount as allowed in 2014/15 and an increase of £1.25m on the amount proposed at Cabinet in January to reflect comments received during the consultation period) and £750k for Safeguarding, a reduction of over 37% on the 2014/15 one-off additional ring-fenced funding for this area.

20. CHANGES AFFECTING ADULT SOCIAL SERVICES AND PUBLIC HEALTH

20.1 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.

20.2 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. The Council received some one off monies to fund Care Act implementation of £0.125m in 2014/15 and current intelligence is suggesting further one off funding will be also be available in 2015/16 although the value is unknown.

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 £1billion 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.

20.3 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.

20.4 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. Recent briefings have indicated that all Councils will receive additional funding in 2015/16, although no value has been indicated, whilst a review of current legislation is being undertaken.

20.5 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 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. Following discussions with the NHS Local Area Team about a need to increase the published allocation, the Council has made a formal request to the Department of Health in line with the agreed process and is awaiting a response. The Council have made it clear that the functions identified for transfer cannot be funded within the published allocation.

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.

20.6 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 was therefore approved at Cabinet on 8 January 2015 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.

21. 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
Remaining shortfall to be covered from underspend in current year on one-off basis	0.858	N/A	N/A
Projected remaining shortfall to be covered from further savings to be identified – see Section 24 of this report.	N/A	9.751	21.006

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 the possible MoD scheme although they do include current projections for the Housing Investment Programme.

22. 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 £2.5m 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 and £0.4m in to Dawley.
- 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.

23. 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 as reported to Cabinet 8 January 2015 – including:- • 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 = £0.033m • 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 - £0.245m	+2.541
Changes to base budget position since 8 January:- • Revenue costs of capital programme (£0.108m) • Additional projected business rates income (- £1.185m)	-1.185

Other including updated estimates of grant income (-£0.108m)	
Savings proposals (net of provision for “leakage” from General Fund and cancelling proposed changes to remissions policy for Arthog and Music Service)	-5.377
Revenue benefit from Housing Investment Programme	-0.126
Pressures – For details please see Appendix 2c but including:- - one-off additional ring-fenced funding of £0.75m for safeguarding - one-off additional ring-fenced funding of £2.5m for adult social services - Destination Telford Initiatives - £0.250m to be spent over a 3 year period	+5.005
Investments funded from the 2014/15 projected underspend - 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	+0.858
Remaining balance to be funded from projected 2014/15 underspend	-0.858
Restated shortfall	Nil

Please note that:-

- Debt charges on the recommended capital investments outlined in the capital programme report also on this agenda 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 £2.9m. Clearly, the final figure may be greater or lower than this but any remaining underspend available at year end will be transferred to the severance fund or capacity fund to support the delivery of further savings.

24. 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.

24.1 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.

24.2 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.

24.3 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.

24.4 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.

24.5 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.

25. 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

26. BASE BUDGET, BALANCES AND CONTINGENCIES

26.1 Base Budget

A summary of the Base Budget position is included at Appendix 9(A) which shows a net base budget of £129.907m for 2015/16 giving a base budget funding gap of £1.356m. Appendix 9(B) analyses the main changes in moving from the 2014/15 budget to the 2015/16 base budget.

26.2 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. However, around £2.9m of one-off resources are projected to still be available at the end of this year after funding the package of revenue investments and the remaining budget shortfall of £0.858m for next year.

Current available balances within the “Capacity Fund” of £0.7m 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.

26.3 Risk Management

As an organisation which provides a vast range of different services to the community and with a total gross revenue and capital budget for 2015/16 of over £500m, 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, £2.5m.
- 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.

26.4 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 £2.776m (including £0.276m additional RSG received in the final settlement announcement). We have also budgeted for additional one-off ring-fenced funding for Safeguarding in 2015/16 of £0.75m and of £2.5m for Adult Social Services.

26.5 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.

27. PAY POLICY

The Council's Pay Policy for 2015/16 was considered at Personnel Committee on 22 January 2015. The Localism Act 2011 requires local authorities to produce an annual Pay Policy Statement. The Act requires the statement to detail the Council's policies in respect of remuneration at various tiers within the Council. The Act does not apply to local authority schools.

The purpose of these provisions is to provide transparency with regard to the Council's approach to setting the pay of its employees by determining:

- The methods by which pay is determined.
- The detail and level of remuneration of its most senior staff
- The Committees responsible for ensuring consistent application of the provisions set out in the Statement.

The Council's Pay Policy Statement details

- pay negotiation bodies,
- initial allocation of pay points.
- lowest paid employees and the ratio comparison with the highest paid officers.
- Senior management remuneration.
- the recruitment of chief officers
- additions to chief officers pay
- termination payments

- where accountability and responsibility lies.

The Pay Policy for 2015/16 is included as Appendix 5 of this report.

28. CORPORATE DEBT RECOVERY POLICY

In operating a debt recovery function, the Council needs to operate in a way that protects the council's financial interests but also reduces the impact on vulnerable debtors. In order to achieve this, a Corporate Debt Recovery Policy has been written. This provides a framework for Officers to work within and formalises current working practices in debt recovery. The Policy covers the collection of Council Tax and Non Domestic Rates which are largely laid out in statute and follow well established best practice. The Debt Recovery Policy does not propose to make any major adjustments to debt recovery.

The aim of the Corporate Debt Recovery Policy is:

- To maximise income collection and minimise debt owed to the Council to support the delivery of key Council services for the citizens of the Borough.
- To maintain a fair and consistent approach to debt recovery whilst recognising and responding to individual circumstances, where the Council is made aware of these.
- To give consideration to the circumstances of vulnerable individuals and where appropriate, signpost individuals to relevant services within the Council or approved partner organisations.

The Policy outlines the Council's procedures for each debt stream, as well as refreshing a revised write off policy and the introduction of procedures for dealing with debts where the Council may want to take bankruptcy / insolvency action.

29. 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 £0.255m of funding to be de-delegated. Following Forum votes £1.194m of retained funding from the Schools Block 2015/16 was agreed, plus £0.217m of de-delegated funding and a £0.386m central retention from the Early Years block (2014/15 £0.389m).

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.

30. 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.

31. 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.

32. SUMMARY OF CONSULTATION AND ENGAGEMENT ACTIVITY AND FEEDBACK.

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 is a key part of the budget process. Consultation began on 5 January 2015 and ended on 8 February 2015. Our approach was made up of 3 key elements:

i) Demonstrating Council achievements since 2011, linking with an earlier 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 proposed that 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 were published in the December 2014 edition of Your Voice with a response form. There was also an opportunity to complete the short survey online and the questions formed part of the budget road show in January 2015.

ii) 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. 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

iii) Communication of key budget messages including the growth agenda.

Messages included:

- Planned council investments
- Our vision, focus and priorities
- Winning and supporting jobs and investment
- Savings delivered since 2010/11
- Council Tax – plans to freeze in 2015/16 with a commitment to freeze Council Tax again in 2016/17

To encourage people to find out more about the budget, hear about the Council's proposed investments, engage with the 'Together we care about the future' key questions and find out ways they can help save money we went around the Borough with a road show in January and early February. The road show was a portable informative 'mini exhibition' which demonstrated the above three key elements. We 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 Members and senior managers.

Our communication and engagement plan included at Appendix 11 and provides full details:

- Your Voice which was 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 Parish Forum, the Senior Citizens Forum and the Young People's Forum.

In total 2,594 contacts were involved with this consultation programme.

The Cabinet Member of Finance and Enterprise, the Chief Finance Officer and relevant senior managers, between them attended a number of local groups and forums including:

- Telford Business Board = 30 in attendance
- Parents with disabilities (PODS) = 7 in attendance
- Taking Part Committee = 24 in attendance
- Senior Citizens Forum = 91 in attendance
- Telford and Wrekin Parish Forum = 20 in attendance
- Union meeting = 3 in attendance
- Sutton Hill Residents Group = 23 in attendance
- Young People's Forum = 11 in attendance
- Listen not Label = 14 in attendance

Total number in attendance at local groups and forums = 223

This year we delivered an interactive road show, 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.

- Hadley library = 9 in attendance
- Newport library = 44 in attendance
- Southwater library (x2) = 17 and 19
- Wellington library = 47 in attendance
- Dawley House (x2) = 12 and 73 in attendance
- Woodside Park Lane = 8 in attendance
- Madeley Library = 24 in attendance
- Oakengates The Place = 16 in attendance

Total number in attendance at the road show events = 269

The Community Participation Team went out and about in local buildings across the Borough in the following areas:

- Sutton Hill Community Centre = 20 in attendance
- Donnington Community Centre = 0 in attendance
- Arleston Community Centre = 2 in attendance

- TCAT x 2 = 172 in attendance
- Overdale Children's Centre = 9 in attendance
- Hadley Children's Centre = 9 in attendance
- Brookside Children's Centre = 14 in attendance

Total number in attendance out and about in local buildings = 226

With regard to our 'Together we care about the future' consultation a total of 1,608 completed the survey:

- 486 (30.2%) of people responded to the Community Panel survey
- 557 (34.6%) of people completed a form via face to face contact with a Member or Officer
- 282 (17.5%) of people responded to the survey online
- 81 (5%) of people responded by e mail
- 62 (3.9%) responded by using the tear out slip including sending back the cut out survey in Your Voice
- 2 (0.1%) of people responded by ringing in, writing or texting
- 135 (8.4% of people responded to "drop in" collections
- 3 where the contact method has not been recorded

With regard to the proposed Council investments, a total of 103 people completed the questionnaire.

Opportunities for people to get involved and give their views on the budget strategy via social media, including Facebook and Twitter attracted a total of 113 comments.

We also received 65 "other comments" relating to specific budget savings.

Communication activity to encourage people to get involved in the budget consultation includes the following:

On both Facebook and Twitter

- 57,515 total reach for Facebook, Twitter and Streetlife
- 231 Advocacy (similar to likes and re-tweets)
- 3,634 unique page views (individuals viewing pages) of clicks on the link to our budget web pages with a total number of page views of 4,849 (total number of views including repeat views). This excludes views of number of web forms.
- 2 live Twitter discussions with Cllr Bill McClements

Direct targeting of people

- Article and 'tear out' for comments in Your Voice which aims to be delivered in every household in the Borough
- 25,699 emails to those people signed up through News for You

- Email from Cllr Sahota to Council partners launching the budget consultation
- First Point, Leisure Centre and Library reception staff handing over budget consultation response forms to customers
- Internal communication messages to staff

General information to people

- Six press releases around the Council's budget and promoting involvement in participation in the budget consultation
- Social media campaign throughout the consultation to gather views on key investment proposals
- Two radio interviews involving Cllr McClements, the Cabinet lead for Finance and Enterprise.

Consultation findings are detailed in Appendix 17.

In response to the consultation exercise the saving related to changes to the remissions policy for fees for Arthog and the Music Service has been deleted, a proposed saving for rationalisation of expenditure and income budgets at Arthog of £50k has been reduced to £17k and an additional £1.25m one-off funding on 2015/16 has been set aside for Adult Social services. This has been funded from additional business rates income arising from the Council's proactive work to support and encourage business investment.

33. ROBUSTNESS OF THE FINANCIAL STRATEGY AND LEVELS OF RESERVES & BALANCES.

The Council is required to set a balanced budget and under section 25 of the Local Government Act 2003, the Council's Chief Financial Officer (CFO) is required to report on the adequacy of the Council's reserves and balances and on the Council's financial strategy including the use of balances and of the financial planning process and the Council must have regard to this report when agreeing the medium term financial strategy.

Appendix 15 gives a more detailed view, but overall, given the continued delivery of savings which now total over £70m, the long-term service redesign, particularly in relation to Adults and Children's services, the commercial approach being adopted, and the investment being made in the borough, it is considered that the Council is pursuing a sound financial strategy in the context of the most prolonged and challenging financial position it has ever faced due to the combined effect of Government grant cuts and increased service pressures.

34. NEXT STEPS

Once the service and financial planning strategy for 2015/16 has been approved by full Council on 5 March 2015 and the council tax resolutions have

been decided, it will be imperative that considerable resource is devoted to rigorous financial management and monitoring by all managers and budget holders. All managers need to effectively and proactively manage their business.

The Council faces many financial challenges over and above the obvious and very significant reductions in Government grant and has limited contingencies and balances available. There are many risks and uncertainties inherent in the new financial system that was imposed by the Government during 2013/14. However, the new local government finance system also presents many opportunities that this Council is ideally placed to be able to take advantage of.

As well as exercising tight financial control and effective financial monitoring, managers and Cabinet Members will need to turn attention to the 2016/17 and later years medium term financial strategy early in 2015/16 in order to identify further savings and opportunities for additional income to bridge the significant projected budget shortfalls through to 2018/19 and the implications of any changes in Government policy following the General Election e.g. in respect of New Homes Bonus and the proposed “re-set” of the local government finance system in 2019/20 will need to be assessed as information becomes available.

35. 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.
- Medium Term Council Plan 2013/14 to 2015/16.

Report prepared by:-

- **Ken Clarke, Assistant Director: Finance, Audit & Information Governance - Tel: (01952) 383100**
- **Jon Power, Delivery & Planning Manager - Tel: (01952) 380141**

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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	2,959	1,850	1,059	50	0	0
Development Business & Employment	106,540	35,949	56,023	12,754	2,064	(250)
Neighbourhood & Leisure Services	83,763	31,080	27,403	15,494	7,008	2,778
Education & Corporate Parenting	90,804	64,808	24,595	469	529	403
Customer Services	5,340	2,360	1,300	680	1,000	0
Co operative Delivery & Commercial Unit	4,039	4,039	0	0	0	0
Corporate	115	115	0	0	0	0
	293,560	140,201	110,380	29,447	10,601	2,931
Resources						
Borrowing Approval	1,477	209	1,268	0	0	0
Government Grant	134,030	86,794	25,334	13,513	4,586	3,803
Prudential	77,360	46,204	54,147	(20,159)	(1,960)	(872)
Cap Receipts	66,605	1,710	25,752	31,368	7,775	0
Revenue	1,031	895	136	0	0	0
External	13,057	4,389	3,743	4,725	200	0
Total funding	293,560	140,201	110,380	29,447	10,601	2,931

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

Scheme	Expenditure					
	Total £'000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £'000
Social Care Capital Grant	621	190	431	0	0	0
ICT Social Care Review	960	760	150	50	0	0
Day Opportunities for Adults with Learning Disabilities	1,378	900	478	0	0	0
	2,959	1,850	1,059	50	0	0
Supported Independent Living - Disabled Facilities Grant	2,597	1,748	849	0	0	0
Town Centre - Phase 1 & Accommodation Strategy	4,053	4,053	0	0	0	0
Development Business and Employment other schemes	4,031	971	1,120	1,170	770	0
Every Day Telford - Pride Hollinswood Centre	2,189	1,579	610	0	0	0
Superfast Broadband Programme	3,611	550	3,061	0	0	0
Housing Related Schemes	10,639	8,479	2,160	0	0	0
Hadley Local Centre Phase 1 & 2	845	845	0	0	0	0
Brookside	3,000	3,000	0	0	0	0
Dawley Regeneration	400	0	400	0	0	0
Borough Towns Initiative	113	113	0	0	0	0
Improve Local People's Prospects All Other Schemes	11,215	9,172	2,302	-209	200	-250
Asset Management Plan - General Works & Surveys	2,550	450	700	700	700	0
Housing Company - Housing	52,617	2,989	38,141	11,093	394	0
Commercial Investment Project	6,680	0	6,680	0	0	0
Property Investment Programme	2,000	2,000	0	0	0	0
	106,540	35,949	56,023	12,754	2,064	-250
Oakengates	210	210	0	0	0	0
Parks for People	1,933	983	950	0	0	0
Horsehay Fitness Facility	697	697	0	0	0	0
Neighbourhood & Leisure Services Other Schemes	520	360	160	0	0	0
Transport & Highways Schemes	47,298	7,650	15,368	15,494	6,008	2,778
Every Day Telford - Pride in your Community	8,260	3,260	4,000	0	1,000	0
Ironbridge Gorge Stability	15,206	8,281	6,925	0	0	0
Box Road	9,639	9,639	0	0	0	0
	83,763	31,080	27,403	15,494	7,008	2,778
Building Schools For The Future	90,804	64,808	24,595	469	529	403
	90,804	64,808	24,595	469	529	403
ICT/ eGov	5,299	2,319	1,300	680	1,000	0
ICT/ eGov Other Schemes	41	41	0	0	0	0
	5,340	2,360	1,300	680	1,000	0
Commercial & Business Fund	4,039	4,039	0	0	0	0
	4,039	4,039	0	0	0	0

Managing the funding of the Capital Programme	115	115	0	0	0	0
	115	115	0	0	0	0
	293,560	140,201	110,380	29,447	10,601	2,931

TELFORD & WREKIN COUNCIL

**CABINET –26 FEBRUARY 2015
COUNCIL – 5 MARCH 2015**

PLANNED BUILDING INVESTMENT PROGRAMME 2015/16

**REPORT OF: ASSISTANT DIRECTOR DEVELOPMENT BUSINESS &
EMPLOYMENT**

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To identify the proposed planned building capital maintenance programme for financial year 2015/16, in accordance with Service and Financial Planning 2014/15 to 2015/16.

2. RECOMMENDATIONS

2.1 That Cabinet approve the planned building capital maintenance programme for 2015/16 as identified as part of this report.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Maintaining Council property provides an environment for high quality services to be delivered. The investment contributes to the delivery of the following priorities: • Ensuring neighbourhoods are safe, clean and well maintained. • Improve prospects through education & skills training. • Improving health and wellbeing of communities. • Protect and support vulnerable children and adults. • Putting Children & Young People first. • Regenerating neighbourhoods in need, and ensuring access to suitable housing.
	Will the proposals impact on specific groups of people?	
	Yes	All residents accessing Council Services
TARGET COMPLETION/DELIVERY DATE	Most projects will be delivered during the financial year 2015/16. Larger projects may cover more than one financial year.	

FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Budgetary provision for the planned programme of works £1,072,500 Educational and £700,000 Operational (as detailed in Appendix 1) is included within the proposed Service and Financial Planning Report 2015/16 to 2016/17. Confirmation of the Education capital allocations for 2015/16 have not been received and are expected to be notified shortly by the Education Funding Agency, and appropriate adjustments to the programme of works will be made accordingly to ensure spend is within available funds.
LEGAL ISSUES	No	There are no direct legal implications arising from this report however any repair/maintenance works will be subject to competitive procurement to ensure best value is achieved for the Council.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Where improvements are made to properties, other opportunities when the works are being undertaken are investigated and implemented where possible. This may include contributing to larger schemes where a maintenance liability will be reduced or reducing energy costs.
IMPACT ON SPECIFIC WARDS	No	Borough wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

The Asset Management Plan and associated data on property (i.e. condition, suitability, sufficiency, access, asbestos) informs the Council's planned building capital investment programme. The Council has completed condition surveys for operational properties used for the delivery of its services. These are updated on a rolling programme each year. The Council's Asset Management Plan 2013-2018 has identified a condition backlog of approximately £7.5m for operational properties (excluding schools) and £21.5M for schools/educational properties.

The school condition back log will be significantly addressed over the next few years with the investment from the Building Schools for the Future programme.

The planned building capital investment programme as identified in Appendix A, is set in accordance with the approved framework for prioritising condition backlog as included in the Asset Management Plan. The proposed level of

investment included in the Capital Programme 2015/16 is £1,072,500 for Educational assets and £700,000 for all other operational assets. The budget allocations do not take into account the capital investment relating to expansion of schools and the secured investment relating to Building Schools for the Future which will greatly reduce the condition backlog for Education properties as part of the building rationalisation process. In addition to the above capital allocations, schools are also in receipt of Devolved Formula Capital (DFC) which is used fundamentally for maintaining and investing in the school building stock on a day to day basis.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

Community Impact

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

Equalities Impact

Where possible, as part of the planned building capital investment funding, improvements to accessibility will be carried out. Where improvements to existing facilities are being undertaken, Equalities Issues (i.e. baby changing facilities) are also included as part of the scheme. This allows the Council to increase access to public buildings for people with disabilities.

Environmental Impact

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

6. PREVIOUS MINUTES

N/A

7. BACKGROUND PAPERS

Asset Management Plan 2013-2018 (refreshed 2015)

**Report prepared by Chris Goulson,
Building Innovation Telford Service Delivery Manager
Telephone: 01952 384302**

APPENDIX A - Education Planned Building Capital Maintenance Programme 2015/16

Asset	Description of Works	Estimated Budget	Corporate Priorities	Ward
Arthog Outdoor Education Centre	Replace Biomass Boiler/Heating System (re-phased from 2014/15) and complete phase 2 re-wiring.	£380,000	• Improve prospects through education & skills training. • Protect and support vulnerable children and adults. • Putting Children & Young People first.	Outside Borough
John Fletcher of Madeley Primary	Roof Replacement and replacement Curtain Walling (phase 1). Project will be phased over 2 years. The project is currently awaiting the outcome of a bid to the Priority Schools Building Programme phase 2, to be announced shortly. If successfully funded, this allocation from the capital programme will be re-allocated to other projects.	£255,000	• Improve prospects through education & skills training. • Protect and support vulnerable children and adults. • Putting Children & Young People first.	Madeley
Mount Gilbert Special School	To complete fencing at the front of the school. This will ensure the site is secure and help protect pupils.	£15,000	• Protect and support vulnerable children and adults. • Putting Children & Young People first.	Malinslee
Tibberton CE Primary	Kitchen refurbishment and adaptation.	£106,000	• Improve prospects through education & skills training. • Protect and support vulnerable children and adults. • Putting Children & Young People first.	Edgmond
Wrockwardine Wood CE Junior	Roof Replacement. To replace the ageing roof on the Classroom of the Future block.	£11,500	• Improve prospects through education & skills training. • Protect and support vulnerable children and adults.	Wrockwardine Wood and Trench

			Putting Children & Young People first.	
Various Schools	Asbestos Removals - To undertake landlord responsibility asbestos removals within property assets. Although checks are undertaken annually it is proposed to undertake new Management Surveys (type 2) on all school properties. Where removals are required these will be prioritised using the Asbestos Management survey data.	£75,000	- Improve prospects through education & skills training. - Protect and support vulnerable children and adults. - Putting Children & Young People first. - Improving health and wellbeing of communities.	Various
Various Schools	Data updates - to update the asset management data. This will include condition and suitability surveys and updated drawing/floor plans of buildings as and when upgrades are carried out.	£75,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing.	Various
Various Schools	Emergency works / Security Works - budget allocation for emergency works or where school security issues are identified. Examples are major boiler failures. This will ensure that schools are able to remain operational with minimum closures.	£100,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Improve prospects through education & skills training. - Improving health and wellbeing of communities. - Protect and support vulnerable children and adults. - Putting Children & Young People first.	Various
Various Schools	Energy Efficiency Funding and Schools Accessibility - To ensure that the Council meets its obligations regarding legislative carbon reduction and disabled accessibility.	£55,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need,	Various

			and ensuring access to suitable housing • Protect and support vulnerable children and adults. • Improving health and wellbeing of communities.	
	TOTAL	£1,072,500		

Corporate Planned Building Capital Maintenance Programme 2015/16

Asset	Description of Works	Estimated Allocated Budget	Corporate Priorities Contributed to proposals	Ward
Hollinswood Centre	Hollinswood regeneration project – enhancement to Hollinswood Activity Hub	£200,000	• Ensuring neighbourhoods are safe, clean and well maintained. • Regenerating neighbourhoods in need, and ensuring access to suitable housing • Improving health and wellbeing of communities.	The Nedge
Oakengates Leisure Centre	Wall cladding – removal of existing perished cladding sheets and renew with insulated sheets.	£115,000	• Ensuring neighbourhoods are safe, clean and well maintained. • Regenerating neighbourhoods in need, and ensuring access to suitable housing • Improving health and wellbeing of communities.	Wrockwardine Wood and Trench
Various Properties	Carbon Reduction Commitment Funding - To ensure that the Council meets its obligations regarding	£10,000	• Ensuring neighbourhoods are safe, clean and well	Various

	legislative carbon reduction. This is linked to Salix funding and includes heating control and monitoring replacement together with lighting and sensor controls upgrades.		- maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	
Various Properties	Asbestos Removals - To undertake landlord responsibility asbestos removals within property assets. Although checks are undertaken annually it is proposed to undertake new Management Surveys (type 2) on all operational. Where removals are required these will be prioritised using the Asbestos Management survey data.	£75,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing	Various
Various Properties	Emergency works/unforeseen works - A reserve budget to cover landlord responsibilities for major unplanned replacements (i.e. boiler failure). This is required to ensure building stock continuity.	£235,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing - Improving health and wellbeing of communities.	Various
Various Properties	Data Updates - to update the asset management data on operational assets. This includes condition and suitability surveys together with updated plans on 20% of properties.	£65,000	- Ensuring neighbourhoods are safe, clean and well maintained. - Regenerating neighbourhoods in need, and ensuring access to suitable housing	Various
	TOTAL	£700,000		

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

Annex III

Corporate Property Asset Management Plan

2015/2018

FOREWORD by Councillor Bill McClements, Cabinet Member for Resources and Service Delivery



Land and property assets are a key issue for the public sector and provide a significant contribution to the delivery of the Co-operative Council's vision, ambitions, priorities and services. Through investment, effective prioritisation of planned maintenance and property rationalisation, real improvements are being made across the Borough.

At a time of significant budget constraints, it is important to continue to manage and utilise our assets effectively, and examine how they can be better used and rationalised. The majority of Council services are provided indirectly through land and property. Therefore ensuring that properties meet both our service and staff needs is of paramount importance.

A Council priority is Invest in Telford and to encourage jobs and enterprise we are using land assets to facilitate this. We have streamlined the planning process to offer free pre planning advice and give developers greater certainty and now aim to register all planning applications within three working days. Over the last 12 months there has been a significant increase in the number of applications, with permission for over 3,500 houses being granted. Besides regenerating areas of Telford this development will provide important income to the Council via the New Homes Bonus and Council tax which can help protect front line services. As can be seen from the section 6 within this report on and, our business winning approach has already attracted significant employment and development to Telford.

2014/15 has been an exciting time from an education perspective with major progress being made around the Building Schools for The Future Programme. All planned schools are now at contract stage with the final four secondary schools on site and underway with completion on three programmed for September 2015. Ercall Wood, which is a 900 place secondary in Wellington, opened in September 2014 on time and budget. At Newport the refurbishment and extension at Adams' Grammar School was also completed for September 2014 and provided new performing arts facilities and additional class bases.

The other most significant development to be delivered in 2014 is phase one of the £250m Southwater development. This project has seen the creation of an evening economy within Telford Town Centre comprising of an 11 screen IMAX Cineworld Cinema, Premier Inn hotel, 11 restaurants including tenants such as Nandos, Bella Italia, Zizzi and Chimichanga to name a few, a new multi-storey car park and a new Council building (Southwater One) to house the new Library and existing Council Customer First Point. The development now effectively links the shopping centre with The International Centre and Telford Town Park. We have worked closely with our public and private sector partners including Citygrove,

Southwater Event Group, and the Homes & Communities Agency to deliver this important development. Our investment in and commitment to Southwater has acted as a catalyst for further regeneration with owners of Telford Shopping Centre committing to a £200m revamp and extension of the shopping centre. Furthermore in November 2014 we announced that the University of Wolverhampton will be occupying the third floor of Southwater One bringing a higher education offer right to the heart of the town.

David Wright opening Southwater One to the public in July 2014



The regeneration of our Borough Towns, local centres and Telford Town Centre is a key priority. The Borough Towns are being developed in partnership with local communities, businesses, Town and Parish Councils and our Regeneration Partnerships. The built environment will play an important role and whenever possible, property is used as a catalyst for change.

Wellington Civic Offices and Leisure Centre was completed in spring 2012 and was opened by Lord Grocott in June 2012. The new building links well into the commercial heart of Wellington and has contributed towards the local economy. Building on this success we have just agreed a partnership with the Wellington Town Council to part fund a post to bring stalled sites to development. This may tap into funding streams which are available to pump prime development on sites such as The Clifton, the former bus depot and the former Charlton Arms site. In addition we are keen to bring back into use redundant space above shops whether this be for residential or office use.

At Hadley District Centre the first phase of the demolition of the 1970s precinct and flats was completed in April 2014. This is a £3.5 million scheme and includes six new retail units including a Tesco Express and Greggs as well as 24 houses and new public spaces. The second phase started in January and completed December including a new veterinary surgery and supermarket.

Brookside is another local centre undergoing transformation. Following extensive consultation with the community, planning permission was approved for a new local centre together with a refurbished Community Centre, road alterations and the creation of high quality public spaces. The four run down shops have now been replaced with three new units including a local convenience store and the tenants have relocated. Flats above the shop provide welcome housing as well as natural surveillance. In addition the scheme has seen the demolition of two blocks of flats and Wrekin Housing Trust are now on site delivering a new housing development. The new shops opened in January 2014 and the second phase including the refurbishment of the community centre and demolition of the flats started in March 2014 and is due for completion in March 2015.

Plans are now well underway to regenerate Hollinswood Local Centre with the demolition of the existing shops and public house and replacement with new shops and an Activity Hub for Social Services as well as enhancements to the community centre, landscaping and parking. This Hub is part of the ongoing rationalisation of services to replace existing premises at Halesfield and Lakeside which are no longer fit for purpose. Demolition of the Woodcutter started in January 2015.

A robust Asset Management Plan will inform decisions relating to Service Delivery, and bring major benefits to the local communities.

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Statement of Assets

1.0 Statement of Context

The Council's "Local Development Framework" core strategy was adopted a number of years ago and runs to 2016. Emerging planning policy, 'Shaping Places' is currently being developed to take us through to 2031 with employment and residential sites having been consulted on in 2014. Shaping Places is focussed on "completing the New Town" and anticipates the borough's population will grow by 30,000 up to 2031. As a "Business Supporting, Business Winning" council we also welcome sustainable growth and through our Invest in Telford offer are actively pursuing this. However we recognise that continued growth and development of the area requires that services and facilities are constantly monitored and reviewed, resulting in challenges and opportunities for property holdings and Asset Management.

We are well placed to meet this challenge and critically in 2012/13 the Council was re-structured to integrate the traditional Planning and Economic Development roles alongside other property functions under a new service area of Development, Business and Housing. In 2013, the Skills function of the Council was also incorporated into the service area to create Development, Business & Employment, in recognition of the importance that skills play in the growth agenda and the direct link between development and employment. This now provides a single point of contact for business, investors and developers and provides a seamless service from initial enquiry through identifying land/premises, supporting with the planning process to enabling the finished development. Our ability to support and deliver growth is critical in terms of securing a more prosperous future for the borough with growth helping to reduce unemployment and raise wage levels. Growth is also a key element of the Council's budget strategy going forward as we seek to take advantage of the government's initiatives to give local authorities greater control of their areas through New Homes Bonus and retention of business rates. As a New Town, with approximately 100 hectares zoned for commercial development, plus zoned residential development land as yet undeveloped Telford is well placed and these changes will facilitate growth as part of the budget strategy.

The Asset Management plan sets out our proposals to effectively manage our assets in this context and focuses specifically on the following areas;

- Property and associated land used for operational purposes
- Property Investment Portfolio (property held for investment purposes)
- Land (held for future disposal or future operational use)

The Land Strategy, Operational Property Strategy and PIP Strategy all inter link to form a comprehensive approach to Asset Management covering Council property assets within Telford.

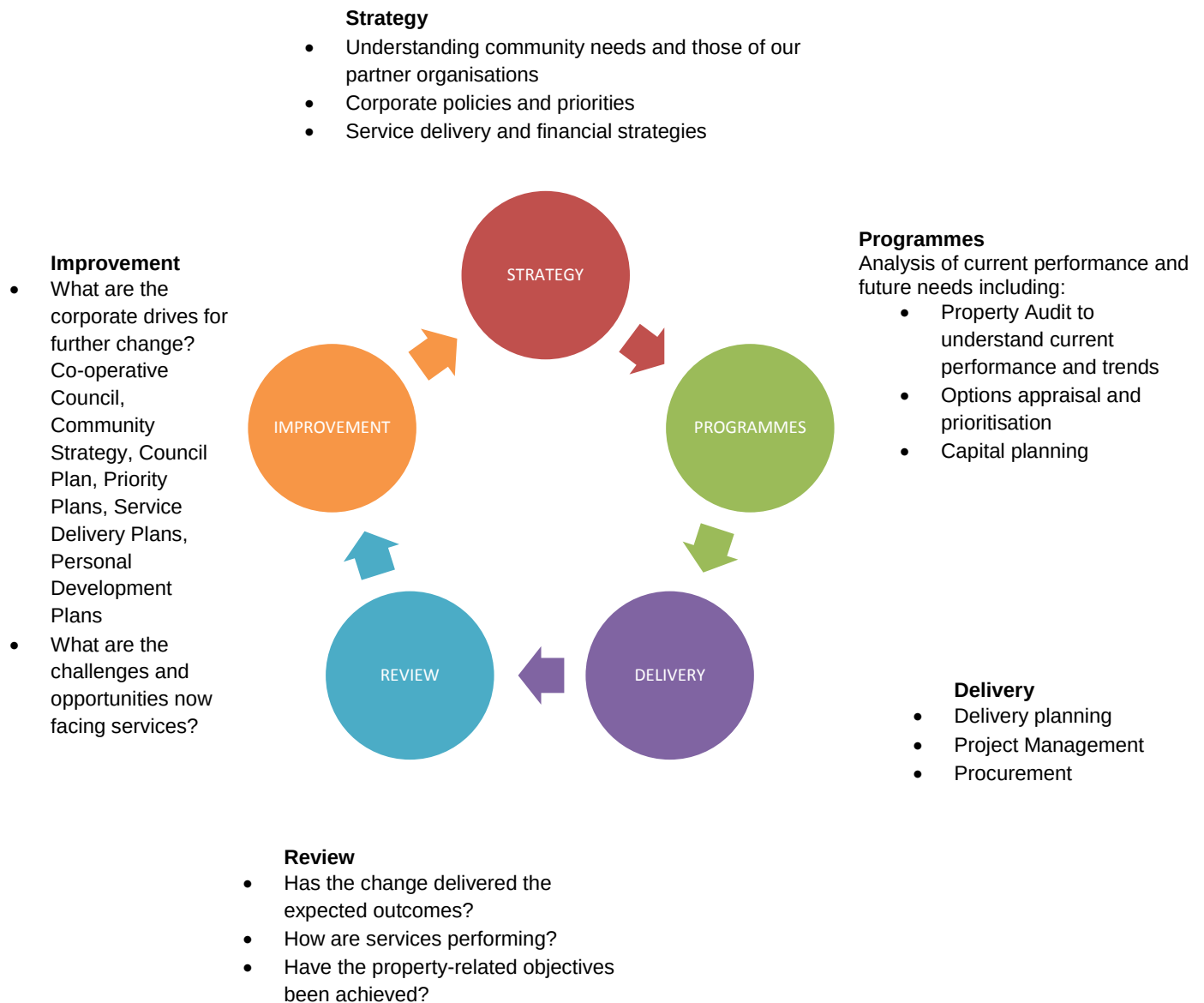
Asset Management Plan - Aims:

- Ensure assets are fit for purpose
- Maximise the use of assets
- Ensure assets are located in appropriate locations for service delivery
- Deliver an integrated approach to Asset Management across the Authority
- Reinforce a corporate approach for holding property and outline objectives
- Ensure Asset Management decisions are co-ordinated and consistent with council priorities
- Manage a simple and robust performance measurement system
- Provide comprehensive and accurate data to assess property performance and to support and facilitate improved service delivery

- Use land and buildings to facilitate the “growth” agenda and be the enabler of regeneration
- Optimise and prioritise the level of property investment, to meet the Council’s current and future service needs
- Promote the innovative use of property together with partners and stakeholders

2.0 Links to Key Plans and Objectives

The Co-operative Council approach details the Strategic Asset Management decision-making links within and across Services:



3.0 Data Management

The ability to make informed property decisions is dependant upon collating and updating accurate data.

Core Data

All Council Property Data is recorded on a Property Management System, which is designed to accommodate all forms of Property Data in a central location. The Property Management software brings all the main functions such as Asset Management, Capital Projects, Service Asset Register and Help Desk software together into one integrated solution. This provides greater exchange of information and a streamlined property database linked to a help desk. The software is Internet based and provides a direct link to customers and stakeholders, enabling them to access data and information in a user friendly environment.

- The Asset Register:

The Council maintains a central Asset Register to record valuations and information for all land and buildings, in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) and Audit requirements. A five-year rolling programme of asset and insurance valuations is in place for Operational Property, ensuring that 20% of assets are re-valued each year after the validity of the basic data/information has been verified. The Property Investment Portfolio is re-valued annually.

- Condition & Suitability

Condition Surveys of all Schools and Operational Buildings have been completed and are re-assessed as part of an on going re-survey process. Property data is captured across all service areas and work is prioritised according to the data, allowing a transparent planned programme of work to be implemented. Similarly, this enables informed decisions on investment disposal.

- Asbestos

A comprehensive Asbestos Database is held incorporating 'Type 2 Enhanced Surveys' as part of the Asset Management Data, ensuring that quality, up to date information is retained. In accordance with the Council's Asbestos Management Plan, annual risk assessments are conducted on all previously surveyed properties, to ensure that the Council targets available resources at priority items and manages the risks on site.

- Access

Accessibility to properties is paramount to the delivery of services. Comprehensive Disabled Access Audits of Operational Properties, ensuring suitability of premises in relation to Service Delivery, has been carried out. The Audits are stored electronically on the central Asset Management Database and are accessible for stakeholders and managers via a web browser. This ensures ownership under the duties imposed as part of the Disability Discrimination Act (DDA).

- Energy and Efficiency

There is a dedicated energy module as part of the Asset Management Software System, which enables analysis of property related energy data. This data feeds into the Property Performance Indicators (see Section 11), and assists when making key decisions regarding investment and disposal of property. The data also informs the Council's Climate Change Strategy, allowing a targeted approach based upon poor energy ratings of buildings to ensure resources are allocated in the right areas to reduce the carbon footprint. Carbon Reduction Commitment (CRC) has led to the Council obtaining accurate readings of all energy consumption and staff resources have been established to target high use buildings raising awareness amongst occupiers. The publication of the first CRC national league table has placed Telford & Wrekin Council at number 304 out of 2,100 Organisations. The league table ranks the United Kingdom's leading Public and Private Sector Organisations by the work they have completed on carbon management. This is an encouraging start which should improve as the BSF and Property Rationalisation programmes continue.

The first use of photovoltaics, taking advantage of the attractive feed in rates, has been completed with a private operator as part of the Wellington Civic & Leisure development. In addition, water harvesting has been installed at Hadley Learning Community, Old Park Primary and Short Wood Primary, together with sedum roofs to minimise water run off. Web enabled monitoring of heating and ventilation at new Schools is proving to be a significant benefit. This controlled management should result in meaningful reductions in energy usage, improving efficiency. Combined with the property rationalisation programme this is expected to lead to a major reduction in the Councils carbon footprint.

- Measured Surveys

Accurate, comprehensive, measured Building Surveys are available on AutoCAD for all properties.

4.0 Programme Development and Implementation

The Decision Making Process

The information contained in the Asset Management System facilitates informed, property related decisions. This corporate planning process identifies requirements for the Property Portfolio. The Council utilises data detailing condition, suitability, access, sufficiency and asbestos, in the following areas (list not exhaustive):

- Review of office accommodation
- Repair and Maintenance Programmes
- Capital Programmes
- BSF
- Property Rationalisation
- Borough Towns and Local Centre Regeneration
- Housing Investment
- Commercial Development

Maintenance Programme

The planned Maintenance Programme for 2015/16 has been submitted to Cabinet for approval in February 2015. This details the priorities set in accordance with the framework described in the Asset Management Plan.

Formulating the Property Related Capital Programme and Key Issues

In order to develop the capital programme an option appraisal is undertaken which consider; reduced operating costs, regeneration factors, service benefits, geographic and deprivation indices, alternate premises, sharing premises and partnership with the Private Sector or other Public Sector Partners. Whole life cycle costing provides a far more accurate assessment of the long-term cost effectiveness of a project, than standard economic methods that focus solely on capital costs or operating-related costs in the very short term. Research has identified the relationship between capital cost, cost in use and the cost to the business of assets as a ratio of 1:5:200. This demonstrates that the cost of operating and maintaining a building over its life will be five times the original capital cost. Moreover, the cost of staff productivity and occupation is two hundred times the capital cost.

Telford & Wrekin Council actively considers sustainability as part of asset provision, use and management and a Sustainable Procurement Strategy is embedded our commissioning approach. We are innovative in ensuring sustainability is part of all new-build and refurbishment schemes.

Key issues addressed in finalising the 2015/16 Capital Investment Programme include:

- The delivery of Capital Projects to underpin and support improved service delivery
- Property Rationalisation - planned investment in retained buildings to reduce maintenance back log
- Regeneration – support and Project Management to all Regeneration Projects
- Repair and Maintenance Programmes for the PIP will maintain income levels
- Climate Change/Energy Efficiency/ CRC

5.0 Operational Assets

Property Rationalisation/ New Ways Working

Changing Work Patterns and Culture

2014/15 was primarily a year for consolidating the moves of the previous year and disposing of the vacated properties. Highfield House, 62 Wrekin Road and The Mount in Wellington have been sold for residential development, not only bringing further vitality and footfall to Wellington but again bringing revenue through the New Homes Bonus and Council Tax. Phase 2 of our ongoing property rationalisation programme included the opening of Southwater One in July 2014. This consolidated a replacement town centre library with the One Stop Shop function from Addenbrooke House, freeing up a floor. This floor has now been used to extend Cafe Go to produce further revenue and provide additional meeting rooms. The remaining space will be considered for a further phase of consolidation and staff moves. A second move in February 2015 will involve the relocation of Future Focus (careers advice) from Madeley to Southwater One enabling the lease on the current premises to be terminated and ensuring that this important provision for young people is in the most accessible location. This will dovetail with the University move reported earlier, which will provide synergies for the young people and students using the building.

As services constantly evolve and their property needs change we continually work with them to ensure their requirements are met.

Southwater One



To date, property rationalisation has resulted in a reduction in office space of 35% with the table below providing a summary of the buildings which have been disposed of, acquired and retained. Not only has floorspace been significantly reduced but there has been a considerable reduction in the number of buildings leading to greater integration and improved service delivery.

Property	m²
Civic Offices, Town Centre	9,587
The Mount, Wellington	1,243
Highfield House, Wellington	641
Glebe Centre, Wellington	1,626
Ringway House, Wellington	210
62 Wrekin Road, Wellington	489
Pergo House, Donnington	129
Tan Bank Offices, Wellington	867
Station House, Madeley	141
Matthew Webb House, Dawley	319
Euston House, Town Centre	601
Wrekin Farmers, Bridge Road, Wellington	277
Upper House, Madeley	469
2 Landau Court, Wellington	184
4 Landau Court, Wellington	186
Edward James House, Hortonwood	475
First Point at Hadley	123
8 High Street, Hadley	83
	17,650
New Buildings:	
Whitechapel House, Priorslee	1,627
Addenbrooke House	3,538
Wellington Civic	1,573
Donnington House (part of Portico House)	336
Stafford Park 11, Unit B4	827
	7,901
Retained:	
Darby House	6,111
Granville	3,971
Strickland	322
Portico House	361
12-14 Court Street, Madeley (Planned disposal March 15)	154
	10,919
Summary:	
Disposed	17,650
New	7,901
Retained	10,919
Total for New & Retained	18,820
Reduction in Space	9,749

6.0 Regeneration Opportunities across the Borough

Telford Town Centre

Southwater Development – Phase One



The Regeneration of Telford Town Centre is a key priority for Telford & Wrekin Council, partners and the region. The regeneration will underpin and support growth, stimulate and attract investment in the Borough and create a Town Centre responding to the needs of the community. Over the last few years, regeneration has focussed on the Southwater area with the council and private sector partners looking to invest circa £250m to deliver a comprehensive mixed use development. Phase one of the development an 11 screen IMAX Cineworld Cinema, Premier Inn hotel, 11 restaurants including tenants such as Nandos, Bella Italia, Zizzi and Chimichanga to name a few, a new multi-storey car park and a new Council building, Southwater One, to house the new Library and existing Council First Point bringing services to the heart of the town centre. The development is offset by high quality landscaping and public spaces including a new Southwater Lake.

Also included within the development is a new Energy Centre (housed in the extension to the rear of the Ice Rink). The Energy Centre provides heat and hot water to Southwater One and the Ice Rink. It also has the capacity to connect to future development such as the apartments proposed on the remaining development land in Southwater. The development now effectively links the shopping centre with the The International Centre and Telford Town Park. The Council has worked closely with our public and private sector partners Citygrove, Southwater Event Group, and the Homes and Communities Agency to deliver this development.

David Wright M.P. opened Southwater One and the surrounding public realm to the public in July 2014 whilst the cinema and hotel opening followed in August 2014. The remaining restaurants opened throughout September and October 2014 with the official opening being held in October 2014 and attended by thousands of residents and visitors. Southwater is now a key asset within our wider “Destination” offer with work in 2015 focussing on the active promotion of the site for events and activities.

To the west of the development, on the site of the former Council offices, Asda opened their new 6,500 m2 store and petrol filling station in February 2014, having relocated from the northern quarter of the shopping centre.

Investment in Southwater has raised confidence levels amongst the private sector and acted as a catalyst for further investment. The owners of Telford Shopping Centre have announced a £200m investment in extensions to the Shopping Centre with the first investment to be focussed on the southern quarter, immediately adjacent to Southwater. Furthermore, in November 2014 it was confirmed that the University of Wolverhampton would be occupying the third floor of Southwater as a training and educational facility bring a higher education offer to the town centre for the first time. This completes the occupation of the building and will bring further vitality to the area.

Phase two of Southwater will see the development of apartments and additional space for bars and restaurants, adjacent to Southwater Lake. The apartments will be delivered as part of the Council Housing Investment Programme.

The Town Centre has also seen significant changes to its highway network to reflect the growth of the borough and the significant investment in town centre facilities and attractions. A number of key town centre roundabouts have been signalised and the one way box road system is in the process of being made two way to facilitate this growth. Works commenced in October 2013 and are due to be completed at the end of March 2015.



In conjunction with the Southwater development the Council has also put significant investment into both the adjoining Town Park and Ice Rink to encourage further visitors and generate income. An aerial rope course has been installed in an area of woodland just east of the new Visitor Centre. The course, which is operated by private company Closer to the Edge and opened in October 2013, includes zip wires and climbing walls. The facility is available for use by the general public as well as available for private bookings for parties, corporate bookings, educational bookings etc. In addition, a new adventure golf course has also been installed and is operated by the Council.

Borough Towns and Local Centres

The regeneration of the Borough to stimulate investment and development is critical. With reduced funding there is a need to be creative with the use of our assets to facilitate and achieve this.

Dawley & Malinslee

The Regeneration of parts of Dawley & Malinslee is well underway with the completion of the school amalgamation of two Primary Schools at Old Park Primary in September 2009 together with the opening of the new public realm in High Street, Dawley during November 2010. Another significant contribution was the reclamation of around 90 acres of spoil mounds and land fill on the edge of Dawley. This was one of the largest civil engineering projects undertaken since the old 'Telford Development Corporation' and involved the movement of 1.3 million cubic metres of material. Birse were procured through an OJEU tender and finished the works in January 2012. The first phase of the re development of this reclaimed land started in April 2012 with the new Phoenix Secondary School. This is on about 25 acres with adjacent residential development coming forward to link into the existing High Street. This will bring increased footfall to Dawley providing a significant stimulus to place shaping and regeneration.

Nearby the former Town Hall was refurbished in 2013 at a cost of around £175,000. Similarly a small refurbishment scheme was undertaken at Dawley Social Club. The club had suffered from a roof collapse over the function room and had been raising monies to repair. The Council assisted by over seeing a complete refurbishment including replacing the roof and floor together with redecoration of the room and bar. The refurbished function room and bar opened in October 2014.

Dawley Social Club Refurbishment Summer 2014



Malinslee Local Centre

Malinslee was a typical local parade of shops constructed in the 1970's. A fire destroyed two of the four shops in 2010. An option appraisal was undertaken to explore alternative forms of redevelopment. Cabinet approved the construction of the new centre with the intention of residential development once the housing market returns. Construction started in November 2011 and was completed in May 2012. The completed development includes a new Primary School, learning facility, play areas and shops. The second phase of private development started in December 2013 including a new doctor's surgery and housing and is due for completion in 2015.



Wellington

The Wellington scheme combines the existing leisure centre with a new library, registry offices and Council office accommodation which started in March 2010 and completed Spring 2012. This has partly been funded through Property Rationalisation. It has supported the Regeneration of Wellington by consolidating a significant number of staff in a purpose built, central, land mark building, in partnership with the Town Council thus providing increased footfall to support the local economy. Spurred on by this investment several long term empty shops have been renovated and occupied by private Investors. The largest of these has been the conversion of the former Bewise shop into the William Withering Public House by Wetherspoons. The former Library and Edgbaston House in nearby Walker Street have both been sold as redevelopment opportunities. Edgbaston House has been converted to flats and is now fully occupied. The library is due for refurbishment in early 2015 for a mixed residential and commercial scheme and a planning application has already been submitted. Further Properties such as The Mount, Highfield House and 62 Wrekin Road have also been sold and are at various stages of residential redevelopment.

To further bring forward more problematic sites such as the former Charlton Arms, the former bus depot and The Clifton Cinema we have entered into a partnership with the Town Council to part fund a post. As part of the 2020 Vision funding may be available to pump prime these sites and work with the owners to develop viable plans is underway.

Views of Wellington Civic & Leisure Centre



Hadley Local Centre

A major scheme to partly demolish (Phase 1 work) the 1970s shopping precinct and provide new retail and high quality public spaces secured Planning Consent and started on site in Summer 2012. Phase one, which was completed in March 2013, involved the removal of a number of flats, apartments and retail units and replacement with new retail provision including a Tesco Express and five smaller units including a Gregg's. Phase two, which included the demolition of the remaining flats a further three retail units including a veterinary surgery and the readying of a residential development site was completed December 2014.

Phase Two Under Construction



Completed Units January 2014



Brookside Local Centre

As part of the Council's co-operative approach, Brookside has been identified as a key area of focus and investment and has become a pilot area for the Council in relation to this initiative. The Centre was a 1970s precinct incorporating four shop units, a Community Centre, Pastoral Centre and a Youth Building. Consultation, undertaken throughout 2012 with the Co-operative Council pilot group, Brookside residents, Public Sector Agencies, businesses and the third sector explored options for investment in the Local Centre. Following consultation it was agreed to rebuild the shop elements and refurbish the Community Centre to include the youth provision and make major improvements to the road access and public realm spaces. Construction work on the first phase including the new shops completed in January 2014 and the second phase is now nearing completion. This phase includes the demolition of the old shops and flats together with the refurbishment of the Community Centre. The shops are now demolished and the Community Centre nearing completion with a target date of March 2015.

Brookside Construction January 2015



Hollinswood Local Centre

A similar scheme to Malinslee and Leegomery is proposed in Hollinswood involving the demolition of the existing shops and public house. These will be replaced with new shops plus an Activity Hub for Social Services providing for people with disabilities. The Hub is part of a further rationalisation of property and restructure of Social Services which will involve changing the service they offer and closing Halesfield 22 and Lakeside which are both no longer fit for purpose. The scheme will be complemented by landscaping and parking improvements as well as enhancements to the Community Centre. The proposal went out to public consultation in the summer and planning was approved in November 2014. The Woodcutter Public House which had attracted anti social activity was purchased in July 2014 and was demolished as part of the enabling works in January 2015. Construction is planned to start in March 2015.

Woodcutter (Hollinswood) Demolition January 2015



Building Schools for the Future

The Council was awarded funding for Wave 4 of the Government's Building Schools for the Future (BSF) Programme. This is a one off chance to completely transform secondary education and community buildings within the Borough. Property & ICT lead and advise on all 'Technical' aspects of this Project and are responsible for delivery of the programme.

In order to deliver transformational change, the Council has considered co locating Secondary Education with Primary Schools and Leisure/Community facilities. In certain cases this will involve closing facilities, disposing of the sites and re locating elsewhere.

In October 2009 after an extensive evaluation process Kier Construction were appointed for the first phase and work started at Abraham Darby, Madeley and Phoenix, Dawley. At Abraham Darby this included a 420 place Primary School which opened in January 2012, a new leisure provision with 4 court sports hall and 6 lane swimming pool which also opened in January 2012 together with a 900 place Academy which opened Summer 2012. Phoenix started in November 2011 and included:

- New 900 place Phoenix Secondary School together with 8 court sports hall, community sports provision and BMX track. Site setup started in February 2012 and completion is September 2013.

In addition further smaller extensions were completed at:

- Mount Gilbert, Dawley. New skills centre and internal alterations completed October 2012
- Newport Girls High School, Newport. A new multi use hall, removal of demountable classrooms and 4 new class bases completed October 2012.

Lakeside Academy – Under Construction



Holy Trinity Academy – Under Construction



The reduction in funding announced in October 2010 necessitated a further assessment of the programme. Combined with this and as part of the Government Regulations the BSF contract had to be retendered using Framework 2 as the new format. Using Ercall Wood Technology College as the sample school, the process of selecting a new contractor started in January 2012 with the successful bidder, Shepherds, appointed in the summer of 2012. Ercall Wood a 900 place Secondary School started in March 2013 and completed ready for the new academic year in September 2014. Adams Grammar school which was a refurbishment, new music centre and class rooms with a value of just over £3 million also completed for September 2014. The other schools listed below are all now underway and due to complete for September 2015 with the exception of Charlton, which is due to open in January 2016.

- Burton Borough- Refurbished secondary school
- Holy Trinity Academy - New build secondary school
- Telford Co-operative Academy - New build secondary school linked to Oakengates Leisure Centre
- Lakeside Learning Community - New build secondary, primary and leisure facility
- Charlton - New build secondary school

Ercall Wood Technology College – opened September 2014



Leisure Facilities

As part of the Council's Priority to improve the health and well being of communities a programme to extend and improve leisure facilities across the Borough has been implemented. An extension to Newport Swimming Pool costing £1million to include a new fitness suite and refurbished changing rooms started in October 2013 and finished in March 2014. The scheme was very well received and significantly increased use at the centre benefitting the public and increasing revenue to the Council.

Following the successful refurbishment and extension to Newport Swimming Pool to include a fitness (Aspirations) suite which opened in March 2014, schemes to improve Oakengates Leisure Centre and Horsehay Village Golf and Fitness Centre were also commissioned.

Oakengates was programmed for early summer 2014 completion and linked to the BSF scheme to co locate a new secondary school to the adjoining site a complete refurbishment to the existing fitness suite was undertaken. This included the refurbishment of all the changing facilities at the centre which will be shared with the new school.

The Horsehay Village Golf Club started in October 2014 and the £700,000 scheme is due for completion March 2015.

Horsehay Village Golf & Fitness Centre



Lodge Road, Donnington

As part of the Council's long term strategy around traveller sites a bid to redevelop an existing site with 13 pitches into a new site with amenity building, play area and 25 pitches received grant funding from HCA. The scheme totalling just over £2 million includes extensive ground works across previously mined areas and was carried out in two phases in order to reduce inconvenience to existing site occupiers. Phase one completed just after Christmas and the second phase is on track for completion at the end of March. The scheme will contribute towards 'New Homes bonus' for the Council and will significantly reduce illegal encampments across The Borough which currently cost the Council over £20,000 per annum to clear up.

Pre-Construction



Completion January 2015



Income Generation Opportunities

As well as using our land and property assets to deliver regeneration we are also looking at using them to facilitate income generating opportunities. Examples include the Solar Farm and Housing Investment Programme.

Solar Farm

The Council has just completed the building a 5MW capacity solar farm on 12 hectares of agricultural land at Wheatley Grange, Horton. The solar farm will be made up of more than 16,000 panels and will generate enough electricity to power more than 800 homes. Income generation is expected to start immediately with a net figure of £150,000 for the first year.

The planning application for the solar farm was approved by the Council's Planning Committee in April 2014 and Izen Energy systems were appointed following a tender process. They are a Belgium company who have a base in Staffordshire and have extensive experience of renewable energy projects.

The project forms part of our strategy to:

- become more environmentally and financially sustainable
- reduce our carbon footprint
- offset cuts in central government funding
- protect frontline services

Solar Farm under Construction



Housing Investment Programme

Telford & Wrekin Council is delivering an ambitious growth agenda which has seen major investment in Telford in support of the Council's vision. 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 Council will establish a Wholly Owned Company ("WOC") limited by shares to develop new homes to meet the Council's regeneration and growth objectives. The plans include building approximately 425 houses and apartments across 8 sites including the land at Hollinswood Strip, Randlay Lorry Park, Woodlands, Madeley Court, Newport Springfields, Matlock Avenue and Wildwood with a total investment value of approximately £52.6m. The WOC will create a number of jobs during the construction and operational phase, stimulating economic growth and regeneration opportunity.

The Borough is one of the fastest growing areas in the West Midlands and recognised as a national growth point. Key to delivering this project is:

- to provide the right quality homes:
- to provide places to live; and
- 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 Housing Investment Programme (“HIP”).



7.0 Property Investment Portfolio (PIP)

The Authority holds a number of individual sites for Investment, Regeneration and Economic Development purposes. Details of all assets and their values based on CIPFA valuation principles are contained in the Authority’s Asset Register (see Section 10). The PIP has an annual net revenue target of £5.2 million.

A UK commercial Market Survey completed by Royal Institution of Chartered Surveyors (RICS) in Q3 2014 reports ‘the recovery, in both the occupier and investment sides, retains plenty of momentum. Furthermore, progress continues to be widespread across all sectors and throughout most parts of the country. In the occupier market growth in tenant demand accelerated across the board, with the industrial sector again demonstrating the strongest results’.

The Regeneration & Investments Team continued to achieve in 2014, despite the continuing challenging economic conditions. The team has also, via a range of measures, delivered effective support to local businesses during the recent difficult economic climate. This included the offer of stepped or incentivised rents, deferred rent payment arrangements, and re-gearing of existing lease agreements. Revenue income to the Council has been maintained, costs associated with holding empty property reduced, in particular Business Rates, and jobs within the Borough safeguarded.

Regeneration & Investments continued throughout 2014 to implement its Property Disposal Programme. Completed in November 2010, the comprehensive portfolio review identified a number of underperforming assets in terms of income generation and those which were a significant drain on the repair and maintenance budget. The proceeds from such sales have been used to reinvest in modern buildings capable of providing income and capital growth, have reduced maintenance liabilities and will deliver new employment opportunities for the Borough. Examples of the investments made include a new 10,000sq/ft bespoke office/warehouse at Hadley Park let to Staubli (UK) Limited on a new 15 year lease, ten new retail units at Hadley Local Centre let to Tesco and Greggs amongst others, and the acquisitions of four new retail units within Southwater and a newly created office.

Southwater

As part of the Councils delivery of the strategic regeneration project of Southwater as described within this AMP the PIP have invested in four new retail units and a office which have been let to national and regional operators namely Green King plc, Costa, Wildwood and Mimosa which combined generate some £385,000 per annum.



Key Achievements of the Investment Portfolio in 2014

Hadley Centre (new retail facilities)



- Completion of Hadley Centre Regeneration.
- Completed development of pre let, bespoke 10,000ft² office/warehouse at Hadley Park East
- Continued assistance to customers during the economic downturn, via stepped rents, payment arrangements, and re-gearing of leases. This helped ensure achievement of the income target, and safeguarded jobs within the Borough
- Completed refurbishment of The Business Development Centre, Stafford Park 4 and increased rental income by £65,000 for 2014
- Achieved a low void rate of 3.6% of the units, and improved the process to reduce the liability for Empty Property Rates
- Instructed external agent, Lambert Smith Hampton on a sole agency basis to market available office space and further increase revenue
- Refreshed the Estates & Investments website and regularly engaged in the use of other social media, such as Twitter to market available land and property

Plans and Developments 2015

- Achieve the Investment Portfolio income target whilst continuing to be proactive in assisting local businesses

- Reduce the number of tenants who occupy by way of a licence by negotiating the grant of new leases, securing income for longer periods of time and increasing the investment value of assets held
- Continue the use of conditional break options linked to repayment of rent free incentives, surrender premiums, rent deposits and guarantees in return for lease flexibility
- Continue to reduce levels of current and former tenant debt and investigate alternative means of debt recovery
- Set and achieve clear revenue and void targets for each individual asset
- Set and effectively manage repair and maintenance budgets for each individual asset, ensuring expenditure is below approved levels
- Set and effectively manage service charge budgets for individual assets, ensuring expenditure is below approved levels
- Continue to refresh the Estates & Investments website, explore new means of marketing to attract new business and maximise revenue
- Continue to implement the Property Disposal Programme, reinvesting in assets capable of delivering revenue and capital growth, have reduced liabilities, ensuring the long term sustainability of the PIP
- Continue to explore potential development and investment opportunities presented via The Stewardship Agreement held with The Homes & Communities Agency
- Increase occupancy levels at The Business Development Centre to 95%
- Development of new properties capable of achieving the highest possible energy rating and conforming to national policies regarding sustainability and energy performance
 - Use of short term borrowing to bridge gap between disposals and acquisitions (£2m approved in December 2014)
 - Work with the Inward Investment & Business Support Teams to target specific sectors to help reduce voids in offices
 - Dispose of other poor performing assets such as Marsh Farm

Continue to work with Business Support Officers on the provision of after care and business advice given to customers of the Council, further improving rates of retention.

Land Strategy

TWC Land Assets

The Land Assets held by the Authority within the Asset Register are defined as playing fields, public open space, amenity land, woodland, paddocks etc and amount to some 300 hectares (Ha). Specifically, the area excludes the site area of built Operational and Non-Operational Assets (which extends to some 700Ha). The aim of the Land Strategy, undertaken in 2010, was to undertake a detailed appraisal of each individual land asset by collating information from a number of sources into a single database.

The information obtained for each site includes:-

Site Description
 Site Area
 Existing Use

Suitability for disposal
Potential for alternative use
Legal issues
Planning issues
Engineering information
Regeneration considerations

For specific issues such as Planning, regard was made to the adopted Local Development Framework and the sites current land allocation, together with a view on future development potential. The information collated has been used to categorise each Land Asset. A traffic light system of categorising has been adopted as follows:

Red	Land suitable for disposal
Amber	Land that may be suitable for disposal will require further investigations before a recommendation is made e.g. Engineering study, Planning Application etc.
Green	Land to be retained

The assessment was completed in 2010 with the detailed appraisal of the 358 Assets categorised as follows:

Category	Number of Assets
Red	17
Amber	107
Green	234

Approval has been granted for the disposal of all assets identified as “red” and to date six have been sold with nine currently with solicitors. Upon completion of the remaining nine sales, a capital receipt of £150,000 will have been generated for the Authority.

The Land Strategy identified a further 107 “Amber Sites” that could be suitable for disposal but where further studies/investigations are required before the assets can be sold e.g. engineering studies, ecological surveys, planning applications etc. A programme has been established to investigate these Amber Sites. These sites are being reviewed on a rolling programme with currently an additional nine sites being identified for disposal.

Assets categorised as Green (land to be retained) are continually reviewed to ensure that where criteria/circumstances have changed the site’s development /disposal can come forward.

The Land Strategy, Operational Property Strategy and PIP Strategy all connect and form the approach to Asset Management within Telford.

Management of Homes and Communities Agency (HCA) Assets

A Stewardship Agreement signed in September 2012 appointed TWC to market, promote and sell HCA’s commercial sites. The management of HCA Assets is a significant opportunity to shape how the Borough is developed in line with the localism agenda and to support the new role HCA have as a facilitator and enabler of development. It has provided the opportunity for the Council to take a proactive approach in promoting the opportunities in Telford and to support the Councils wider agenda of growth within the Borough. A number of sales have come forward since the establishment of the stewardship agreement, with 2014 seeing sales including:

The sale of 3.26 Ha site at Hortonwood completed in July 14 for a Waste Transfer Station.

The sale of 1.7Ha site at T54 completed in November 14 for an industrial warehouse. This development which has already started on site is the first development on T54 for some 15 years.

The sale of 0.59Ha site at Halsfield completed in January 15 for a plant hire business.

In addition to the agency work associated with the Stewardship agreement the Estates Team are also supporting HCA with the delivery of a range of planning applications for additional industrial development at Hortonwood and T54.

8.0 Asset Details & Performance

The Statement of Assets is found in Appendix 1.

Three key measures against condition, energy use and space utilisation are contained in Appendix 2.

With reducing budgets, maintenance/refurbishment has been kept to a minimum across both Operational Property and Schools. However, the BSF programme is beginning to reduce the school maintenance back log as new and refurbished schools are being delivered as new Academies. On the Operational side, Property Rationalisation has also reduced the backlog of outstanding maintenance as services and staff are concentrated in modern buildings and old out, dated buildings, are disposed of.

As set out in Chapter 5, energy use is increasingly important from both an environmental and financial viewpoint. Whilst we have pursued a programme of eco friendly initiatives such as bio mass boilers, increased insulation etc. this has been offset by increasing use of technology powered by electricity in buildings. It is expected that further significant reductions in usage can come from both the BSF and Property Rationalisation Programme which will both utilise modern technologies including photovoltaic technology and ground source heat pumps etc.

Similarly, space utilisation should further improve from current standards as Property Rationalisation continues (Chapter 5).

Appendix 1 - Fixed Assets Utilised by the Council

Category	Quantity	Total Values
Bus Stations	3	£864,000
Cemetery Building	1	£1
Changing Rooms & Pavilions	11	£1,156,000
Community Centres	5	£1,292,500
Travellers' Sites	2	£1,136,000
Hostels/Homeless Accommodation/Residential Homes	56	£6,183,500
Ice Rink	1	£3,230,000
Leisure Centres	7	£18,315,000
Libraries	8*	£1,322,000
Nursery Schools	1	£305,000
Offices	12	£20,237,500
Outdoor Activity Centre	1	£724,000
Primary/Infants/Junior Schools	51	£72,257,500
Public Conveniences	3	£136,800
Secondary Schools	1	£9,539,300
Academy Schools	9	£9
Ski Slope	1	£478,000
Special Schools	3	£6,486,000
Theatres	1	£1,780,000
Training/Day Centres & Residential Care	3	£1,738,000
Visitor Information Centre	1	£830,000
Youth Projects	3	£609,500
Pupil Referral Units	2	£728,500
Children Centres	2	£1,631,000
TOTAL	188	£150,980,210

*Note: 4 of these Libraries now operating from other properties

Operational Property Leased in from Property Investment Portfolio

Property Type	Quantity	Total Values
Offices	3	See PIP table for asset value
Training / Day Centre	1	See PIP table for asset value

Operational Property Leased in from Private Sector

Property Type	Quantity
Offices	1
HLC Learning Community (Private Finance Initiative – PFI)	1
TOTAL	2

Property Investment Portfolio - Details

Property Investment Assets	Quantity	Total Values
Smallholdings	1	£500,000
Offices	26	£14,069,000
Retail	30	£8,635,000
Industrial	41	£28,181,000
TOTAL	98	£51,385,000

Other Misc. Sites

Category	Quantity	Total Values
Misc Sites	154	£23,296,500
TOTAL	154	£23,296,500

APPENDIX 2

Indicator 1Bi : Required maintenance by cost expressed as a total cost in Priority levels 1–3

Telford & Wrekin Property Performance Indicators for 2014.

Priority 1–3 covers a 5 year maintenance period. The total cost of priority level 1 – 3 works for all Operational Property (including schools) is £29,010,270. The average for the previous Benchmark Group in 2011 which comprised similar sized authorities was £62,232,762.

T&WC figure is split as follows:

School Property	£21,529,991
Operational Property	£7,480,279

Previous year comparisons

		2009	2010	2011	2012	2013	2014
Schools	P1-P3	£27,657,372	£29,352,678	£28,593,580	£30,652,623	£24,617,893	£21,529,991
Operational	P1-P3	£10,134,790	£11,080,659	£12,766,526	£8,770,020	£8,369,886	£7,480,279

The condition liability for operational buildings has reduced due to major investment in capital projects such as the Ice Rink refurbishment, Addenbrooke House and Southwater, along with the overall reduction in office accommodation by 34% in recent years. The figures here include estimates for new buildings which have been acquired and do not currently have condition surveys – these will be undertaken during the normal condition update rolling programme.

School Condition Surveys do not show the full reduction due to the investment of circa £1m in 2014/15. Surveys continue to be updated in 2015 and will reflect this investment in future updates. With this in mind, the condition liability for Schools shows a further decrease this year due to the opening of Lakeside, Sutherland, Wrockwardine Wood and Phoenix as Academies, which has helped reduce the overall condition backlog circa £3m. Further reductions are expected within the next 2 years due to the further Building Schools for the Future programme projects coming on stream.

Indicator 2A : Energy costs/consumption

The running cost for all Operational Buildings (gas/electric) including schools is:

£ spend per m2 GIA **£10.31**

2011 Benchmark average **£13.57**

Previous year comparisons

Year	£ spend per m2 GIA
06/07	£10.75
07/08	£10.75
08/09	£16.59
09/10	£14.00
10/11	£13.46
11/12	£10.38
12/13	£12.11 (revised)
13/14	£10.31

Comment:

The cost of energy per m² decreased due to a fall in energy consumption in 2013/14. Total energy consumption (electricity and gas) in all buildings (operational, disposed and schools) has decreased by nearly 10% since 2012/13. This reduction in energy is most likely to be due to weather conditions as the winter 2013/14 was milder than in 2012/13.

Awareness campaigns targeted at staff to switch off lights, electrical equipment and reduce heating levels. We undertook energy audits of all operational buildings to review performance to identify and implement appropriate energy efficiency measures. The Low Carbon Schools Service has provided energy saving advice and support to schools since 2011/12. This programme enabled schools to make reductions to their energy consumption. We have implemented a number of projects to save energy consumption in schools and operational buildings during 2013/14.

Annex IV

TELFORD & WREKIN COUNCIL -

CABINET

26 FEBRUARY 2015

HIGHWAYS & TRANSPORT CAPITAL INVESTMENT PROGRAMME 2015-2018

REPORT OF THE DIRECTOR: NEIGHBOURHOOD, CUSTOMER & CULTURAL SERVICES

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

To identify the proposed planned Highways and Transport Capital Investment Programme for financial years 2015/16 – 2017/18, in accordance with the proposed Budget Strategy.

2. RECOMMENDATIONS

2.1 That Cabinet:

- i. Approve the planned Highways and Transport capital investment programme for 2015/16 – 2017/18
- ii. Delegate responsibility for agreeing any variations or changes to schemes in the capital programme that remain within overall approved budget limits to the Director of Neighbourhood and Customer Services in consultation with the Cabinet Member with responsibility for Neighbourhood Services, Employment & Skills

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Maintaining the highway network has been identified as a key priority through community consultation. Maintaining an efficient and effective transport network through the Highways and Transport Capital Programme contributes to the delivery of the following current Council Priorities: • ensure that neighbourhoods are safe, clean and well maintained; • improve the health and wellbeing of our communities and address health inequalities; • regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.
	Will the proposals impact on specific groups of people?	
	No	The highway and transport network is used by all sections of the community. As far as is practicably possible all schemes aim to meet guidance on accessibility; all maintenance schemes are based on assessments of condition of the highway network and feedback from the local community.

Annex IV

TARGET COMPLETION/DELIVERY DATE	Projects will be delivered during the financial years 2015/16 – 2017/18	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Budgetary provision for the Highways and Transport Capital Programme for 2015/16 is £15.6m which includes capital grants. Indicative capital funding for future years 16/17 and 17/18 are outlined in this report. Expenditure against budgeted allocations will be monitored and any variances or amendments will be reported through the Service and Financial Planning process as required. JAC 26/01/15
LEGAL ISSUES	No	There are no direct legal implications arising from this report, the Council has a duty to manage and maintain the highway network and any works will be procured and managed in accordance with financial and contract procedure rules.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The highway and transport network forms a key part of the physical environment that people experience on daily basis. In delivering the programme it is important that all opportunities are explored to maximise the enhancement of the local environment, where it can be done in an efficient and cost-effective way.
IMPACT ON SPECIFIC WARDS	No	This report outlines work to be delivered in 2015/16 and is based on the list of schemes developed using condition survey and community feedback and approved by Cabinet in 2012 and is supplemented with information gathered from the Pride in Your Community consultation.

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

The Council's draft Transport Asset Management Plan (TAMP) identifies that the value of the highway assets the Council is responsible for managing and maintaining is around £1.3bn at present. These assets include roads, footpaths, bridges, street lights and other highway infrastructure. In developing the Highways and Transport Capital Programme a range of factors are taken into consideration including data on condition, feedback from residents, local parish councils and ward members, programming with other schemes on site, safety and accident history. A draft three-year programme was subject to consultation with ward members and parish and town councils during December 2011. In 2014/15 a further review of the programme took place following consultation with Members and Town / Parish Councils. Therefore this Highways and Transport Programme for 2015/16 contains elements from year three of the main capital programme along with the highways related elements of the additional Pride in Your Community programme. Table 1 sets out the funding allocations until 2018 and Table 2 outlines the proposed spend breakdown by project type.

Annex IV

As anticipated in the 2012 capital programme report, new schemes have been added, based on normal rates of deterioration and requests from communities for road repairs, which can be further exacerbated by periods of cold weather. Throughout the period there may be a degree of reprioritisation required but it is aimed to deliver the agreed programme by the end of 2015/16. The Council has allocated £2m per annum from Council Capital funds specifically for carriageway maintenance in 2015/16 – 17/18. A national Pothole Review published in 2012 highlighted the importance of getting highway maintenance right first time and this involves moving some emphasis from reactive to planned maintenance. This report does not cover revenue funded reactive highway maintenance.

Source	2015-16 £'000	2016-17 £'000	2017-18 £'000	Total Indicative 3-Year Budget £'000
Council Capital Funding				
Maintenance	2,000	2,000	2,000	6,000
Integrated Transport	-	-	-	-
Street Lighting & Traffic Signals Invest to Save	977.50	325	-	1,302.50
Pride In Your Community [∞]	2,000			2,000
Total Council Capital	4,977.50	2,325	2,000	9,302.50
DFT/Other External Capital Funding*				
Maintenance	3,452*	3,165*	3,069*	9,686
Integrated Transport	729	849	939	2,517
Telford Growth Package [∞]	6,460	8,405		14,865
Total External Funding Capital	10,641	12,419	4,008	27,068
All Funding	15,618.50	14,744	6,008	36,370.50
All Funding-Highways & Transport Schemes	13,618.50	14,744	6,008	34,370.50
Pride In Your Community*	2,000	-	-	2,000
Total Funding	15,618.50	14,744	6,008	36,370.50

Source of other External Funding- Local Growth Fund, Developer contribution,

[∞]Highways element only.

*The figure will increase according to the level of incentive funding earned each year.

Table 2 summarises the draft programme for 2015/16 to 2017/18 based on the resources in Table 1 above.

Annex IV

Table 2 – Summary of Highways & Transport Capital Programme 2015/16 – 2017/18

Highway Programme Area	2015-16 £'000	2016-17 £'000	2017-18 £'000	Total 3-Year Programme £'000
Maintenance of Existing Assets				
Carriageway Maintenance (including safety maintenance schemes)	3808	3653*	3601*	11062
Footway maintenance	392	358*	347*	1097
Lighting and illuminated signs/bollards	265	240*	234*	739
Barriers & Guard Rail Maintenance	20	20*	20*	60
Drainage Maintenance	157	144*	139*	440
Structures: Maintenance	627	575*	556*	1758
Signing & Lining: renewal & maintenance	98	90*	87*	275
Annual Condition Surveys	85	85	85	255
Pride In Your Community [∞]	2,000			2,000
Transport Schemes (Improving and Amending the Highway Network)				
New / Upgraded Infrastructure	155	185	200	540
Sustainable Travel (Public Rights of Way / Safer Routes)	114	132	150	396
Safety Schemes	114	132	150	396
Public Realm & Street Scene Projects / contribution to challenge funding projects	346	400	439	1,185
Street Lighting Upgrades	977.5	325		1,302.50
Telford Growth Package [∞]	6,460	8,405		14,865
Total	15,618.50	14,744	6,008	36,370.50

[∞]Highways element only.

*The figure will increase according to the level of incentive funding earned each year.

Annex IV

Table 2 – Summary of Highways & Transport Capital Programme 2015/16 – 2017/18

Following recent consultation, the Department for Transport (DfT) has amended the formula for the allocation of maintenance funding. The change is two-fold. Firstly from 2015/16 onwards challenge funding is available for larger maintenance projects (over £5million in value) and match funding has been set aside in the hope that the Council's bid is successful. Secondly, from 2016/17 onwards a proportion of the Council's allocation will be incentive-based. Figures in tables 1 and 2 show the minimum funding that the Council is guaranteed to receive without this additional incentive funding. Full details of the incentive funding are not yet available but indications are that demonstrated commitment to a strong, technical asset management approach to the maintenance of all highway assets along with demonstrated efficiencies will form part of the criteria. The formula for the allocation of Integrated Transport funding is unchanged.

The principles of the Transport Asset Management Plan (TAMP) are around ensuring that the Council has as full an understanding as possible of the condition of its highway assets, whilst using asset management planning to maximise the effect of the available financial resources on improving the condition of the Council's highway assets. In adopting this approach the Council may not treat the roads in worst condition first as there may be instances where early intervention can prevent the need for more expensive interventions in future years; therefore in the interest of maximising the effectiveness of resources it may be necessary to allocate resources to parts of the network that are not considered to be in the worst condition.

The 'Everyday Telford - Pride in Your Community' programme, and Infrastructure Investment Fund is a resident focused investment programme being delivered across the borough over a period of 2 years to complement the Council's business and housing growth agenda. The 2-year capital and revenue investment includes £4.45m of highway related improvements delivered over two years, 2015/16 being the second year of the programme. With its focus on existing communities and its aim to ensure that the borough is an attractive place for those who live and set up businesses here, the Pride programme will also complement the Highways capital programme. The detailed Highways Programme has been developed alongside the 'Pride in Your Community Programme' to ensure maximum impact for local communities. Opportunities to link local improvements with capital highways investment are being maximised as part of the delivery of both programmes and this will enable the Council to maximise on potential efficiencies.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

Community Impact

Maintaining the highway and transport network is key to ensuring that people are able to travel for work and education, for accessing services and for leisure activities. The network is used on a daily basis by residents and visitors to the Borough and in terms of service use is likely to be the most used service the Council provides. The condition of the highway and its surroundings can have a significant influence on the overall perception of the quality of the physical environment and by linking the highway capital programme with the 'Pride' programme the Council will further maximise on opportunities to improve the local environment for the benefit of local communities. As part of the Cooperative Council approach the process of engaging contractors for the Highways Programme will include the consideration of supporting local employment and apprentice schemes.

Annex IV

Equalities Impact

Where possible, as part of the capital programme, improvements to accessibility will be carried out, such as the provision of dropped kerbs and tactile paving. This allows the Council to support its Local Transport Plan objective of improving accessibility.

Environmental Impact

Environmental improvements are incorporated into schemes wherever appropriate to support the recognition that highway and footpath condition can have a significant bearing on the perceived environmental quality of an area. Again, by identifying links with the Pride programme the Council will be able to take a Total Place approach when delivering highways schemes, thereby ensuring that both environmental and highways issues are addressed. The Council will be seeking to use recycling of materials and new more sustainable surfacing treatments, in collaboration with other local authorities, with the aim of reducing the Council's Carbon Emissions.

6. PREVIOUS MINUTES

Cabinet 22 September 2011

Cabinet 20 February 2014

Highways & Transport Capital Investment Programme 2013 - 2016

7. BACKGROUND PAPERS

Local Transport Plan 3

Draft Transport Asset Management Plan

Report prepared by Keith Harris - Transport & Highways Development Service Delivery Manager and Amanda Roberts - Highway Capital Programme Group Manager

TELFORD & WREKIN COUNCIL

**CABINET - 26 FEBRUARY 2015
COUNCIL - 5 MARCH 2015**

SERVICE & FINANCIAL PLANNING 2014/15 – 2017/18: CAPITAL PROGRAMME

REPORT OF THE MANAGING DIRECTOR, CHIEF FINANCE OFFICER (THE ASSISTANT DIRECTOR: FINANCE, AUDIT & INFORMATION GOVERNANCE), THE ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT AND THE DIRECTOR: NEIGHBOURHOOD, CUSTOMER & CULTURAL SERVICES

LEAD MEMBER: CLLR BILL McCLEMENTS

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The report details the revised capital programme for 2014/15 and the proposed capital programme for 2015/16 to 2017/18, together with the Capital Strategy (including the proposed Asset Management Plan and related Building Maintenance and the Highways and Transport capital investment programme).

2. RECOMMENDATIONS

Members are asked to:-

2.1 Approve the report and associated capital estimates for 2014/15 and 2015/16 – 2017/18, which incorporates the Capital Strategy, the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II), and Asset Management Plan (Annex III) and the three year Highways and Transport capital investment programme (Annex IV).

2.2 Delegate authority to the Assistant Director: Development, Business & Employment to deliver the planned programme of works within the Asset Management Plan and to the Director: Neighbourhood & Customer Services the Highways and Transport capital investment programme in line with the approved budgets with any variations or changes to schemes in these programmes, that remain within overall approved budgets, after consultation with the appropriate Cabinet Members.

2.3 Delegate authority to the Managing Director to finalise the terms of the HCA Agreement and enter into the Agreement on behalf of the Council in consultation with the Cabinet Member for Finance and Enterprise.

2.4 Delegate authority to the Managing Director to authorise the directors of the Wholly Owned Company to proceed with the purchase of existing properties within the funding allocations already approved by Cabinet for the Housing Investment Project after consideration of separate business cases for each proposed purchase with the Cabinet Member for Finance and Enterprise and the Cabinet Member for Neighbourhood Services, Employment & Skills

3. **SUMMARY IMPACT ASSESSMENT**

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

Yes/No All priorities are covered by the report. The overall budget framework contains funding to support the Council's work to promote Equalities & Diversity across the Borough. As part of the Planned Maintenance funding an allocation had been identified to improve accessibility, and service delivery from the Authority's buildings

Will the proposals impact on specific groups of people?

Yes/No An element of the capital improvements to Council buildings will be focused on improving accessibility. The allocation is prioritised using the full range of asset management data and specifically using the accessibility audits as well as working with Assistant Directors and the Equalities team.

**TARGET
COMPLETION /
DELIVERY DATE**

There are many different capital projects and each one has a different target completion date. Some of the programmes are ongoing, others will complete during the period of the programme as shown in Annex I.

**FINANCIAL/VALUE
FOR MONEY IMPACT**

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

LEGAL ISSUES

Yes/No All proposals are covered by the legislative framework within which the council operates

**OTHER IMPACTS,
RISKS AND
OPPORTUNITIES**

Yes/No The Council's current strategic risks has been considered as part of allocating resources in the overall programme

**IMPACT ON
SPECIFIC WARDS**

Yes/No Proposals affect all wards in the Borough

PART B – ADDITIONAL INFORMATION

4.0 SUMMARY

- 4.1 This report presents the Council's Capital Strategy for 2014/15 – 2017/18 and later years and a capital programme of £293.560m that includes the proposed investments included in the overall budget strategy. It also sets out the Council's Asset Management Plan and proposed planned Building Maintenance programme, particularly focusing on 2015/16 and the three year Highways & Transport capital investment programme. The programme includes the schemes associated with the Housing Company, but not the MOD scheme which is yet to receive approval.
- 4.2 The strategy and programmes address our corporate priorities in conjunction with the service and financial planning strategy.
- 4.3 The revenue cost of the use of the Council's own resources and unsupported borrowing are built into the proposed 2015/16 budget and future projections, while the cost of government supported allocations is currently met through a combination of Revenue Support Grant and direct capital grants., No new government supported allocations have been issued for 2015/16 or 2016/17, this is offset by a partial switching to capital grant.
- 4.4 The Asset Management Plan sets out the framework for assessing and prioritising property related issues. The approved framework has been adhered to in prioritising the planned building maintenance programme for 2015/16. The building maintenance programme has been set in accordance with the proposed budget 2015/16 – 2017/18.

5.0 STRATEGIC OVERVIEW

In the short to medium term, Telford & Wrekin Council is in a period of significant transformation and change. The drivers of this are:

- The retrenchment of public spending by the coalition Government - the Council is facing the challenge of making significant savings, totalling over £70m over the past 6 years whilst trying to protect front-line services as far as possible. Our Service and Financial Planning Strategy sets out our response to this challenge and how these savings are being identified and delivered.
- Being a Cooperative Council and reshaping the relationship between the Council, its employees, the community and partners to:
 - **Improve and bring public services together;**
 - **Involve local people and our employees more in planning and running our services;**
 - **Strengthen and develop our communities and encourage people to do more to help their own communities;**

Both of these drivers have required the Council to review its 'priorities' which have been adopted as:

As a Cooperative Council, we will work with our communities to create:

‘Telford & Wrekin – the Place of Enterprise, Innovation & Partnership’

We will:

- ***put our children and young people first***
- ***protect and create jobs as a ‘Business Supporting, Business Winning Council’***
- ***improve local people’s prospects through education and skills training***
- ***protect and support our vulnerable-children and adults***
- ***ensure that neighbourhoods are safe, clean and well maintained***
- ***improve the health and wellbeing of our communities and address health inequalities***
- ***regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing***

Capital investment clearly plays a key role in the achievement of our local priorities. Through our Asset Management Plan and Capital Strategy **we seek to maximise the value and opportunities of our assets to take forward the delivery of emerging strategic priorities.**

Our Capital Strategy and Asset Management programme are not, however, just about ‘concrete, tarmac, buildings etc’, they are about making a positive difference to the quality of local people’s lives through specific projects, services, technology and facilities. In recent years, key initiatives progressed/ delivered through targeted capital investment include:

- “Pride in your Community” – we are completing the second year of this programme which includes an investment of £8m capital and £1.86m revenue funding over 2 years (2014/15 and 2015/16) across the Borough to regenerate communities by improving the physical environment and the appearance of our neighbourhoods. This is a resident focused investment programme, to complement the Council’s business and housing growth agenda and will help ensure that the Borough is an attractive place for people to live in and to locate businesses in so supporting our growth agenda and the £8.8m additional income that is projected from retained business rates, council tax and New Homes Bonus by 2015/16.
- A commercial Housing Investment Programme which will see over 400 housing units built for private rent by a wholly owned company producing an income to help reduce the cuts to essential front-line services as well as creating an appreciating asset and associated commercial development by the Council’s Property Investment Portfolio.
- “Investing in our Roads” - The Council is committing to a programme of £2m pa (over and above the allocations that we receive from Government and the part of the “Pride in your Community” funding that will also supplement the roads programme) to maintain our road network for the next 3 years – a total investment by the Council over this period of £6m.
- Investing in land stability schemes to protect the Ironbridge Gorge – the area’s biggest tourist attraction and the West Midlands region’s only World Heritage Site.

- Regeneration schemes currently in progress in Hadley, Brookside and Oakengates with a new scheme totalling £650,000 included for St Georges for and £0.4m funding for regeneration works in Dawley approved at Cabinet on 29th January 2015.
- Nearly £200m is to be invested in Building Schools for the Future which will see seven new secondary schools re-built and a further six secondary schools re-modelled, alongside two re-built Primary Schools and new or refurbished community leisure facilities.
- A commitment to re-run the very successful Community Pride Fund in 2017/18 making a further £1m of capital grants available to our community.

CAPITAL STRATEGY: 2014/15 – 2017/18

- 6.1 During 2015/16, we are planning to invest **£110.380m** as part of a **£293.560m** capital programme, to build and improve the facilities, assets and infrastructure to support the delivery of these objectives. This investment has been secured primarily through a combination of Government grants and supported borrowing allocations, use of the Council's own resources (capital receipts), and Prudential Borrowing by the Council. Over the planning period, our capital programme is as follows:

Priority Area	Total £m	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m
Adult Social Services	2.959	1.850	1.059	0.000	0.000	0.000
Development, Business & Employment	106.540	35.949	56.023	12.754	2.064	-0.250
Neighbourhood & Leisure Services	83.763	31.080	27.403	15.494	7.008	2.778
Education & Corporate Parenting	90.804	64.808	24.595	0.469	0.529	0.403
Customer Services	5.340	2.360	1.300	0.680	1.000	0.000
Cooperative Delivery & Commercial Unit	4.039	4.039	0.000	0.000	0.000	0.000
Managing the Organisation	0.115	0.115	0.000	0.000	0.000	0.000
	293.560	140.201	110.380	29.447	10.601	2.931

- 6.2 Supporting Telford & Wrekin's role as a focus for continued growth and development until 2026 underpins all our priorities. This is very much a 'capital' agenda – though it must be supported by the day-to-day delivery of high quality and efficient and improving services for the community - and we will look creatively to utilise local resources such as the Council's land assets and land owned by other partners, and external funding and investment to turn vision into reality.
- 6.3 Details of the major projects and investments that we are looking to resource are shown in Annex I. In particular, the Council has committed to spend £8m over 2 years in its 'Everyday Telford – Pride in Your Community' programme which will improve the physical environment and regenerate communities; and will work with residents to improve the appearance of our neighbourhoods. Some of this funding forms part of

the Highways and Transport Capital Investment Programme in Annex IV. Many of the investments contribute in to the delivery of more than one Priority.

- 6.4 In addition to the projects and investments shown in Annex I there are a number of projects currently being confirmed which will have an impact on the Capital Programme for 2015/16 and future years. We are currently awaiting final confirmation that Local Growth Fund bids relating to the Telford Bus Station and Eastern Gateway (T54 employment sites) have been approved. If Local Growth Funding is approved these schemes, will be added to the Capital Programme for 2016/17. Negotiations are currently underway with the Homes and Community Agency (HCA) and the DCLG to finalise the details of an HCA land receipt sharing agreement as outlined in the report to Cabinet on 2 July 2014. The cash-flow implications of this agreement will be managed by Telford & Wrekin Council and this may necessitate short term borrowing. Approval is sought to give the Managing Director delegated authority to finalise the terms of the Agreement in consultation with the Cabinet Member for Finance and Enterprise. Any necessary changes to the Capital and Revenue budgets arising from these negotiations will be reported to Cabinet and full Council in financial monitoring reports and approvals for changes to the revenue and capital budgets sought as necessary. A report will be brought forward to Cabinet on 19 March providing an update on the proposed HCA agreement.
- 6.5 The Business Case for the Housing Investment Project that has been considered by both Council and Cabinet currently assumes that all properties will be newly built by the Council's Wholly Owned Company. However, opportunities may be identified where existing housing stock may be available for purchase at discounted rates, for example bulk purchase of new properties from developers or purchase of properties that developers have taken in part-exchange. This would enable the Council to take advantage of current low interest rates and enable a return to be generated more quickly. However, any such purchases would need to be subject to detailed business cases being prepared for any opportunities including assessment of the discount on market value available, mix of unit type and size, likely management and maintenance costs, anticipated voids, prevailing interest rates and rental income levels. To provide flexibility and enable advantage of any opportunities to be taken quickly, authority is sought for the Directors of the Wholly Owned Company to purchase properties if such a purchase is justified by a business case that at least takes into account the details referred to in this paragraph and after consulting with the Council's Managing Director and any proposed purchases are within the funding allocations already approved by Cabinet and Council for the Housing Investment Project.

7.0 CAPITAL PLANNING FRAMEWORK

- 7.1 The Council's Capital Strategy is driven by our shared Vision for the Borough and our Priorities. All our plans and spending proposals (both capital and revenue) are developed within a partnership framework. The capital strategy is seen as a key opportunity to:
- drive forward the Vision and Priorities for the Borough;
 - influence the development of the Borough and the actions of other agencies;
 - work in partnership with other bodies to pursue national and regional objectives;

- ensure that funding mechanisms are used effectively and external funding maximised;
- maintain and improve the condition and suitability of our assets.

7.2 A key feature of our approach is that capital and revenue expenditure are considered together through one integrated service and financial planning framework and process. The Council generally takes a business case approach to our capital strategy to understand the benefits of proposed alternative investments to the Council and the community.

The Capital Strategy process brings together all aspects of capital planning and management. It guides and acts as the focus for all work on capital issues. The capital strategy process is given firm leadership:

- at officer level by the Senior Management Team;
- at member level by the Cabinet.

Progress and the outcomes of capital expenditure are also considered by the Council's scrutiny committees as part of their service and financial performance monitoring role. They also input specifically to the strategy development process through scrutiny of the Draft Budget Strategy.

(i) Approach

7.3 Our approach to the Capital Strategy Process is described below. This process is continually evolving and has been developed to enable the Council to respond effectively to the developments in Capital and Asset Management Planning.

7.4 The Prudential Code of Borrowing requires us to look at capital and revenue spend in an integrated way. Under this regime, the Council has much more freedom to invest in capital projects as long as the borrowing is determined to be **affordable, prudent, sustainable and represents value-for-money**. The prudential system of capital finance makes the capital strategy a much more integral and essential part of the annual budget setting process and medium term financial strategy; developed through an emerging 3-year forward planning framework which brings together service and financial planning priorities and proposed developments to support delivery of our priorities.

(ii) Capital Strategy Process

a) Strategic Review of Needs

7.5 We annually review plans and priorities for capital spending. This is done as part of the annual corporate planning process and the outcome of major policy and/or service reviews. In seeking to determine priorities for investment and action, it is important to understand the key issues, needs and opportunities that need to be addressed. The following documents in particular map these out in detail, these are:

- 'Shaping Our Future: Our Journey to 2020' – what the Council and its partners will focus on over the next six years;

- Medium-term Council Plan – what the Council will focus on over the next three years.

7.6 The result is a clear strategic view of priorities which identifies both **pressures and developments** in terms of:

- Projects required to progress the Vision for the Borough – whether partner, Council or joint (developments);
- Projects required to meet service priorities (pressures and developments);
- Maintenance spending required on assets (pressures).

This process is done collaboratively through dialogue with partners and is also informed by the Council's annual consultation strategy. This framework encourages a joined-up focus on outcomes, on major strategic initiatives and partnership working. The outcome is a broadly-based overview of capital spending priorities, business needs and opportunities, and outcomes to be realised.

b) Strategic Consideration of Priorities, Resources and Resource Implications

7.7 The financial implications of new capital spending requirements are carefully assessed within service and financial planning in terms of:

- Overall resource availability including the anticipated results of asset disposals;
- Identification and consideration of whole life costings;
- Identification of significant revenue implications for capital proposals, with overall decisions on capital programme being made (and consulted on) as part of the overall service and financial planning process;
- Consideration of appropriate procurement strategies and potential funding regimes.
- 'Pay back'/Invest to Save potential.

7.8 The Prudential Code of Borrowing highlights the need, in making decisions on capital investment, to have regard to a number of core factors. As such, the Capital Strategy and Programme for 2015/16 has been developed around the following principles and processes:

- Corporate Strategic Planning Assessment:

7.9 Revenue and capital budgets are planned together as far as practicable each year. Desired spending has been prioritised and narrowed down into an overall capital strategy taking account of local, national and regional priorities. National priorities are considered within the parameters of the Government's Annual Capital Guidelines (ACG's) for major service areas.

- Options Appraisal to Secure Value for Money:

7.10 In developing the capital programme, the Council has sought to identify which of a number of alternative ways is the best way to fund and deliver a capital project to meet its objectives. Also, to ensure that the Council's approach to prudential borrowing is

affordable, prudent and sustainable, a set of prudential indicators have been developed to monitor performance. The case for capital investment requires consideration/identification of how such spend represents or will improve value-for-money to the community.

c) Detailed Capital Programme

7.11 The Strategic Assessment of capital spending priorities is then subjected to further internal and external consultation and translated into an achievable phased programme across the whole Council with clearly agreed and identified:

- Revenue implications.
- Procurement Arrangements;
- Timescales, project management arrangements and accountabilities;

Annex I sets out details of our committed Capital Programme 2014/15 – 2017/18 and Detailed Analysis of Capital Grants.

d) Control, Monitoring, Performance Management & Review

7.12 A corporate framework for project management exists for capital schemes. Regular monitoring of progress and spend takes place both at service level and corporately. The Asset Management Plan ensures that relevant property PIs have been incorporated into corporate performance monitoring arrangements and into the monitoring of the management of the capital programme. In-year progress is highlighted as part of the reporting arrangements of the Service & Financial Performance Management Framework.

8.0 ASSET MANAGEMENT PLANNING & PROGRAMME

Our Strategic Approach

- 8.1 The Asset Management Plan (Annex III) and associated data on Property (i.e. condition, suitability, sufficiency, access, asbestos surveys) informs the Council's Building Investment Programme. The Council has completed all surveys for Operational Properties used for the delivery of its services and these are updated on a rolling programme each year. The Council's Asset Management Plan 2015 /2018 has identified a condition backlog of £7.5million for Operational Properties (excluding schools) and £21.5m for Schools / education properties. The school condition back log will be significantly addressed over the next few years with the investment from the Building Schools for the Future Programme (BSF). The Operational Property backlog will also show significant reductions as a result of Property Rationalisation and investment in retained buildings.
- 8.2 The Building Investment Programme as identified in Annex II, is set in accordance with the approved framework for prioritising condition backlog as included in the Asset Management Plan. The proposed level of investment included in the Capital Programme 2015/16 is £1.073m for Educational Assets and £0.7m for all other Operational Assets. The budget allocations do not take into account the capital investment relating to Schools and the secured investment relating to BSF which will greatly reduce the condition backlog for

Education Properties as part of the building rationalisation process. In addition to the above capital allocations, Schools are also in receipt of Devolved Formula Capital (DFC) which is used fundamentally for repairing and maintaining the School building stock on a day to day basis.

Condition backlog as detailed in the Asset Management Plan

Priority 1

Urgent works that will prevent closure of premises and/or address a high risk to the health and safety of occupants and/or remedy a serious breach of legislation.

Priority 2

Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address medium risk to the health and safety of the occupants and/or remedy a minor breach of legislation.

Priority 3

Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of legislation.

8.3 Previous year condition comparisons

		2009	2010	2011	2012	2013	2014
Schools	P1-P3	£27,657,372	£29,352,678	£28,593,580	£30,652,623	£24,617,893	£21,529,991
Operational	P1-P3	£10,134,790	£11,080,659	£12,766,526	£8,770,020	£8,369,886	£7,480,279

*Note: Hadley PFI / Jigsaw / Madeley Academy / Abraham Darby Academy / Phoenix Academy have not been included within the above figures.

8.4 The Asset Management Database is analysed on a yearly basis as the priorities may change due to new findings as part of continuing re-surveys of property. Emergencies that occur within the financial year may also lead to reprioritisation of the allocated budgets and a change to the programme identified.

8.5 In accordance with prioritisation as set out in the Asset Management Plan we have identified the building maintenance programme for 2015/16 as identified in Annex II; all schemes listed are deemed necessary in order to maintain service delivery.

9.0 PARTNERSHIP AND CROSS CUTTING ACTIVITY

9.1

The Council actively works with partners to maximise assets for example through various co-locations of services which is a key feature in particular of the Learning Communities that are being developed. Amalgamation and co-location of services and community facilities is a key aim that drives our asset management and service planning.

10.0 CONSULTATION

10.1 The Council has been engaging widely with the local community around service and financial planning. Further details are set out in the over-arching Service and Financial

Planning report considered by Cabinet on 8 January 2015. As capital programmes are being rolled out there will be a need for further consideration on consultation with the public.

11.0 RESOURCES

11.1 Mainstream Government Supported Borrowing

The main borrowing allocations received, along with forward indications of minimum future allocations are as follows:

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m
Development, Business & Employment	0.079	0.000	0.000	0.000	0.000
Education & Corporate Parenting	0.000	1.268	0.000	0.000	0.000
Neighbourhood & Leisure Services	0.130	0.000	0.000	0.000	0.000
Total	0.209	1.268	0.000	0.000	0.000

The government have announced that no new borrowing approvals funded from RSG would be issued 2016/17.

The revenue cost of utilising these government allocations should be funded by Revenue Support Grant although this is impacted by the RSG damping mechanism which withholds a substantial part of the additional revenue funding due to the Council to support the cost of these allocations at present.

11.2 Supplementary Grants

While information is still awaited on some allocations, the following allocations have been built into the overall resources position

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m
Adult Social Services	0.950	0.431	0.000	0.000	0.000
Development, Business & Employment	12.245	3.481	0.664	0.000	0.000
Neighbourhood & Leisure Services	19.508	12.072	12.194	4.008	2.778
Customer Services	0.233	0.162	0.000	0.000	0.000
Education & Corporate Parenting	53.858	9.188	0.655	0.578	1.025
Total	86.794	25.334	13.513	4.586	3.803

11.3 Capital Receipts

The capital programme places a significant reliance on future capital receipts, totalling £66.605m shown in the table below. Any shortfall in the amounts received or re-phasing of schemes would have a revenue impact which is not built into the budget strategy. This would have to be mitigated through re-phasing of spend, re-prioritising schemes or incurring additional borrowing which would have a revenue impact which would have to be taken into account in future in the Medium Term Service & Financial Planning Strategy. Capital receipts are managed as an overall funding stream and not at individual scheme/project level.

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m
Total	1.710	25.752	31.368	7.775	0.000

11.4 Prudential Borrowing Regime

Within the budget strategy for 2014/15 to 2017/18 the level of Prudential Borrowing assumed is as follows:

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m
Total	46.204	54.147	-20.159	-1.960	-0.872

11.5 Overall Resources Position

For planning purposes, some forward allocation indications have been included below. In these cases no firm scheme proposals will be put forward for approval until actual allocations are known.

Resources Available	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Later Years £m	Total £m
Government Allocations						
Development, Business & Employment	0.079	0.000	0.000	0.000	0.000	0.079
Neighbourhood & Leisure Services	0.130	0.000	0.000	0.000	0.000	0.130
Education & Corporate Parenting	0.000	1.268	0.000	0.000	0.000	1.268
	0.209	1.268	0.000	0.000	0.000	1.477
Grant Allocations						
Adult Social Services	0.950	0.431	0.000	0.000	0.000	1.381
Development, Business & Employment	12.245	3.481	0.664	0.000	0.000	16.390
Neighbourhood & Leisure Services	19.508	12.072	12.194	4.008	2.778	50.560
Customer Services	0.233	0.162	0.000	0.000	0.000	0.395
Education & Corporate Parenting	53.858	9.188	0.655	0.578	1.025	65.304
	86.794	25.334	13.513	4.586	3.803	134.030
Other Resources						

Capital Receipts	1.710	25.752	31.368	7.775	0.000	66.605
Revenue/External	5.284	3.879	4.725	0.200	0.000	14.088
Prudential Borrowing	46.204	54.147	-20.159	-1.960	-0.872	77.360
	53.198	83.778	15.934	6.015	-0.872	158.053
Total	140.201	110.380	29.447	10.601	2.931	293.560

The revenue impact of the use of Council resources, government allocations and prudential borrowing in the proposed programme are built in to the budget summary.

12.0 CONCLUSION

12.1 Because Telford & Wrekin is a growing and changing area it has substantial capital spending needs:

- to support and meet the growing needs of the Borough and our aspirations to transform Telford & Wrekin;
- to maintain and develop the Council's own stock of capital assets;
- to address the 'New Town effect' of a commonly-ageing infrastructure.

12.2 As a former new town area, with the Council having limited land and asset holdings, we have a more limited capacity to generate capital receipts through disposals than some other authorities. We, therefore, take the capital strategy and its asset management planning very seriously. We look on capital spending as an integral element of our overall approach to Community Planning, partnership working and community engagement.

12.3 We are committed to maximising the effectiveness of our assets and capital spending and to identifying or creating opportunities to attract external funding resources. **Our focus is on delivering our priorities and policy objectives and on ensuring that our vision for the community can, each year, become more of a reality for local people.**

13. PREVIOUS MINUTES

13.1 Cabinet 8 January 2015 – Service & Financial Planning 2015/16 to 2016/17

14.1 Background Papers

14.1 Funding notifications, investment proposals, cabinet reports on various schemes, previous Capital Strategy documents and capital programmes.

Report prepared by

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TELFORD & WREKIN COUNCIL

**CABINET – 26 FEBRUARY 2015
COUNCIL – 5 MARCH 2015**

2015/16 TREASURY STRATEGY AND TREASURY UPDATE REPORT

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

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The report updates members on Treasury Management activities during 2014/15 and details the Treasury Strategy recommended to be adopted for 2015/16

2014/15 Treasury Management Update

The treasury portfolio at the end of December showed overall net indebtedness of £100.2m (borrowing: £124.1m less investments: £23.9m). Base rates have remained at 0.5% all year with the next move expected to be upwards, perhaps in the second half of 2015.

The borrowing strategy for 2014/15 is to use maturing investments to reduce borrowing and then start to take new borrowing within shorter maturities before gradually lengthening maturities. To date, one PWLB loan has matured and no new loans have been taken out. Short term borrowing has been used to fund short term cash flow requirements.

The Housing Investment Programme Business Case, approved at Cabinet on 8 January 2015, includes PWLB borrowing of £51.9m and it is anticipated that around £3m will be required in 2014/15. The impact of commercial schemes on borrowing is identified in the table below.

Commercial Schemes within External Borrowing

	31/03/14 Actual £m	31/03/15 Estimate £m	31/03/16 Estimate £m	31/03/17 Estimate £m	31/03/18 Estimate £m
External Borrowing from 5.1.3	125.583	148.486	203.901	183.742	181.782
Housing Investment programme - Houses	0.000	2.989	39.204	45.348	45.742
Housing Investment programme - PIP	0.000	0.000	6.180	6.180	6.180
PIP	0.000	2.000	2.000	2.000	2.000
External Borrowing excluding Commercial Schemes	125.583	143.497	156.517	130.214	127.860

The investment strategy for 2014/15 is to gain maximum benefit with security of

principal sum invested being the primary consideration. In line with our strategy, longer term investments have matured during 2014 and this has naturally led to a reduction in investment returns. However, the weighted average return on internal investments at the end of December 2014 was 0.98% compared to a benchmark return for the period of 0.43% which is an outstanding over-achievement against benchmark and reflects decisions taken some years ago to place investment funds in longer-term fixed rate investments when interest rates were considerably higher than they are today. A schedule of short-term investments is shown at Appendix F.

TREASURY STRATEGY

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

The Council is currently expected to be required to borrow up to £55.4m in 2015/16 based on the current capital programme plans and will adopt a flexible approach to borrowing. The borrowing requirement may increase if the Council proceeds with any other commercial projects for example Ministry of Defence. In consultation with its treasury management advisors consideration will be given to affordability, maturity profile of existing debt, interest rate and refinancing risk as well as borrowing source, which is primarily expected to be the Public Works Loan Board, but may also include the LGA Municipal bonds Agency or commercial sources..

The strategy for any investments will generally be to reduce investments in order to reduce counter-party risk and to reduce net interest costs as longer-term borrowing rates will tend to be greater than we are able to earn on new investments, but we will to lengthen investment periods, where cash flow permits, to achieve higher interest rates within acceptable risk parameters. Maximum investment levels with counterparties will be set to ensure prudent diversification is achieved whilst recognising that strict investment criteria that the Council applies severely reduces the number of suitable available counterparties and therefore sums with individual counterparties may be up to £20m at any one time.

The report also includes the Council's Minimum Revenue Provision Statement, which although the policy is unchanged from 2014/15, within the existing policy we amended how we calculate the provision from straight line to an annuity basis for Prudential Borrowing in 2013/14. For 2014/15 we have extended this change to Borrowing in relation to Government Borrowing Approvals. This includes backdating of the adjustments back to the start of the prudential regime. This will produce a one off saving in 2014/15 of £1.420m and savings in 2015/16 of £0.290m, 2016/17 £0.255m, 2017/18 £0.248m and 2018/19 £0.257m, these gradually reduce before ultimately becoming a cost. If a net present value calculation is done to the cashflows using the government's green book discount rate, then the annuity cashflow is around 10% lower. This change and saving reflects the time value of money.

The report also sets the Prudential Indicators associated with Treasury for 2015/16.

It should be noted that there may be some changes to the Treasury Strategy before it is presented to Cabinet on 26 February as further information becomes available. The final strategy will be circulated to Audit Committee Members.

2. RECOMMENDATIONS

Members are asked to

1. Note the treasury management activities for the first half year,
2. Note the Treasury Management Policy Statement (Appendix A) and
3. Approve the Treasury Strategy, including the Annual Investment Strategy for 2015/16 together with the associated treasury Prudential Indicators and the Minimum Revenue Provision Statement.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT

Do these proposals contribute to specific priority plan objectives?

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

Will the proposals impact on specific groups of people?

Yes/ No

TARGET COMPLETION / DELIVERY DATE

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

FINANCIAL/VALUE FOR MONEY IMPACT

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

LEGAL ISSUES

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

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

OTHER IMPACTS, RISKS AND OPPORTUNITIES

Yes/ No The key opportunities and risks associated with treasury management activities are set out in the body of the report and in the Treasury Management Strategy and Policy approved by Council and will be regularly monitored throughout the year.

IMPACT ON SPECIFIC WARDS

Yes/ No

PART B – ADDITIONAL INFORMATION

4. 2014/15 TREASURY MANAGEMENT UPDATE

4.1 CURRENT PORTFOLIO POSITION

	31 March 14	31 Dec 14
	Principal	Principal
	£m	£m
Fixed Rate Borrowing - PWLB	39.521	29.021
Fixed Rate Borrowing - LOBO	60.000	60.000
Variable Rate Borrowing - market	<u>26.062</u>	<u>35.100</u>
Total Debt	125.583	124.121
Investments - in-house	<u>23.510</u>	<u>23.950</u>
Total Investments	23.510	23.950
Net Indebtedness	102.073	100.171

4.2 INTEREST RATES

Base rates began the year at 0.5% and have remained unchanged all year. The Bank of England Quantitative Easing programme remained at £375bn. The next move in the base rate is expected to be upwards, some time in late 2015 and will be strongly linked to the recovery of the economy.

4.3 BORROWING & RESCHEDULING

The borrowing strategy for the current year has been to use maturing investments to reduce borrowing where possible and to undertake new longer term borrowing initially in shorter maturities before gradually extending maturities.

Rescheduling

During 2014/15 no rescheduling has taken place as market conditions have not been favourable, however the scope for opportunities is regularly monitored.

New Borrowing

During the year one PWLB loan matured in July for £10m.

Between the period 1 June 2014 (previous Member update) and 31 December 2014, £58.1m of temporary loans have been raised in order to fund short-term cash flow requirements at various points. Interest rates have ranged from 0.26% to 0.45% - interest rates have remained fairly low during this time. £35.1m of this temporary borrowing was outstanding at 31 December 2014.

4.4 INVESTMENTS

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

4.4.1 In-House Investments

The majority of the Council's investments are internally managed – currently just temporary investments for cash flow purposes. The target return is to achieve at least the 7 day deposit rate.

Temporary Investments

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

In total £1,628m of investments were placed between 1 June and 31 December. Interest rates have ranged from 0.35% to 0.55% and periods ranged from overnight deposits to 21 days. £23.950m in house temporary investments were held at 31 December 2014.

Longer Term Investments

A number of internally managed deposits have been made previously. This has not been added to during 2014/15 and two investments have matured during the year for £5.0m each. We currently hold no longer term investments.

It should be noted that under the current guidance from our Treasury Advisors our investment policy would mean that new investments should not be placed for longer than 12 months.

Overall the weighted average return on all internal investments for the year to date was 0.98% compared to a benchmark return for the period of 0.43%.

4.4.2 Overall Position and Exposure

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

Our current counterparty limit and maximum exposure is £20.0m with any one counterparty. At the end of December the greatest exposure with a single counterparty was £14.7m with Svenska Handelsbanken (62% of the total portfolio).

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

4.5 LEASING

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

The first drawdown for 2014/15 was completed in October. The drawdown from JCB Finance totalled £0.229m and funded the purchase of equipment over three and five years at interest rates of 1.22% and 1.57% respectively. A further lease drawdown is anticipated in March.

5. TREASURY STRATEGY FOR 2015/16 to 2017/18

5.1 BACKGROUND

5.1.1 The CIPFA Treasury Management Code of Practice

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

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

- Treasury Management Strategy for 2015/16
- Annual Investment Strategy for 2015/16
- Prudential Indicators for 2015/16, 2016/17, 2017/18 and 2018/19
- MRP Statement.

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

As per the requirements of the Prudential Code, the Authority adopted the CIPFA TM Code at a meeting of Full Council on 4 March 2010. In addition, the Department for Communities and Local Government (CLG) issued revised Guidance on Local Authority Investments in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance.

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

The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

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

5.1.2 External Context

Economic background: There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP. However, inflationary pressure is extremely benign and is likely to remain low in the short-term. There have been

large falls in unemployment but levels of part-time working, self-employment and underemployment are significant and nominal earnings growth remains weak and below inflation.

The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee. Despite two MPC members having voted for an 0.25% increase in rates at each of the meetings between August and December 2014, the minutes of the January 2015 meeting showed unanimity in maintaining the Bank Rate at 0.5% as there was sufficient risk that low inflation could become entrenched and the MPC became more concerned about the economic outlook.

Credit outlook: The transposition of two European Union directives into UK legislation in the coming months will place the burden of rescuing failing EU banks disproportionately onto unsecured local authority investors. The Bank Recovery and Resolution Directive promotes the interests of individual and small businesses covered by the Financial Services Compensation Scheme and similar European schemes, while the recast Deposit Guarantee Schemes Directive includes large companies into these schemes. The combined effect of these two changes is to leave public authorities and financial organisations (including pension funds) as the only senior creditors likely to incur losses in a failing bank after July 2015.

The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, the credit risk associated with making unsecured bank deposits will increase relative to the risk of other investment options available to the Authority.

Interest rate forecast: The Authority's treasury management advisor Arlingclose forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%. Arlingclose believes the normalised level of the Bank Rate post-crisis to range between 2.5% and 3.5%. The risk to the upside (i.e. interest rates being higher) is weighted more towards the end of the forecast horizon. On the downside, Eurozone weakness and the threat of deflation have increased the risks to the durability of UK growth. If the negative indicators from the Eurozone become more entrenched, the Bank of England will likely defer rate rises to later in the year. Arlingclose projects gilt yields on an upward path in the medium term, taking the forecast average 10 year PWLB loan rate for 2015/16 to 2.7%.

5.1.3 Local Context

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

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

The Authority is able to borrow funds in excess of the current level of its CFR up to the projected level in 2018/19. The Authority is likely to only borrow in advance of need if it felt the benefits of borrowing at interest rates now compared to where they are expected to be in the future, outweighs the current cost and risks associated with investing the proceeds until the borrowing was actually required.

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

The estimates, based on the current Revenue Budget and Capital Programmes, are:

	31/03/14 Actual £m	31/03/15 Estimate £m	31/03/16 Estimate £m	31/03/17 Estimate £m	31/03/18 Estimate £m
Capital Financing Requirement	271.107	313.465	363.131	336.780	328.723
Less: Other long term liabilities (e.g. PFI)	-59.723	-58.756	-57.605	-58.052	-56.200
Borrowing CFR	211.384	254.709	305.526	278.728	272.523
Less: External Borrowing	-125.583	-148.486	-203.901	-183.742	-181.782
Internal Borrowing	85.801	106.223	101.625	94.986	90.741
Less: Usable reserves	-54.047	-54.047	-54.047	-54.047	-54.047
Less: Working capital	-55.264	-52.176	-47.578	-40.939	-36.694
Investments	23.510	0.000	0.000	0.000	0.000

Commercial Schemes within External Borrowing

External Borrowing from Above	125.583	148.486	203.901	183.742	181.782
Housing Investment programme - Houses	0.000	2.989	39.204	45.348	45.742
Housing Investment programme - PIP	0.000	0.000	6.180	6.180	6.180
PIP	0.000	2.000	2.000	2.000	2.000
External Borrowing excluding Commercial Schemes	125.583	143.497	156.517	130.214	127.860

The table above shows a falling Capital Financing Requirement from 31/03/16 onwards and this combined with maturing investments reduces the need to borrow other than replacing maturing borrowing and converting from temporary borrowing to fixed borrowing at the best time for the Council dependent on market conditions.

The row relating to debt includes debt associated with funding the Council's proposed Housing Investment Programme together with associated PIP development and other PIP investments in 2014/15. The projected income from these projects will generate a surplus after funding the debt and operational costs. The outstanding debt relating to the Housing Investment Programme will be repaid by the eventual sale of some or all of the properties held by the Council's wholly owned company. The proceeds of any partial disposals will be used to reduce the outstanding debt until the whole amount of debt used to fund the investment has been repaid. If the Council proceeds with an investment to fund a new logistics centre for the Ministry of Defence at Donnington, this debt, which would also be more than offset by income from the

scheme, will also be detailed separately in future reports.

5.1.4 Borrowing Strategy

The Authority currently holds £124.121 million of loans, a slight reduction of £1.462 million on the previous year. The Council also holds £60.442 million of other longer term liabilities (mainly PFI). The balance sheet forecast in the above table shows that the Authority expects borrowing to increase by year end and continue to increase during 2016/17 before starting to fall over the next few years as capital receipts are realised. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £390 million.

The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow using short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. Whilst such a strategy is most likely to be beneficial over the next 1-2 years as official interest rates remain low, it is unlikely to be sustained in the medium-term. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2015/16 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

In addition, the Authority may borrow short-term loans to cover exceptional cash flow shortages.

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board and its successor body
- UK local authorities, including Fire and Police Authorities
- any institution approved for investments (see below)
- any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK
- UK public and private sector pension funds
- capital market bond investors
- Local Authority Capital Finance Company and other special purpose companies created to enable joint local authority bond issues.

The Authority has previously raised a significant part of its long-term borrowing from the Public Works Loan Board, but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

LGA Bond Agency: Local Capital Finance Company was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for three reasons: borrowing authorities

may be required to provide bond investors with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; there will be a lead time of several months between committing to borrow and knowing the interest rate payable; and up to 5% of the loan proceeds will be withheld from the Authority and used to bolster the Agency's capital strength instead. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

LOBOs: The Authority holds £60m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. £55m of these LOBOS have options during 2015/16, and although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk, which will arise at some point in the future when interest rates increase. The Authority will take the option to repay LOBO loans at no cost if it has the opportunity to do so. Total borrowing via LOBO loans will be limited to £60m. Short-term and variable rate loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Some bank lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall saving or reduction in risk. Treasury management and borrowing strategies in particular continue to be influenced not only by the absolute level of borrowing rates but also the relationship between short and long term interest rates. The interest rate forecast provided in Appendix D indicates that an acute difference between short and longer term interest rates is expected to continue. This difference creates a "cost of carry" for any new longer term borrowing where the proceeds are temporarily held as investments because of the difference between what is paid on the borrowing and what is earned on the investment. Whilst the cost of carry can be assumed to be a reasonably short-term issue since borrowing is often for longer dated periods (anything up to 50 years) it cannot be ignored against a backdrop of uncertainty and affordability constraints in the Authority's wider financial position.

5.2 Investment Strategy

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £3 million and £49 million, and levels are expected to reduce in the forthcoming year now that long term investments have matured and been used to avoid/reduce borrowing.

Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

The Authority may invest its surplus funds with any of the counterparties in table 2 below, subject to the cash and time limits shown.

Approved Investment Counterparties

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£20m 5 years	£20m 20 years	£20m 50 years	£10m 20 years	£20m 20 years
AA+	£20m 5 years	£20m 10 years	£20m 25 years	£10 m 10 years	£20m 10 years
AA	£20m 4 years	£20m 5 years	£20m 15 years	£10m 5 years	£20m 10 years
AA-	£20m 3 years	£20m 4 years	£20m 10 years	£10m 4 years	£20m 10 years
A+	£20m 2 years	£20m 3 years	£20m 5 years	£10m 3 years	£20m 5 years
A	£20m 13 months	£20m 2 years	£20m 5 years	£10m 2 years	£20m 5 years
A-	£20m 6 months	£20m 13 months	£20m 5 years	£10m 13 months	£20m 5 years
BBB+	£10m 100 days	£10m 6 months	£10m 2 years	£5m 6 months	£10m 2 years
BBB or BBB-	£5m next day only	£5m 100 days	n/a	n/a	n/a
None	£0m 6 months	n/a	£5m 25 years	£1,000 5 years	£0m 5 years
Pooled funds	£10m per fund				

There is no intention to restrict investments to bank deposits, and investments may be made with any public or private sector organisations that meet the above credit rating criteria. The table reflects a lower likelihood that the UK and other governments will support failing banks as the bail-in provisions in the Banking Reform Act 2014 and the EU Bank Recovery and Resolution Directive are implemented.

Credit Rating: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB or BBB- are restricted to overnight deposits at the Authority's current account bank.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured

investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period may be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Regard will

therefore be given to other available information on the credit quality of the organisations in which it invests as advised by our treasury advisors, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if our Treasury Advisors have raised substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of "high credit quality".

The Authority defines "high credit quality" organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

The Council's purchase of shares in the Housing Wholly Owned Company and subsequent loans to the company are service-related and are not included in the annual investment strategy.

Table 3: Non-Specified Investment Limits

	Cash limit
Total long-term investments	£25m
Total investments without credit ratings or rated below A-	£5m
Total investments in foreign countries rated below AA+	£5m
Total non-specified investments	£30m

It should be noted that the authority has an historic investment in Shropshire Waste Management shares totalling £33k which was transferred when the Unitary authority was created in 1998.

Investment Limits: The Authority has revenue reserves, which could be used to cover investment losses and are forecast to be £54 million on 31st March 2015 although not all of these are available. In order that no more than 50% of reserves(as recommended by the code) will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £20 million. A group of banks under the same ownership or a group of funds under the same management will be treated as a single organisation for limit purposes. Limits will also be placed on investments in brokers' nominee accounts (e.g. King & Shaxson), foreign countries and industry sectors as below:

Approved Instruments: The Authority may lend or invest money using any of the following instruments:

- interest-bearing bank accounts,
- fixed term deposits and loans,
- callable deposits and loans where the Authority may demand repayment at any time (with or without notice),
- callable deposits and loans where the borrower may repay before maturity, but subject to a maximum of £5 million in total,
- certificates of deposit,
- bonds, notes, bills, commercial paper and other marketable instruments, and
- shares in money market funds and other pooled funds.

Investments may be made at either a fixed rate of interest, or at a variable rate linked to a market interest rate, such as LIBOR, subject to the limits on interest rate exposures below.

Liquidity management: The Authority uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

5.3 Ethical Investment

The Council will not knowingly directly invest in organisations whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the

Council. At the same time the Council will take full responsibility for proper management of risk and safeguarding its investments by ensuring that they are diversified and made with organisations suitably credit assessed.

The Council's lending activity will be subject to (in order of rank)

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

5.4 The Use of Financial Instruments for the Management of Risks

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

5.5 Balanced Budget Requirement

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

5.6 2015/16 MRP Statement

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

5.6.2 The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method
- Option 4: Depreciation Method

NB This does not preclude other prudent methods.

- 5.6.3** MRP in 2015/16: Options 1 and 2 may be used only for supported expenditure. Methods of making prudent provision for self financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).
- 5.6.4** The MRP Statement will be submitted to Council before the start of the 2015/16 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.
- 5.6.5** The Council will apply Option 3 in respect of both supported capital expenditure unsupported capital expenditure.

MRP will be calculated under option 3 on an annuity method as allowed within the guidance. Within the existing policy we amended how we calculate the provision from straight line to an annuity basis for Prudential Borrowing in 2013/14. For 2014/15 we have extended this change to Borrowing in relation to Government Borrowing Approvals. This includes backdating of the adjustments back to the start of the prudential regime. This will produce a one off saving in 2014/15 of £1.420m and savings in 2015/16 of £0.290m, 2016/17 £0.255m, 2017/18 £0.248m and 2018/19 £0.257m, these gradually reduce before ultimately becoming a cost. If a net present value calculation is done to the cashflows using the government's green book discount rate, the annuity cashflow is around 10% lower. This change and saving reflects the time value of money.

Also MRP in respect of leases and Private Finance Initiative schemes brought on Balance Sheet under the International Financial Reporting Standards (IFRS) based Accounting Code of Practice will match the annual principal repayment for the associated deferred liability.

5.7 Monitoring and Reporting on the Treasury Outturn and Prudential Indicators

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

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

6 Other Items

6.1 Training

CIPFA's Code of Practice requires the responsible officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities. Full training will be made available for appropriate new members following the local

elections in May 2015.

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

6.2 Investment Consultants/Treasury Advisors

The Council uses Arlingclose as its external treasury management advisers.

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

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review to ensure the quality of any such service is controlled. During 2015/16 the Council will re-tender the contract for the provision of this service.

7. BACKGROUND PAPERS

CIPFA Code of Practice for Treasury Management in Local Authorities

Temporary Borrowing Records

PWLB records

Investment records

Draft Treasury Strategy provided by Arlingclose

Local Government Act 2003

CLG Guidance on Local Authority Investments

Audit Commission – Risk and Return

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TREASURY MANAGEMENT POLICY STATEMENT

1. INTRODUCTION AND BACKGROUND

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

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

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

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

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

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

2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

2.1 The Council defines its treasury management activities as:

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

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

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

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

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

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

APPENDIX B

EXISTING PORTFOLIO PROJECTED FORWARD

	Current Portfolio £m	%	31/3/15 Estimate £m	31/3/16 Estimate £m	31/3/17 Estimate £m	31/3/18 Estimate £m	31/3/19 Estimate £m
External Borrowing:							
Fixed Rate – PWLB	29.0	16	68.5	87.5	86.5	85.5	84.5
Fixed Rate – Market	60.0	32	60.0	60.0	60.0	60.0	60.0
Variable Rate – PWLB	0.0	0	0.0	0.0	0.0	0.0	0.0
Variable Rate – Market	35.1	19	20.0	56.4	37.2	36.3	36.4
Total External Borrowing	124.1	67	148.5	203.9	183.7	181.8	180.9
IFRS Long Term Liabilities:							
PFI	59.7	33	56.9	57.3	55.5	53.3	50.9
Finance Leases	0.7	0	0.7	0.7	0.7	0.7	0.7
Total Gross External Debt	184.5	100	206.1	261.9	239.9	235.8	232.5
Investments: <i>Managed in-house</i>							
Short-term monies (Deposits/ monies on call /MMFs)	23.9	100	0.0	0.0	0.0	0.0	0.0
Long-term investments (maturities over 12 months)	0.0	0	0.0	0.0	0.0	0.0	0.0
Total Investments	23.9	100	0.0	0.0	0.0	0.0	0.0
(Net Borrowing Position)/ Net Investment position	(160.6)		(206.1)	(261.9)	(239.9)	(235.8)	(232.5)

Appendix C

Prudential Indicators 2015/16 – 2018/19

1 Background:

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

2. Gross debt and the Capital Financing Requirement:

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

The Assistant Director: Finance, Audit & Information Governance reports that the authority had no difficulty meeting this requirement in 2014/15, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. Estimates of Capital Expenditure:

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

Capital Expenditure	14/15 Approved £m	14/15 Revised £m	15/16 Estimate £m	16/17 Estimate £m	17/18 Estimate £m	18/19 Estimate £m
Total	115.650	140.201	110.380	29.447	10.601	2.931

**if applicable*

3.2 Capital expenditure will be financed or funded as follows:

Capital Financing	14/15 Approved £m	14/15 Revised £m	15/16 Estimate £m	16/17 Estimate £m	17/18 Estimate £m	18/19 Estimate £m
Capital receipts	38.252	1.710	25.752	31.368	7.775	0.000
Government Grants	75.018	86.794	25.334	13.513	4.586	3.803
Revenue / External contributions	1.418	5.284	3.879	4.725	0.200	0.000
Total Financing	114.688	93.788	54.965	49.606	12.561	3.803
Supported borrowing	0.658	0.209	1.268	0.000	0.000	0.000
Unsupported borrowing	0.304	46.204	54.147	-20.159	-1.960	-0.872
Total Funding	0.962	46.413	55.415	-20.159	-1.960	-0.872
Total Financing and Funding	115.650	140.201	110.380	29.447	10.601	2.931

4. Ratio of Financing Costs to Net Revenue Stream:

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

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

Ratio of Financing Costs to Net Revenue Stream	14/15 Approved %	14/15 Revised %	15/16 Estimate %	16/17 Estimate %	17/18 Estimate %	18/19 Estimate %
Total	3.85	3.82	4.78	4.78	5.11	5.10

5. Capital Financing Requirement:

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

Capital Financing Requirement	14/15 Approved £m	14/15 Revised £m	15/16 Estimate £m	16/17 Estimate £m	17/18 Estimate £m	18/19 Estimate £m
Total CFR	275.699	313.465	363.131	336.780	328.723	321.620

6. Actual External Debt:

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

Actual External Debt as at 31/03/14	£m
Borrowing	125.583
Other Long-term Liabilities	60.461
Total	186.044

7. Incremental Impact of Capital Investment Decisions:

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

Incremental Impact of Capital Investment Decisions	14/15 Approved £	15/16 Estimate £	16/17 Estimate £	17/18 Estimate £	18/19 Estimate £m
Increase in Band B Council Tax	4.07	22.08	24.61	25.68	26.54

7.2 The increase in Band B council tax reflects the increases in the provision for Capital Financing Charges of £1.519m by 2019/20 to undertake additional borrowing of £84.614m arising from the proposed capital programme. These costs include the Housing Company scheme and associated Property Investment Portfolio which are self financing, but don't include any costs relating to the MOD scheme. In the short term there are savings due to the rephasing of existing planned borrowing and medium term there is spending ahead of anticipated capital receipts, but once complete the overall increase in Band B is £26.14.

8. Authorised Limit and Operational Boundary for External Debt:

8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR. Both limits have been set to allow for the commencement of the MOD scheme should it receive approval.

8.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

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

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

Authorised Limit for External Debt	14/15 Approved £m	14/15 Revised £m	15/16 Estimate £m	16/17 Estimate £m	17/18 Estimate £m	18/19 Estimate £m
Borrowing	170	240	327	308	309	300
Other Long-term Liabilities	64	64	63	62	61	60
Total	234	304	390	370	370	360

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

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

Operational Boundary for External Debt	14/15 Approved £m	14/15 Revised £m	15/16 Estimate £m	16/17 Estimate £m	17/18 Estimate £m	18/19 Estimate £m
Borrowing	158	223	309	289	290	281
Other Long-term Liabilities	62	62	61	61	60	59
Total	220	285	370	350	350	340

9. Adoption of the CIPFA Treasury Management Code:

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

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its Council meeting on 4 March 2010.

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

10. Gross Debt and the Capital Finance Requirement

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

Gross and Net Debt	14/15 Estimated £m	15/16 Authorised £m	16/17 Authorised £m	17/18 Authorised £m	18/19 Authorised £m
Outstanding Borrowing (at nominal value)	148.486	203.901	183.742	181.782	180.910
Other Long-term Liabilities (at nominal value)	58.756	57.605	58.052	56.200	53.959
Gross Debt	207.242	261.506	241.794	237.982	234.869

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

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

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

Guidance note on quantum of acceptable volatility...

	Existing level (or Benchmark level) at 31/03/14 %	14/15 Approved %	14/15 Revised %	15/16 Estimate %	16/17 Estimate %	17/18 Estimate %	18/19 Estimate %
Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100	100	100
Upper Limit for Variable Interest Rate Exposure	30	30	30	30	30	30	30
Local Indicator – Upper limit for net variable rate exposure. (Net principal re gross variable rate borrowing and investments divided by gross borrowing plus investments)	70	70	70	70	70	70	70

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

12. Maturity Structure of Fixed Rate borrowing:

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

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

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

Maturity structure of fixed rate borrowing	Existing level (level at 31/03/14) %	Lower Limit for 15/16 %	Upper Limit for 15/16 %
under 12 months	29 (30)	0	50
12 months and within 24 months	1 (1)	0	30
24 months and within 5 years	2 (2)	0	50
5 years and within 10 years	1 (1)	0	75
10 years and within years	0 (0)	0	75
years and within 30 years	0 (0)	0	75
30 years and within 40 years	12 (12)	0	100
40 years and within 50 years	15 (14)	10	100
50 years and above	40 (40)	15	100

13. Credit Risk:

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

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

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

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

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

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

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

Upper Limit for total principal sums invested over 364 days	14/15 Approved %	14/15 Revised %	15/16 Estimate %	16/17 Estimate %	17/18 Estimate %	18/19 Estimate %
	95	95	95	95	95	95

Appendix D – Arlingclose Economic & Interest Rate Forecast January 2015

Underlying Assumptions:

- Underlying assumptions:
 - The UK economic recovery slowed towards the end of 2014, with economic and political uncertainty weighing on business investment. However, the Q3 growth rate of 0.7% remains slightly above the long run average, suggesting the recovery remains robust.
 - Household consumption is key to the recovery in 2015. While we expect consumption growth to slow, given softening housing market activity and slower employment growth, the fall in inflation and resulting rise in both real (and nominal) wage growth and disposable income should support spending.
 - Inflationary pressure is currently low (annual CPI is currently 0.5%) and is likely to remain so in the short-term. The fall in oil prices has yet to feed fully into the prices of motor fuel and retail energy and CPI is expected to fall further. Supermarket price wars are also expected to bear down on food price inflation.
 - The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.
 - Nominal earnings growth is strengthening, but remains relatively weak in historical terms, despite large falls in unemployment. Our view is that spare capacity remains extensive. The levels of part-time, self-employment and underemployment are significant and indicate capacity within the employed workforce, in addition to the still large unemployed pool. Productivity growth can therefore remain weak in the short term without creating undue inflationary pressure.
 - However, we also expect employment growth to slow as economic growth decelerates. This is likely to boost productivity, which will bear down on unit labour costs and inflationary pressure.
 - In addition to the lack of wage and inflationary pressures, policymakers are evidently concerned about the bleak prospects for the Eurozone. These factors will maintain the dovish stance of the MPC in the medium term. The MPC clearly believes the appropriate level for Bank Rate for the post-crisis UK economy is significantly lower than the previous norm. We would suggest this is between 2.5 and 3.5%.
 - The ECB has introduced outright QE as expected. While this may alleviate some of the anxiety about the economic potential of the Eurozone, political risk remains significant (e.g. Greek election). Therefore fears for the Eurozone are likely to maintain a safe haven bid for UK government debt.

Forecast:

- We continue to forecast the first rise in official interest rates in Q3 2015, but the risks to this forecast are very much weighted to the downside. The February Inflation Report will be key to our review of the possible path for Bank Rate.
- We project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; we believe the normalised level of Bank Rate post-crisis to range between 2.5% and 3.5%.

- Market sentiment (derived from forward curves) has shifted significantly lower in the past three months; market expectations are now for a later increase in interest rates and a more muted increase in gilt yields.
- The short run path for gilt yields has flattened due to the sharp decline in inflation expectations. We project gilt yields on an upward path in the medium term.
- The short run path for gilt yields is flatter due to the deteriorating Eurozone situation. We project gilt yields on an upward path in the medium term.

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Official Bank Rate													
Upside risk				0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Case	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75	1.75
Downside risk			0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00
3-month LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.55	0.60	0.80	0.90	1.05	1.15	1.30	1.40	1.55	1.65	1.80	1.95	2.00
Downside risk	0.15	0.20	0.30	0.40	0.55	0.65	0.75	0.85	0.95	0.95	0.95	0.95	1.00
1-yr LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.95	1.00	1.20	1.30	1.45	1.55	1.70	1.80	1.95	2.05	2.20	2.35	2.40
Downside risk	0.15	0.20	0.30	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.80	0.80	0.80
5-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50
Arlingclose Central Case	1.10	1.20	1.30	1.40	1.50	1.65	1.80	1.95	2.10	2.20	2.35	2.40	2.50
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.75
10-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50	0.55	0.55
Arlingclose Central Case	1.60	1.70	1.80	1.90	2.00	2.15	2.30	2.45	2.60	2.70	2.85	2.90	3.00
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.75	0.80
20-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.10	2.20	2.30	2.35	2.45	2.50	2.65	2.75	2.90	3.00	3.15	3.20	3.30
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90
50-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.15	2.25	2.35	2.40	2.50	2.55	2.70	2.80	2.95	3.05	3.20	3.25	3.35
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90

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

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

Instrument	Country/ Domicile	Counterparty	Maximum Counterparty Limit %/£m	Maximum Group Limit (if applicable) %/£m	Council Holding At 31/12/14 £m
Term Deposits / CDs / Call Accounts	UK	Santander UK Plc (Banco Santander Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Bank of Scotland (Lloyds Banking Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Lloyds TSB (Lloyds Banking Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Barclays Bank Plc	20	20	0
Term Deposits / CDs / Call Accounts	UK	HSBC Bank Plc	20	20	9.25
Term Deposits / CDs / Call Accounts	UK	Nationwide Building Society	20	20	0
Term Deposits / CDs / Call Accounts	UK	NatWest (RBS Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Royal Bank of Scotland (RBS Group)	20	20	0
Term Deposits / CDs / Call Accounts	UK	Standard Chartered Bank	20	20	0
Term Deposits / CDs / Call Accounts	UK	Close Brothers Limited	20	20	0
Term Deposits / CDs / Call Accounts	UK	Goldman Sachs International Bank	20	20	0
Term Deposits / CDs / Call Accounts	UK	Leeds Building Society	20	20	0
Term Deposits / CDs / Call Accounts	Australia	Australia and NZ Banking Group	20	20	0

Term Deposits / CDs / Call Accounts	Australia	Commonwealth Bank of Australia	20	20	0
Term Deposits / CDs / Call Accounts	Australia	National Australia Bank Ltd (National Australia Bank Group)	20	20	0
Term Deposits / CDs / Call Accounts	Australia	Westpac Banking Corp	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Bank of Montreal	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Bank of Nova Scotia	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Canadian Imperial Bank of Commerce	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Royal Bank of Canada	20	20	0
Term Deposits / CDs / Call Accounts	Canada	Toronto-Dominion Bank	20	20	0
Term Deposits / CDs / Call Accounts	Finland	Nordea Bank Finland	20	20	0
Term Deposits / CDs / Call Accounts	Finland	Pohjola Bank	20	20	0
Term Deposits / CDs / Call Accounts	Germany	Deutsche Bank AG	20	20	0
Term Deposits / CDs / Call Accounts	Germany	Landesbank Hessen – Thuringen (Helaba)	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	ING Bank NV	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	Rabobank	20	20	0
Term Deposits / CDs / Call Accounts	Netherlands	Bank Nederlandse Gemeenten	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	DBS Bank Ltd	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	Oversea-Chinese Banking Corporation (OCBC)	20	20	0
Term Deposits / CDs / Call Accounts	Singapore	United Overseas bank (UOB)	20	20	0

Term Deposits / CDs / Call Accounts	Sweden	Svenska Handelsbanken	20	20	14.7
Term Deposits / CDs / Call Accounts	Switzerland	Credit Suisse	20	20	0
Term Deposits / CDs / Call Accounts	US	JP Morgan Chase Bank	20	20	0

***Please note this list could change if, for example, a counterparty/country is upgraded, and meets our other creditworthiness tools. Alternatively, if a counterparty is downgraded, this list may be shortened. The counterparty list was correct as at 31 December 2014.*

SUMMARY OF INVESTMENTS**TOTAL RISK PER COUNTERPARTY AS AT 31 DECEMBER 2014**

	CREDIT RATING				TOTAL £000
<u>Fixed Deposits</u>					
HSBC	UK AAA	F1+AA	B	1	9,250
Svenska Handelsbanken	UK AAA	F1+AA-	B	1	14,700
TOTAL- FIXED TERM AND CASH DEPOSITS					23,950

<u>SUMMARY BY SOVEREIGN RATING</u>	<u>£000</u>	<u>%</u>
UK AAA	9,250	39
Sweden AAA	14,700	61
Total	23,950	100

Ethical Investment Framework – Telford and Wrekin Council

At the current time the Council's treasury activity consists principally of making short-dated loans to the UK Government (through the Debt Management Agency Deposit Facility) and to banks and building societies which adheres to the S-L-Y principles of (Security, Liquidity and Yield, in that order).

The preservation of capital is the Council's principal and overriding priority. The banks and building societies on the Council's lending list are selected only if the institutions and the sovereign meet a minimum credit criteria. In accordance with its social and corporate governance responsibilities, the Council seeks to support institutions which additionally have an ethical and responsible approach to environmental and social issues including employment and global trade. These "ethical" criteria and their basis are described below.

1. Environmental and Social Standards

Equator Principles

The Equator Principles are a voluntary set of guidelines based on the environmental and social standards practiced by the International Finance Committee when evaluating financing projects. Financial institutions that adopt the Principles agree to use a screening process aiming to ensure that environmental and social assessments help inform decisions to finance development projects. This allows signatories to engage proactively with their stakeholders on environmental and social policy issues.

The Equator Principles (EPs) are a screening framework for determining, assessing and managing environmental and social risk in project finance transactions for major infrastructure and industrial projects. The EPs are adopted voluntarily by financial institutions and are applied where total project capital costs exceed US\$10 million. The EPs are primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making. They are based on the International Finance Corporation's performance standards on social and environmental sustainability and on the World Bank Group Environmental Health and Safety Guidelines.

Financial institutions which are signatories to the EPs commit to not providing loans to projects where the borrower will not or is unable to comply with their respective social and environmental policies and procedures that implement the EPs.

The following banks relating to institutions on the Council's lending list have adopted the Equator Principles :

- Barclays Bank
- HSBC Bank plc
- Lloyds Banking Group (parent of Bank of Scotland and Lloyds TSB Bank)
- Royal Bank of Scotland
- Standard Chartered
- Banco Santander (parent of Santander UK plc).

<http://www.equator-principles.com/index.php/members-reporting>

2. Human Rights, Labour and Environment

The **UN Global Compact** is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Corporations which sign up to the UN Global Compact are encouraged to themselves embrace and in turn, support and enact, within their sphere of influence, a set of core values which are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The following banks relating to institutions on the Council's lending are participants/stakeholders of the UN Global Compact :

- HSBC
- Royal Bank of Scotland
- Standard Chartered
- Gruppo Santander (ultimate parent of Santander UK plc).

<http://www.unglobalcompact.org/ParticipantsAndStakeholders/index.html>

Limitations to ethical policies :

It should be noted here that the individual institutions which have signed up to the Equator Principles and to the Global Compact screen borrowers before lending for infrastructure and industrial projects.

However, financial institutions also engage daily in money market and interbank lending transactions; the criteria for such lending is based primarily on credit risk assessment (i.e. the assessment of their lending being repaid in full and on time when it is due). Being a signatory to the EPs will not necessarily be a critical feature of such credit assessment and the Council is not in a position to monitor interbank lending. The same applies to an individual financial signing up to the UN Global Compact.

It should also be noted that becoming a signatory of voluntary guidelines (Equator Principle or Global Compact) does not guarantee that that institution's policies and practices are of a better standard than those institutions which are not signatories to the voluntary guidelines.

Activist investment : The Council does not invest directly in shares or in corporate bonds. Not only are such investments inherently higher risk investments, and requires a distinct and separate set of fund management expertise. Under current legislation (SI 2003 No 3146) the purchase of share capital or loan capital of a body corporate is a capital expenditure investment which, on sale or maturity, becomes a capital receipt and is unsuitable for the Council's treasury investments which are primarily the cash management of its operating surpluses and reserves. Corporate bond and equity investments would however be made by the Council's pension fund (run by Shropshire Council).

Other than through its pension fund, the Council cannot seek to influence decision making at a company by voicing concerns, engaging in a dialogue with management, or lobbying other shareholders for support. Activist investors attempt to purchase sufficient shares or obtain seats on the board with the goal of effecting major change in the company to make the company more valuable financially or socially (for example to change management policies and adopt better governance; optimise shareholder value through acquisitions/divestitures, be more socially responsible etc).

Credit Ratings – A Guide.

Long-term credit ratings and Sovereign Ratings

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

Investment grade

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

Non-investment grade

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

Short-term credit ratings

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

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

Bank Individual Ratings

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

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

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

Support Ratings (1 – 5)

The Purpose and Function of Support Ratings

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

Timeliness and Effectiveness Requirements

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

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

Obligations and Financial Instruments Covered

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

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

Definitions:

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

GLOSSARY

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

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

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

TELFORD & WREKIN COUNCIL

**CABINET – 26 FEBRUARY 2015
COUNCIL - 5 MARCH 2015**

PRUDENTIAL INDICATORS

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

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

1. Summary of Main Proposals

- 1.1 To approve the prudential indicators for 2015/16 to 2017/18 required under the Prudential Code of Capital Finance in Local Authorities.

2. Recommendations

- 2.1 Members are asked to approve the prudential indicators proposed in this report as part of setting the budget for 2015/16.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT Do these proposals contribute to specific priorities?

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

Will the proposals impact on specific groups of people?

Yes/No

**TARGET
COMPLETION /
DELIVERY DATE**

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

**FINANCIAL/VALUE
FOR MONEY IMPACT**

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

LEGAL ISSUES

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

OTHER IMPACTS,

Yes/No The opportunities and risks associated with

RISKS AND OPPORTUNITIES

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

IMPACT ON SPECIFIC WARDS

Yes/No

PART B – ADDITIONAL INFORMATION

4. Summary

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

5. The CIPFA Prudential Code

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

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

- 5.2 The general approach of the code is to require the Council to set estimates and limits on its borrowing and features associated with borrowing. The underlying philosophy is that the Council should set limits that ensure borrowing is affordable in the medium to long term. Affordability is determined by the overall amount of borrowing and the interest rate at which it is done. Because borrowing is only permissible (and will remain so) for capital expenditure local authorities have traditionally borrowed at longer term fixed rates of interest (i.e. over 1 year, and typically over 20 years). This helps ensure stability over the medium term; for example a variable rate loan currently at 2.5% may be less attractive than a fixed rate loan at 2.8% if there is thought to be a reasonable possibility that variable rates will rise above 3.2% within a year. To help ensure financial stability the code requires authorities to consider the structure of their borrowing.
- 5.3 The code also requires authorities with significant investments to set indicators associated with lending money.
- 5.4 Practically the remaining paragraphs of this section consider the indicators and recommends what the indicators should be for 2015/16. In most cases indicators have to be set for 3 financial years ahead, so figures are also provided for 2016/17 and 2017/18. In proposing these indicators a pragmatic

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

- 5.5 For each indicator, ***the CIPFA requirements of the code are set out in bold italics.*** The limits proposed by the Chief Finance Officer for 2015/16 are then set out. An explanation is provided, unless the indicator and limits are completely self explanatory.

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

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

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

Revenue Budget

Year 1(2015/16)	4.78%
Year 2(2016/17)	4.78%
Year 3(2017/18)	5.11%

- 5.6.3 The indicator has been calculated as debt interest costs divided by budget requirement for the general fund element. The general fund indicator above shows a slight increase in the ratio (This broadly matches the expected prudential borrowing which is noted in 5.10.2 and the cuts in grants impacting on net revenue stream).

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

The local authority will

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

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

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

detailed in the Treasury Strategy Report) and dividing them by the tax base (45,191.7). The indicator works on a cumulative basis (i.e. the year 2 indicator includes the full year cost of year 1 expenditure, together with the part year cost of that year's programme), but only part year interest cost in the year expenditure is incurred.

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

<u>Year</u>	<u>Prudential Borrowing</u> <u>£</u>	<u>Total</u> <u>£</u>
2015/16	22.08	22.08
2016/17	24.61	24.61
2017/18	25.68	25.68

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

This Indicator does not apply to Telford & Wrekin Council.

5.8 **Estimates of Capital Financing Requirement**

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

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

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

	Total CFR
31/3/2015	£313.5m
31/3/2016	£363.1m
31/3/2017	£336.8m
31/3/2018	£328.7m

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

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

	Outstanding Borrowing (at nominal value)	Other Long-term Liabilities (at nominal value)	Gross Debt
31/3/2015	£148.5m	£58.8m	£207.3m
31/3/2016	£203.9m	£57.6m	£261.5m
31/3/2017	£183.7m	£58.1m	£241.8m
31/3/2018	£181.8m	£56.2m	£238.0m

5.9 Treasury Management Prudential Indicators

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

5.10 Capital Expenditure and Capital Commitments Prudential Indicators

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

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

5.10.2 The budget and capital report to Council for 2015/16 identifies programmed capital schemes, and subsequent year's capital needs. The estimates of capital expenditure to be incurred are therefore;

	Supported Borrowing	Prudential Borrowing	Grant Funded	Revenue/ External	Capital Receipts	Total
	£m	£m	£m	£m	£m	£m
2015/16	1.268	54.147	25.334	3.879	25.752	110.380
2016/17	0.000	-20.159	13.513	4.725	31.368	29.447
2017/18	0.000	-1.960	4.586	0.200	7.775	10.601

It is only the two columns relating to borrowing that impact on prudential indicators. These figures include the Housing Company and associated Property Investment Portfolio scheme, but not the MOD scheme.

5.11 **External Debt Prudential Indicators**

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

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

5.11.2 The recommended Authorised Limit for External Debt for:

Year 1 (2015/16) is £327m for borrowing and £63m for other long term liabilities

Year 2 (2016/17) is £308m for borrowing and £62m for other long term liabilities

Year 3 (2017/18) is £309m for borrowing and £61m for other long term liabilities

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

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

5.12 Operational Boundary

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

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

5.12.1 The operational boundary is a measure of the most money the Council would normally borrow at any time during the year. The code recognises that circumstances might arise when the boundary might be exceeded temporarily, but suggest a sustained or regular pattern of borrowing above this level ought to be investigated, as a potential symptom of a more serious financial problem. The limit has been set sufficiently high to accommodate the spend on the MOD scheme should it go ahead.

5.12.2 The Recommended Operational boundary for External debt is

Year 1 (2015/16) is £309m for External debt for and £61m for other long term liabilities

Year 2 (2016/17) is £289m for External debt for and £61m for other long term liabilities

Year 3(2017/18) is £290m for External debt for and £60m for other long term liabilities

5.13 Interest Rate Exposure

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

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

5.13.3 Variable rate exposures

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

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

	Net Variable Limit
	%
2015/16	30
2016/17	30
2017/18	30

5.13.4 The upper limit replaces the existing (1989 Act) Section 44 limit “the maximum proportion of borrowing which is subject to variable rate interest”. Whilst 30% has been set forward as a limit, in practice it would be unusual for the exposure to exceed 15%. Limits for years 2 & 3 assume no substantial change in market conditions.

5.13.5 Because of our position of holding investments it would be helpful to set a local indicator for setting a maximum exposure for variable rates as a percentage of total investment plus total debt. The limit proposed would be as follows;

	Upper Limit
2015/16	60%
2016/17	60%
2017/18	60%

5.13.6 **Fixed Interest Rate Exposure**

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

Fixed interest rate exposures

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

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

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

	Fixed Rate Risk	
	Upper Limit	Lower Limit
2015/16	100%	70%
2016/17	100%	70%
2017/18	100%	70%

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

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

Amount of projected borrowing that is fixed rate maturing in each period
Expressed as a Percentage of
Total projected borrowing that is fixed rate at the start of the period.
where the periods in question are

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

5.14.1 The proposed prudential limits are as follows;

Maturity	Lower Limit %	Upper Limit %	Actual % for 31/03/14
Under 12 months	0	50	30
1-2 years	0	30	1
2-5 years	0	50	2
5-10 years	0	75	1
10-20 years	0	75	0
20-30 years	0	75	0
30-40 years	0	100	12
40-50 years	10	100	14
Over 50 years	15	100	40

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

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

Financial Year	Upper Limit
2015/16	95%
2016/17	95%
2017/18	95%

6. Financial Implications

- 6.1 The prudential indicators provide a framework for 2015/16 in which the Council conducts its treasury activities, consistent with good treasury risk management.
- 6.2 The code indicates that “in all cases, the process of setting prudential indicators for treasury management should be accompanied by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the authority’s borrowing and investment portfolios.” The indicators proposed here take account of the existing structure of borrowing and all reasonable restructuring activity that might occur.
- 6.3 The code requires the following matters to be taken into account when setting or revising prudential indicators
 - (a) option appraisal for all projects, i.e. value for money
 - (b) asset management planning, i.e. stewardship of asset
 - (c) strategic planning for the authority, i.e. service objectives
 - (d) achievability of the forward plan, i.e. its practicality
 - (e) implications for external borrowing, i.e. prudence
 - (f) implications for Council Tax and housing rents, i.e. affordability.

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

7. Background Papers

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

UNITARY AUTHORITY AND TOWN/PARISH COUNCILS COUNCIL TAX LEVELS 2015/16

Appendix 1

Part of the Council's area The Parish of :-	A	B	C	D	E	F	G	H
CHETWYND	765.22	892.76	1,020.29	1,147.84	1,402.90	1,657.98	1,913.06	2,295.68
CHETWYND ASTON & WOODCOTE	771.62	900.23	1,028.83	1,157.45	1,414.65	1,671.86	1,929.07	2,314.90
CHURCH ASTON	779.52	909.44	1,039.36	1,169.29	1,429.12	1,688.96	1,948.81	2,338.58
DAWLEY HAMLETS	789.09	920.62	1,052.13	1,183.66	1,446.67	1,709.71	1,972.75	2,367.32
DONNINGTON & MUXTON	785.10	915.95	1,046.80	1,177.66	1,439.35	1,701.05	1,962.76	2,355.32
EDGMOND	774.60	903.71	1,032.81	1,161.92	1,420.11	1,678.32	1,936.52	2,323.84
ERCALL MAGNA	792.10	924.13	1,056.14	1,188.17	1,452.19	1,716.23	1,980.27	2,376.34
EYTON	755.30	881.19	1,007.07	1,132.96	1,384.72	1,636.49	1,888.26	2,265.92
THE GORGE	807.43	942.01	1,076.58	1,211.17	1,480.30	1,749.45	2,018.60	2,422.34
GREAT DAWLEY	847.38	988.62	1,129.84	1,271.09	1,553.53	1,836.00	2,118.47	2,542.18
HADLEY & LEEGOMERY	802.28	936.00	1,069.71	1,203.43	1,470.85	1,738.28	2,005.71	2,406.86
HOLLINSWOOD & RANDLAY	856.57	999.34	1,142.10	1,284.88	1,570.39	1,855.92	2,141.45	2,569.76
KETLEY	817.66	953.94	1,090.21	1,226.50	1,499.04	1,771.60	2,044.16	2,453.00
KYNNERSLEY	767.69	895.64	1,023.59	1,151.55	1,407.44	1,663.34	1,919.24	2,303.10
LAWLEY & OVERDALE	799.09	932.28	1,065.46	1,198.66	1,465.01	1,731.38	1,997.75	2,397.32
LILLESALL	803.42	937.33	1,071.23	1,205.14	1,472.94	1,740.75	2,008.56	2,410.28
LITTLE WENLOCK	796.23	928.94	1,061.64	1,194.36	1,459.76	1,725.17	1,990.59	2,388.72
MADELEY	822.76	959.90	1,097.02	1,234.16	1,508.40	1,782.66	2,056.92	2,468.32
NEWPORT	830.88	969.37	1,107.85	1,246.34	1,523.29	1,800.26	2,077.22	2,492.68
OAKENGATES	841.74	982.04	1,122.32	1,262.63	1,543.19	1,823.78	2,104.37	2,525.26
PRESTON	757.36	883.59	1,009.81	1,136.05	1,388.49	1,640.95	1,893.41	2,272.10
RODINGTON	775.73	905.02	1,034.31	1,163.61	1,422.18	1,680.76	1,939.34	2,327.22
ST. GEORGES & PRIORSLEE	781.12	911.31	1,041.49	1,171.70	1,432.06	1,692.43	1,952.82	2,343.40
STIRCHLEY & BROOKSIDE	843.77	984.41	1,125.03	1,265.68	1,546.92	1,828.18	2,109.45	2,531.36
TIBBERTON & CHERRINGTON	767.67	895.62	1,023.56	1,151.52	1,407.40	1,663.29	1,919.19	2,303.04
WATERS UPTON	781.86	912.17	1,042.48	1,172.80	1,433.41	1,694.03	1,954.66	2,345.60
WELLINGTON	809.57	944.51	1,079.43	1,214.38	1,484.22	1,754.08	2,023.95	2,428.76
WROCKWARDINE	786.26	917.31	1,048.35	1,179.41	1,441.49	1,703.58	1,965.67	2,358.82
WROCKW'DINE WOOD & TRENCH	800.83	934.30	1,067.77	1,201.26	1,468.19	1,735.13	2,002.09	2,402.52

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

TOTAL COUNCIL TAX LEVELS FOR TELFORD & WREKIN COUNCIL FOR 2015/16

Appendix 2

Part of the Council's area The Parish of :-	A	B	C	D	E	F	G	H
CHETWYND	950.63	1,109.08	1,267.50	1,425.96	1,742.82	2,059.71	2,376.60	2,851.92
CHETWYND ASTON & WOODCOTE	957.03	1,116.55	1,276.04	1,435.57	1,754.57	2,073.59	2,392.61	2,871.14
CHURCH ASTON	964.93	1,125.76	1,286.57	1,447.41	1,769.04	2,090.69	2,412.35	2,894.82
DAWLEY HAMLETS	974.50	1,136.94	1,299.34	1,461.78	1,786.59	2,111.44	2,436.29	2,923.56
DONNINGTON & MUXTON	970.51	1,132.27	1,294.01	1,455.78	1,779.27	2,102.78	2,426.30	2,911.56
EDGMOND	960.01	1,120.03	1,280.02	1,440.04	1,760.03	2,080.05	2,400.06	2,880.08
ERCALL MAGNA	977.51	1,140.45	1,303.35	1,466.29	1,792.11	2,117.96	2,443.81	2,932.58
EYTON	940.71	1,097.51	1,254.28	1,411.08	1,724.64	2,038.22	2,351.80	2,822.16
THE GORGE	992.84	1,158.33	1,323.79	1,489.29	1,820.22	2,151.18	2,482.14	2,978.58
GREAT DAWLEY	1,032.79	1,204.94	1,377.05	1,549.21	1,893.45	2,237.73	2,582.01	3,098.42
HADLEY & LEEGOMERY	987.69	1,152.32	1,316.92	1,481.55	1,810.77	2,140.01	2,469.25	2,963.10
HOLLINSWOOD & RANDLAY	1,041.98	1,215.66	1,389.31	1,563.00	1,910.31	2,257.65	2,604.99	3,126.00
KETLEY	1,003.07	1,170.26	1,337.42	1,504.62	1,838.96	2,173.33	2,507.70	3,009.24
KYNNERSLEY	953.10	1,111.96	1,270.80	1,429.67	1,747.36	2,065.07	2,382.78	2,859.34
LAWLEY & OVERDALE	984.50	1,148.60	1,312.67	1,476.78	1,804.93	2,133.11	2,461.29	2,953.56
LILLESALL	988.83	1,153.65	1,318.44	1,483.26	1,812.86	2,142.48	2,472.10	2,966.52
LITTLE WENLOCK	981.64	1,145.26	1,308.85	1,472.48	1,799.68	2,126.90	2,454.13	2,944.96
MADELEY	1,008.17	1,176.22	1,344.23	1,512.28	1,848.32	2,184.39	2,520.46	3,024.56
NEWPORT	1,016.29	1,185.69	1,355.06	1,524.46	1,863.21	2,201.99	2,540.76	3,048.92
OAKENGATES	1,027.15	1,198.36	1,369.53	1,540.75	1,883.11	2,225.51	2,567.91	3,081.50
PRESTON	942.77	1,099.91	1,257.02	1,414.17	1,728.41	2,042.68	2,356.95	2,828.34
RODINGTON	961.14	1,121.34	1,281.52	1,441.73	1,762.10	2,082.49	2,402.88	2,883.46
ST. GEORGES & PRIORSLEE	966.53	1,127.63	1,288.70	1,449.82	1,771.98	2,094.16	2,416.36	2,899.64
STIRCHLEY & BROOKSIDE	1,029.18	1,200.73	1,372.24	1,543.80	1,886.84	2,229.91	2,572.99	3,087.60
TIBBERTON & CHERRINGTON	953.08	1,111.94	1,270.77	1,429.64	1,747.32	2,065.02	2,382.73	2,859.28
WATERS UPTON	967.27	1,128.49	1,289.69	1,450.92	1,773.33	2,095.76	2,418.20	2,901.84
WELLINGTON	994.98	1,160.83	1,326.64	1,492.50	1,824.14	2,155.81	2,487.49	2,985.00
WROCKWARDINE	971.67	1,133.63	1,295.56	1,457.53	1,781.41	2,105.31	2,429.21	2,915.06
WROCKW'DINE WOOD & TRENCH	986.24	1,150.62	1,314.98	1,479.38	1,808.11	2,136.86	2,465.63	2,958.76

TELFORD & WREKIN COUNCIL**COUNCIL – 5 MARCH 2015****COUNCIL TAX - FORMAL RESOLUTIONS FOR 2015/16****REPORT OF THE CHIEF FINANCIAL OFFICER (ASSISTANT DIRECTOR
OF FINANCE, AUDIT AND INFORMATION GOVERNANCE)****LEAD MEMBER – COUNCILLOR BILL McCLEMENTS****1. PART A – SUMMARY REPORT**

Council Tax levels must be approved by Full Council. This report sets out the formal resolutions to determine the levels of Council Tax for Telford & Wrekin Council for 2015/16. The levels of tax take account of the requirements of Telford & Wrekin Council, the West Mercia Police & Crime Commissioner, Shropshire and Wrekin Fire Authority, and the various Parish and Town Councils.

The Council's General and Special Fund budgets for 2015/16 were approved earlier at this meeting and the Council Tax Base was approved at the meeting of Full Council on 22 January 2015.

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

Authority		Band D Council Tax £	Increase %
Telford & Wrekin	General Fund	1,132.96	0.00
	Special Fund	14.53	0.00
Telford & Wrekin Council	Total	1,147.49	0.00
West Mercia Police & Crime Commissioner		185.90	1.99
Shropshire and Wrekin Fire Authority		92.22	1.99
Parish & Town Councils		66.23	1.25
Total Council Tax		1,491.84	0.42

The % increase all relate to change from current year levels

The increases in overall council tax will vary dependent on parish area.
This Council has set a 0% increase, but overall the average bill has

increased by 0.42% due to increases by Police, Fire and Parish and Town Councils.

The average increase in overall bills represents a range from 0.17% to 2.27% depending on variations in parish council spending and precepts.

While the total average Band D bill will be £1,491.84, the majority of properties in the area fall in Bands A and B – for a Band B property the overall average bill is £1,160.32.

The necessary formal resolutions are set out in section 5 of the report.

2.0 RECOMMENDATIONS

Members are asked to approve the formal resolutions to determine the levels of Council Tax for 2015/16 as detailed in the report.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	The level of Council Tax is a product of the Service & Financial Planning Strategy which is integral to ensuring that available resources are used as effectively as possible to deliver corporate priorities.
TARGET COMPLETION /DELIVERY DATE	The Council Tax must be set by 11 March each year prior to the start of the financial year to which it relates.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed in the Service & Financial Planning Report.
LEGAL ISSUES	No	The Council must make calculations concerning its spending and Council Tax for the area to enable the Council's statutory obligations to be fulfilled. Members should note that the Local Government Finance Act 1992 imposes a statutory duty upon the Council to calculate its council tax requirement and to set its Council Tax for 2015/16 before the 11th March, 2015. Details of those Regulations and how they have been observed are set out in this report.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	These are considered as part of the Service & Financial Planning report.
IMPACT ON SPECIFIC WARDS	No	Borough Wide

PART B – ADDITIONAL INFORMATION

4.0. INFORMATION

The Council Tax Base was approved at Full Council on 22 January 2015. The Council's budget for 2015/16 was agreed earlier at this meeting.

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

Some parishes in the special fund area have, however, assumed responsibility for footway lighting so that two special fund charges are applied in different areas dependent upon whether footway lighting is provided by this Council or the Parish Council. The charge for special fund areas has increased by 0.0%, and across the Borough as a whole the proposals set out in this report represent a 0.0% increase on average in the Council Tax levied by Telford & Wrekin Council.

5. FORMAL RESOLUTIONS

- 5.1. That it be noted that at its meeting on 22 January 2015 the Council calculated the following amounts for the year 2015/16 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 made under Section 33 of the Local Government Finance Act 1992 as amended (The Act):-

- (a) **45,191.7** being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (The Regulations), as its Council Tax base for the year (The Council Tax Base).

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

Tax Base

The Parish of:-

CHETWYND	235.1
CHETWYND ASTON & WOODCOTE	163.3
CHURCH ASTON	474.3
DAWLEY HAMLETS	2,036.1
DONNINGTON & MUXTON	3,566.9
EDGMOND	515.5
ERCALL MAGNA	548.5
THE GORGE	1,278.4
GREAT DAWLEY	2,260.7
HADLEY & LEEGOMERY	3,642.5
HOLLINSWOOD & RANDLAY	1,285.3
KETLEY	1,090.1
KYNNERSLEY	73.8
LAWLEY & OVERDALE	2,292.0
LILLESHALL	512.6
LITTLE WENLOCK	231.7
MADELEY	3,705.8
NEWPORT	3,328.5
OAKENGATES	2,174.5
PRESTON	96.8
RODINGTON	335.7
ST. GEORGES & PRIORSLEE	3,631.7
STIRCHLEY & BROOKSIDE	2,141.4
TIBBERTON & CHERRINGTON	266.3
WATERS UPTON	376.5
WELLINGTON	6,114.9
WROCKWARDINE	1,399.2
WROCKWARDINE WOOD & TRENCH	1,377.3
	45,155.4

being the amounts calculated by the Council in accordance with Regulation 6 of The Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

5.2. That the following amounts be now calculated by the Council for the year 2015/16 in accordance with Sections 31 to 36 of The Act:-

- (a) £403,553,308 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act, taking into account all precepts issued to it by Parish Councils.
- (b) £348,703,005 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £54,850,303 being the amount by which the aggregate at 5.2(a) above exceeds the aggregate at 5.2(b) above, calculated by the

Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.

- (d) £1,213.72 being the amount at 5.2(c) above divided by the Council Tax base, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including parish precepts and special items).
- (e) £3,649,467 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (f) £1,132.96 being the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (calculated by deducting from the amount at 5.2(d) above, the quotient of the amount at 5.2(e) above divided by the Council Tax Base). The only area that this relates to is the Parish of Eyton.

(g) <u>Part of the Council's Area</u>	£
The Parish of:	
Chetwynd	1,147.84
Chetwynd Aston & Woodcote	1,157.45
Church Aston	1,169.29
Dawley Hamlets (SF2*)	1,183.66
Donnington & Muxton	1,177.66
Edgmond	1,161.92
Ercall Magna	1,188.17
The Gorge (SF2*)	1,211.17
Great Dawley (SF2*)	1,271.09
Hadley & Leegomery	1,203.43
Hollinswood & Randlay	1,284.88
Ketley	1,226.50
Kynnersley	1,151.55
Lawley & Overdale (SF1*)	1,198.66
Lilleshall	1,205.14
Little Wenlock	1,194.36
Madeley (SF2*)	1,234.16
Newport	1,246.34
Oakengates (SF2*)	1,262.63
Preston	1,136.05
Rodington	1,163.61
St. Georges & Priorslee (SF1*)	1,171.70
Stirchley & Brookside(SF2*)	1,265.68
Tibberton & Cherrington	1,151.52
Waters Upton	1,172.80
Wellington (SF2*)	1,214.38
Wrockwardine	1,179.41
Wrockwardine Wood & Trench (SF1*)	1,201.26

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

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

being the amounts given by adding to the amount at 5.2(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 5.1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (h) The amounts in Appendix 1 being the amounts given by multiplying the amounts at 5.2(f) and 5.2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

6. The West Mercia Police & Crime Commissioner precept for 2015/16 was set at its meeting on 4 February 2015. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	123.93
B	144.59
C	165.24
D	185.90
E	227.21
F	268.52
G	309.84
H	371.80

7. The Shropshire & Wrekin Fire and Rescue Authority's precept for 2015/16 was set at its meeting on 25 February 2015. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	61.48
B	71.73
C	81.97
D	92.22
E	112.71
F	133.21
G	153.70
H	184.44

8. That, having calculated the aggregate in each case of the amounts at 5.2(h) and 6 and 7 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the amounts in Appendix 2 as the amounts of council tax for the year 2015/16 for each of the categories of dwellings shown.

9. Background Papers
Service & Financial Planning Report 2015/16 – 2017/18
Parish Precept Requests
Police & Crime Commissioner Precept Request
Fire Authority Precept Request
2015/16 Revenue Support Grant Settlement
Acts, Directions and Regulations as quoted above.

Telford & Wrekin Council's Councillors' Code of Conduct

Standards of Conduct

Members (including all voting co-opted members) of Telford & Wrekin Council will at all times promote and maintain high standards of conduct when they are acting in that capacity. To do this:-

✓ Members should serve only the public interest and should treat everyone that they deal with equally and with respect. <i>Link to co-operative value of Fairness and Respect</i>	Selflessness
✓ Members should not place themselves in a position where they either are or give the appearance that they are under any financial or other obligation to anyone that might seek to influence them in the performance of their duties as a Member. ✓ Members should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends ✓ Members should only use the resources of the Authority in accordance with reasonable requirements set out for their use from time to time ✓ Members should declare and resolve their interests in accordance with the law and with the provisions of this Code of Conduct ✓ Members should declare gifts and hospitality that they receive in accordance with the Council's Rules on Gifts and Hospitality <i>Link to co-operative value of Fairness and Respect</i>	Integrity
✓ Members should act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias. <i>Link to co-operative value of Fairness and Respect</i>	Objectivity
✓ Members should be accountable to the public for their decisions and actions and should co-operate fully with any scrutiny appropriate to their particular role or office. <i>Link to co-operative value of Ownership</i>	Accountability
✓ Members should be as open as possible about their decisions and actions and should give reasons for their decisions and actions. Information should not be withheld from the public unless there are clear and lawful reasons for doing so and which they can reasonably be expected to know is either exempt or confidential and is not to be disclosed to protect the wider public interest. <i>Link to co-operative value of Openness and Involvement</i>	Openness
✓ Holders of public office should be truthful. ✓ Members have a duty to declare any private interests that relate to their duties as a Member and do whatever is necessary to resolve any such conflict in a way that protects the public interest <i>Link to co-operative value of Honesty</i>	Honesty
✓ Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs	Leadership

Telford & Wrekin Council's Councillors' Code of Conduct

Standards of Conduct

Members (including all voting co-opted members) of Telford & Wrekin Council will at all times promote and maintain high standards of conduct when they are acting in that capacity.

To do this ~~they will~~:-

✓ Members should serve only the public interest and should treat everyone that they deal with equally and with respect. <i>Link to co-operative value of Fairness and Respect</i>	Selflessness
✓ Members should not place themselves in a position where they either are or give the appearance that they are under any financial or other obligation to anyone that might seek to influence them in the performance of their duties as a Member. ✓ <u>Members should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends</u> ✓ Members should only use the resources of the Authority in accordance with reasonable requirements set out for their use from time to time ✓ Members should declare <u>and resolve</u> their interests in accordance with the law and with the provisions of this Code of Conduct ✓ Members should declare gifts and hospitality that they receive in accordance with the Council's Rules on Gifts and Hospitality	Integrity
✓ <u>Members should act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.</u> ~~Members should make decisions on merit and in the public interest, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.~~	Objectivity
✓ Members should be accountable to the public for their decisions and actions and should co-operate fully with any scrutiny appropriate to their particular role or office. <i>Link to co-operative value of Ownership</i>	Accountability
✗ ~~Members should be as open as possible about their decisions and actions and should give reasons for their decisions and actions.~~ ✓ <u>Information should not be withheld from the public unless there are clear and lawful reasons for doing so and</u> which they can reasonably be expected to know ~~is~~<u>was</u> either exempt or confidential and is not to be disclosed to protect the wider public interest.	Openness
✓ <u>Holders of public office should be truthful.</u> ✓ Members have a duty to declare any private interests that relate to their duties as a Member and do whatever is necessary to resolve any such conflict in a way that protects the public interest <i>Link to co-operative value of Honesty</i>	Honesty
✗ <u>Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.</u> ~~Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence~~	Leadership

Appendix 2



01/07/12



TELFORD & WREKIN COUNCIL

COUNCIL – 5th MARCH 2015

UPDATE TO THE COUNCILLORS' CODE OF CONDUCT

REPORT OF THE MONITORING OFFICER

LEAD CABINET MEMBER – CLLR RICHARD OVERTON

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The Council is asked to consider recommendations from the Standards Committee to make amendments to the Councillors' Code of Conduct as a result of changes made by the Committee for Standards in Public Life to the (Nolan) principles which form the basis of the Code of Conduct. The Council is also asked to consider recommendations from the Standards Committee to extend the term of office of the Independent Persons appointed to assist with the Code of Conduct complaint process.

2. RECOMMENDATIONS

- 2.1 That the Council adopt the amended Code of Conduct for Councillors attached at Appendix 1 with immediate effect;**
- 2.2 That the Council agree to extend the term of office of the Independent Persons, namely Michael Tebbutt and Chris Humphries, and that a further review takes place in four years time.**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	The proposals contribute to the Council's co-operative values of openness and honesty, fairness and respect and ownership.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	If the Council agree to amend the Code of Conduct as set out in this report, the changes can take place with immediate effect. If the Council agree to extend the term of office of the Independent Persons then this will continue with a view to a review after a further four years have elapsed.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Changes to the Code of Practice will be managed within existing resources. As mentioned in the report, the role of Independent Person is a voluntary unpaid role; if a recruitment exercise is required there would be some associated costs including training costs which would also be funded from within the Legal Services budget. Any variations will be reported as part of the financial monitoring process. MLB 13.02.15
LEGAL ISSUES	Yes	The statutory requirements for a Code of Conduct and ethical framework for Councillors is set out at part 1, chapter 7 of the Localism Act 2011. Regarding the Members' Code of Conduct, any proposed changes require the changes to be formally adopted at full Council and Publicised. The appointment and criteria for the role of the Independent Person is set out in section 28 of the Localism Act 2011. The Council must always have at least one Independent Person in place. If the Council decide not to extend the term of the people holding the Independent Person role

		currently, a new recruitment process must be undertaken which meets the statutory requirement including qualification criteria for candidates.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Risks relating to this particular report are low provided statutory provisions are followed.
IMPACT ON SPECIFIC WARDS	No	Borough-wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

4.1.1 Proposed Changes to the Councillors' Code of Conduct

On 20th January 2015 the Standards Committee considered a report from the Monitoring Officer which requested consideration of amendments to the Councillors' Code of Conduct. The Committee considered the information which is repeated below and shows the rationale for the proposed changes. It was agreed that the proposed changes were to be recommended to full Council for adoption.

4.1.2 Reasons for the proposed changes

The Committee for Standards in Public Life have the role of raising the profile and reviewing the ethical framework for public sector organisations. Its term of reference specifically is to "examine concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations for changes in present arrangements which might be required to ensure the highest standards of respectability in public life."

As part of this role the Committee recently reviewed the principles which form the basis of this Council's Members' Code of Conduct, commonly known as the Nolan principles. These are as follows:

- (a) selflessness;
- (b) integrity;
- (c) objectivity;
- (d) accountability;
- (e) openness;
- (f) honesty;
- (g) leadership.

Attached at Appendix 1 of this report is the revised Code of Conduct for members' consideration which takes into account the definitions of the

Nolan Principles which were updated by the Committee for Standards in Public Life. Attached at Appendix 2 is the current Code of Conduct (with track changes to show the proposed update) so that members can compare the proposed revisions with the existing standards.

Council are asked to consider the recommendation to change the Code of conduct to the version set out at Appendix 1 of the report.

4.2 The Independent Person

4.2.1 Further on the 20th January 2015 the Standards Committee also considered a request from the Monitoring Officer to consider the role of the Independent Person and the Committee also recommend to the Council that the current Independent Person postholders have their term of office extended.

4.2.2 The Independent Person plays an important role in the Code of Conduct complaints process. The appointment is made by full Council following an appointment process set out in statute. The Council's Independent Person role is currently held by Michael Tebbutt and Chris Humphries. Both have been involved in training and Mr Tebbutt, in particular, has been consulted on complaints which the Monitoring Officer has received and reviewed.

Both Mr Tebbutt and Mr. Humphries were appointed by full Council on 13th September 2012 for an initial two and a half year term which is due for review now. The Monitoring Officer recommends that their appointment is extended for a further four years and should be reviewed again towards the end of 2018.

The Monitoring Officer also puts on record his thanks to Mr. Tebbutt and Mr Humphries for their commitment. This is an unpaid volunteer role which often requires them to give their time at short notice. As a result of the exemplary way that they have carried out their role since their appointment the Monitoring Officer believes that extending their term of appointment is appropriate.

Council are asked to consider the recommendation of the Committee and to extend their term of office as requested. If the Council is not minded to agree to the extension of the appointments then a full recruitment process will be required to appoint someone new to the role and the Council would need to provide their approval to commence that process as soon as possible.

5 PREVIOUS MINUTES

Full Council – 13/09/2012 – minute number 38

6 BACKGROUND PAPERS

The Localism Act 2011

The Committee on Standards in Public Life Annual Report 2013

Report prepared by Jonathan Eatough, Monitoring Officer, telephone 01952 383200 and Matthew Cumberbatch, Legal Services Manager. Telephone 01952 383255

AUDIT COMMITTEE

**Minutes of a meeting of the Audit Committee held on Tuesday,
27th January 2015 at 6.00 pm in Meeting Room G3, Ground Floor, Addenbrooke House,
Ironmasters Way, Telford TF3 4NT**

PRESENT: Councillors R Sloan (Chair), K Austin, I T W Fletcher, C Mason,
S A W Reynolds and W L Tomlinson

Officers: K Clarke (Assistant Director: Finance, Audit & Information Governance), J Marriott (Audit & Information Governance Manager), P Harris (Finance Manager), P Taylor (Interim Director of Care, Health & Wellbeing); R Smith (Interim Assistant Director: Adult Social Services) and J Clarke (Democratic Services Support Officer).

IN ATTENDANCE:

I Pennington – KPMG

As this was the last meeting of the Audit Committee prior to the elections in May 2015 the Chair thanked Cllr K Austin who was due to retire at the end of the municipal year. The Chair also thanked both Officers and Members for their hard work and support during his time as Chair of the Audit Committee.

AUC-31 MINUTES

RESOLVED – that the minutes of the meeting of the Audit Committee held on 30th June 2014 be confirmed and signed by the Chairman.

AUC-32 APOLOGIES FOR ABSENCE

Cllr A Lawrence

AUC-33 DECLARATIONS OF INTEREST

None

AUC-34 KPMG ANNUAL AUDIT LETTER 2013/14

I Pennington, KPMG, gave a brief update on the Annual Audit Letter for 2013/14. This report was a brief summary of the work undertaken last year. The Certification of the Audit had now closed but unfortunately the work had not yet been completed regarding the objection from the member of the public. It was hoped that this would be completed shortly and the Certificate issued.

AUC-35 GRANTS REPORT 2013/14

I Pennington, KPMG, confirmed to the Committee that, there was a requirement by the Audit Commission for an annual report be circulated to each Client following work undertaken in 2013/14. During 2013/14 KPMG undertook certification work regarding the Housing Benefit Subsidy Claim (BEN01) which had a certified value of £71,229,693. The certification work did not identify any issues with the claim and the claim was certified as unqualified without amendment.

The Audit Commission set out an indicative fee for KPMG's certification work was £12,319. The actual fees were the same as the indicative fee.

A recommendation was raised within the 2012/13 Certification Annual Report relating to the reconciliation of pension contribution bandings for the Teachers' Pension Pay. Although this was no longer under the Audit Commission's regime, it had been considered and had been undertaken by KPMG under alternative arrangements in order to confirm that the 2013/14 claim was certified and the Council had dealt with the recommendation correctly.

AUC-36 EXTERNAL AUDIT PLAN 2014/15

I Pennington, KPMG, reported to the Committee that the External Audit Plan remained on a similar approach to last year. An outline plan had been established with officers which appeared to work well.

I Pennington highlighted that the Local Authority may need to produce Group Accounts for the year end 31 March 2015. KPMG would liaise with key officers to make the necessary arrangements and work with any appointed auditors for the subsidiary company. The subsidiary company would create its own set of accounts which would then be consolidated with the Local Authority Accounts to form a set of Group Accounts.

A discussion took place regarding the Group Accounts and on what basis they would be produced. The Accounts would be produced following Local Authority rules and it was hoped that the subsidiary company would have similar policies and procedures to that of the Local Authority. The Group Accounts would need to go to Cabinet and to Council and would be made publically available. The accounts would also come to Audit Committee. The subsidiary company accounts would be available from Companies House.

A question was raised as to whether KPMG would be the Auditors for the Wholly Owned Company (WOC). It was confirmed that the WOC must appoint their own Auditors, although there would be advantages if the WOC appointed the same Auditors as the Local Authority.

I Pennington informed the Committee that there was an ongoing debate as to whether Schools should be included within the Accounts. As there were many different types of schools, which were governed/managed in different ways, it was difficult to treat them all the same. This was a huge piece of work to be undertaken and the main issues were around technicalities and accounting.

With regard to Value for Money there would be 2 areas for consideration:

- Savings Plan (the budgets and savings going forward)
- Commercial Projects (those already underway or in the process of being started)

I Pennington reported that there had been a slight increase in the fee of £1,070 as a result of additional work required in relation to the accounting entries for Non-Domestic Rates. This was as a result of the related return being removed from the Audit Commission's certification regime and had been a common occurrence nationally.

The Audit timetable was set out in the report in the form of a pictorial diagram which members felt was very clear and helpful.

The material assessment was based on value, nature and context and was considered to be generally correct.

In relation to the Whole Government Accounts (WGA) the Local Authority were the first to receive the plan and there was a slight error in the report (P11) where it refers to "... and issue an opinion ..." which should have read "... and undertake specific tests ...".

I Pennington informed the Board that professional standards required auditors to have integrity, objectivity and independence.

A discussion took place around the deadlines for the Local Authority accounts and the WOC accounts and bringing these accounts together to form the Group Accounts. Due to the new Audit Regulations, the Local Authority's deadline for the accounts would be moving forward to end of July in 2017. This would mean that work would need to be undertaken to re-schedule the Audit Committee meetings, together with any training/briefings that were required.

AUC-37 FINANCIAL CONTROLS REVIEW

P Taylor and R Smith presented a joint update regarding the review of financial controls.

P Taylor explained that there had now been progress on two of the areas within the report:

- (a) Potential Overpayments to providers
- (b) Whether the Council was suffering a financial loss as a result of the unassessed clients in respect to financial assessments

As these areas were no longer of concern, the update would concentrate of the remaining third area:

- (c) Unbilled income – from clients in respect to their assessed contribution.

R Smith reassured the Committee on the following 3 areas:

1 Overpayments to providers

- Overpayments of significant amounts had previously occurred. This was now no longer possible as there was a zero tolerance within the system which suspended any payment that did not match with an invoice. The reasons for the mis-match could have been from eg fluidity of care (ie bank holidays), mileage, uplift. Once a mis-match had occurred further investigations were undertaken to confirm what payment should be made.

2 Assessments within Care and Support (Social Care)

- This related to the means tested financial assessment of Clients whose contribution could be between £0 and full cost. It was considered that any delay in issuing financial assessments may mean a loss of income for the Local Authority. Upon any new initial contact, basic information was collected in order for a financial assessment to be undertaken. A declaration form needed to be completed by all Clients who were informed that if the relevant declaration form was not returned then they would be liable for the full contribution to their care until the information was sent back for assessment. Re-assurance was also given relating to time delays.

3 Unbilled income from Clients

- There was a range of issues around the 2 IT systems:
 - Carefirst – Client Record System

○ Abacus – Finance System

- There had been some human errors when manual information had been entered into the two systems and there was currently no guarantee that 100% of human error had been eliminated. A range of work and practices had been designed in order to eliminate double entries and was currently being overseen by the Project Manager. The two separate IT systems were to be interfaced which would improve the process and tighten up controls. An upgrade to the Abacus system was needed before the interface could be introduced. This would then need to be tested on direct payments, invoices and accessibility to the providers' portal. It was envisaged that the timescale for this project would be 6 months but this was a very tight timescale. The improvements introduced had already made a positive impact on efficiency and budgets. With regards to validation controls in place, once the upgrade had taken place, the IT system would ensure that less human error would take place. The processes were currently being reviewed and the IT systems allocated to a single point of contact. Regular weekly performance meetings took place regarding the financial process. Update reports highlighted if there were issues with matching invoices and data. Where issues arose the Service Delivery Managers were asked to account for the issues. There had been some team leader/supervision issues.

In the ensuing discussion Members raised questions regarding checks on the person receiving care:

- Did the person still exist
- Had their condition improved/worsened
- How often were Clients assessed

P Taylor confirmed that the minimum rule on checks was that a check took place annually. The Local Authority dealt with a wide range of people from younger people, adults, disability, the frail and elderly and end of life care a flexible system needed to be in place. The Clients received the care when it was needed and controls were in place. Reviews took place depending on the individuals needs and sometimes weekly depending on the situation, the person's capacity and if there was support of family members.

A further question was raised as to whether we should be providing services if clients were not paying their costs.

It was confirmed that there was occasionally a need to override the system in order for care to continue whilst financial assessments were being undertaken, eg clients from Hospital. During the first 12 weeks and initial assessment took place in order to establish the correct enablement services, reviews then followed the normal process or were reviewed again after 3 months.

The Adult Social Care Financial Case Management Team undertook finance checks on client by client, case by case nature. This was very labour intensive but useful and helpful work. It was an area that was under a lot of pressure due to the overall savings that needed to be made.

The Chair suggested that a further report be brought back in September 2015 regarding the IT Systems and the unbilled income (Item 3).

AUC-38 2015/16 STRATEGY AND TREASURY UPDATE REPORT

P Harris gave updated the Committee on Treasury Management activities during 2014/15 and gave details of the Treasury Strategy which was recommended for adoption in 2015/16.

Since the report had been written budget consultation had taken place. The figures may alter from this report, but a final report would be brought to Full Council. The Strategy would be circulated to Members once it had been received.

The Treasury Portfolio at the end of December showed overall net indebtedness of £100.2m (borrowing of £124.1m less investments of £23.9m). Base rates had remained at 0.5% all year with the next move expected to be upwards but this was not expected until the second half of 2015.

The borrowing strategy for 2014/15 was to use maturing investments to reduce the borrowing and then taking new shorter borrowing maturities before gradually lengthening them. One PWLB loan had matured but no new loans had been taken out. Short term borrowing had been used to fund short term cash flow requirements.

The Housing investment Programme Business Case, which was approved at Cabinet on 8th January 2015, included PWLB borrowing of £59.3m. It was anticipated that approximately £3m would be required during 2014/15.

The investment strategy was to gain maximum benefit but the security of the principal sum was the primary consideration. No new long term investments had been taken out and details regarding the short-term investments could be found at Appendix F to the report.

The Council was currently expecting to borrow up to £45m in 2015/16 based on the current capital programme but would adopt a flexible approach to borrowing. If projects came forward ie Ministry of Defence, the requirement for borrowing may increase. This had been built into the approved borrowing scheme and would be within the maximum levels for counterparties of £20m at one time.

During 2014/15 the Council had amended the way in which calculations within the Minimum Revenue Provision Statement were made from straight line to annuity. This had also been extended to Government Borrowing Approvals and would produce a one-off saving in 2014/15 of £1.420m and savings in 2015/16 of £0.290m.

Details of the in-year portfolio position could be found at 4.1 to the report and details of investments at 4.4 of the report.

LGA Bond Agency, a Local Capital Finance Company was established in 2014 by the Local Government Association. This was an alternative to the PWLB and planned to issue bonds on the capital markets and lend the proceeds to local authorities. This was considered to be a more complicated source of finance than the PWLB for the following reasons:

- Bond investors may be required to provide a joint and several guarantee
- A lead time of several months between committing to borrow and knowing the interest rate payable
- 5% of the loan proceeds would be withheld from the Authority and used to bolster the Agency's capital strength

Any borrowing through this method would be the subject of a report to full Council.

Page 69 of the report showed a full list of Approved Investment Counterparties. This list covered all of the different types of investment which strengthened and already robust list and gave clear guidance. The Council always took advice from Arlingclose, the Council's advisors before making any investment.

Details of the projected borrowing could be found at Appendix B to the report and Prudential Indicators at Appendix C.

Page 85 to the report showed the maturity structure of the fixed rate borrowing. Some of the upper limit figures had increased.

A discussion took place including:

- Borrowing
- Wholly Owned Company
- Capital Expenditure
- Refinancing needs

RESOLVED – that:

- a) the treasury management activities for the first half year be noted;**
- b) the Treasury Management Policy Statement (Appendix A) be noted; and**
- c) the Treasury Strategy, including the Annual Investment Strategy for 2015/16 together with associated treasury Prudential Indicators and the Minimum Revenue Provision Statement be approved.**

**AUC-39 INTERNAL AUDIT UPDATE QUARTERS TWO AND THREE 2014/15 AND
UPDATE OF THE INTERNAL AUDIT CHARTER FOR 2015/16**

J Marriott presented the Quarter Two and Three 2014/15 update together with the update to the Internal Audit Charter 2015/16.

The Audit Charter 2015/16 could be found at Appendix A to the report and included very minor changes to the resources available.

With regards to the Quarter Two and Three Report, this was the 2nd update and covered the work of Internal Audit during July to December 2014 and information relating to the work could be found within the Appendices to the report as follows:

- Appendix B
 - List of final reports issues in quarters two and three with grading red, amber, yellow or green and also included budget time, actual time and percentage variance.
- Appendix C
 - List of all work undertaken for quarters two and three for a period of one day or more.
- Appendix D
 - Previous graded reports from April 2012 to June 2014 with their current status

- Appendix E
 - Summary of red and amber reports issues in quarters two and three.

Appendix B showed there had been 19 reports issued in quarters two and three with five of these reports being Amber and three Red.

Some of the areas had received significantly more support than had originally been scheduled. The team had engaged in a training session in order to improve their processes and time management. It was also felt that the team should require the audited areas to identify resolutions to issues themselves rather than resolution by Audit and this would then allow the team to carry out more assurance work and balance out their time.

The follow up for Queenswood School was now complete and the grading had moved from Amber to Green. With regard to the Shared Lives follow up, the work undertaken to date had demonstrated a good improvement. Other follow work was due to be commenced or had been planned. The Audit Team were confident that management would implement the remaining recommendations and provide the appropriate assurance and improve the controls.

With regard to Appendix D, an update had already been received earlier in the meeting on the Abacus system. The Transport Review was no longer an issue. Moorfield Primary School had received a follow up during November 2014 and although this remained amber a further follow up had been planned for February 2015. The Committee were re-assured that the issues were moving forward.

A discussion took place including:

- The Charter
 - Including schools within the report
 - Contingency plans with regard to liability of the Pension Scheme
 - Assets and liability of Schools
- Blessed Robert Johnson Report
 - School closing in the Summer and re-opening as an Academy in September 2015
 - The deficit and the re-assurance and work being undertaken by the temporary Headteacher to reduce this deficit.
 - The poor governance of the IT but the good service provided to other schools
 - Further work to be undertaken in June/July 2015 before the school closes.

RESOLVED – that:

- a) the Internal Audit Charter 2015/16 be approved; and**
- b) the Internal Audit update information for quarters two and three 2014/15 be noted.**

AUC-40 UPDATE ON THE ANNUAL GOVERNANCE STATEMENT 2014/15 ACTION PLAN

J Marriott updated the Committee on the Annual Government Statement and 2014/15 Action Plan.

Under the Accounts and Audit (England) Regulations 2011 the Council was required to produce an Annual Governance Statement regarding best practice and an action plan for further improvement. The report set out the progress made up to the end of November 2014 against the actions agreed in June 2014, details of which could be found at Appendix A to the report.

The report showed that the Local Authority had good governance and supported the identification and management of risks and had robust control arrangements in place.

A discussion took place including:

- Scrutiny
- Joint working across Committees in order not to duplicate work
- Children and Young People Scrutiny Committee Work

J Marriott suggested that a copy of the Scrutiny Work Programme be circulated to the members of Audit Committee for their information.

RESOLVED – that progress made against the actions in the AGS Action Plan be noted.

AUC-41 AUDIT COMMISSION/KPMG FRAUD REPORT 2013/14

The Audit Commission/KPMG Fraud Report 2013/14 had been circulated to the Audit Committee for information purposes only.

The meeting ended at 7.18 p.m.

Chairman:

Date:

PERSONNEL COMMITTEE

Minutes of a meeting of the Personnel Committee held on Thursday 22 January 2015 at 9:30am at Meeting Room G3, Addenbrooke House

PRESENT: Councillors K.S. Sahota, S. Davies, N. Dugmore, R. Overton, H Rhodes, J. Seymour

PEB-5 MINUTES

RESOLVED – that the minutes of the meeting of the Personnel Committee held on 26 June 2014 be confirmed and signed by the Chairman.

PEB-6 APOLOGIES FOR ABSENCE

Councillor K.R. Guy.

PEB-7 DECLARATIONS OF INTEREST

Cllr S. Davies informed the committee that in regards to the Pay Policy report his sister worked for T&W council and would be affected by this but he had no personal financial gain.

Cllr R.A. Overton informed the committee that in regards to the Pay Policy report that his niece worked for T&W council but he had no personal financial gain.

PEB-8 2015 PAY POLICY STATEMENT

The People Services Manager presented the report to the committee covering this year's 2015 – 16 statutory pay policy statement.

The report was currently based on the assumption that a pay offer for chief officers currently under national negotiation would be accepted this month. However if this did not come to pass the report would be amended to reflect that outcome.

Some key changes within the report included; the effect of pension regulation changes, the impact of the NJC pay award that affecting the majority of council staff, and the freezing of the Chief Executive Officer's pay.

It was also noted that within the report the multiplier ratio between the highest and lowest paid employees had dropped from 11 to 10.2. and that this report confirmed the Council complied with statutory regulations required of it.

A discussion then took place:

- It was highlighted that it was important to let lower paid staff know the gap between highest and lowest paid employees was being lowered.
- It was asked how we compare to other authorities

- The People Services Manager responded by informing the committee that while the figures did fluctuate, the Council had a low multiplier ratio.
- It was queried how the freezing of the Chief Executive Officer pay would be affected by the current national negotiations
- The People Services Manager responded by informing the committee that it was likely that any Chief Officers earning under £99,999 would receive a pay award, but those earning above that would be excluded.

RESOLVED -

- (a) that the content of the Council's Pay Policy Statement for publication on the Council's website on 1st April 2015 be agreed and referred to Full Council on 5 March 2015 for acceptance.
- (b) that authority be delegated to the Assistant Director: Law Democracy & People Services, in consultation with the Leader of the Council, to amend the Statement as necessary in line with any further national guidance that may be issued following the meeting of the Board or changes to negotiated pay rates during the period of the Policy Statement.

PEB-9 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 likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972

PEB-10 APPOINTMENT OF DIRECTOR OF NEIGHBOURHOOD & CUSTOMER SERVICES

The People Services Manager outlined the recruitment process for the position of Director of Neighbourhood & Customer Services and the arrangements for the assessment and interview process. Following advertisement of the post in accordance with the Council's current procedures, two applications had been received which had been analyzed against the job requirements and the personal specification, and details of the application and the analysis were presented to the Committee. The Committee examined all the application documents and conducted the final interviews with the candidates. Following full consideration of all the available information, including the results of assessments, the content of written tests, feedback from presentations, and the performance of the candidates during the interview process, it was

RESOLVED - that the post of Director of Neighbourhood & Customer Services be offered to Mr Jonathan Rowe subject to the required consultation with Cabinet.

Chair.....

Date.....

PLANNING COMMITTEE

Minutes of a meeting of the Planning Committee held on Wednesday, 4th February 2015 at 6.00pm in the Telford Suite at Shropshire College Hotel School Ltd (The Telford Whitehouse Hotel), Watling Street, Wellington, Telford TF1 2NJ

PRESENT: Councillors J C Minor (Chair), N G Dugmore, E J Greenaway, A S Jhawar, J Loveridge, C P R Mollett (as substitute for R.T. Kiernan), L A Murray, B J Thompson (as substitute for K R Guy) and C R Turley.

ALSO PRESENT: Councillors A J Eade (for Planning Applications TWC/2014/0434 and TWC/2014/0532), A Lawrence (for Planning Application TWC/2014/1056), J Pinter (for Planning Application TWC/2014/0631), F M Bould (for Planning Application TWC/2014/1030), G C W Reynolds (for Planning Application TWC/2014/1012) and S P Burrell (for Planning Application TWC/2014/0236).

PC-065 MINUTES

RESOLVED – that the minutes of the meeting of the Planning Committee held on 14 January 2015 be confirmed and signed by the Chairman.

PC-066 APOLOGIES FOR ABSENCE

Councillors K R Guy and R T Kiernan.

PC-067 DECLARATIONS OF INTEREST

With regard to planning applications TWC/2014/0434, TWC/2014/0532 and TWC/2014/1056 Councillor B J Thompson advised that he was a member of Lilleshall, Donnington & Muxton Parish Council but had not been involved in any discussions on these applications.

With regard to planning applications TWC/2014/0434, TWC/2014/0532 and TWC/2014/1056, Councillor N G Dugmore advised that he was a member of Lilleshall, Donnington & Muxton Parish Council but had not been involved in any discussions on these applications.

With regard to planning application TWC/2014/0631, Councillor C R Turley advised that he was a member of an adjoining Parish Council but had not been involved in any discussion on this application.

With regard to planning application TWC/2014/1012, Councillor J C Minor advised that he was one of the local Ward members but had not been involved in any discussion on this application.

PC-068 DEFERRED/WITHDRAWN APPLICATIONS

None.

PC-069 SITE VISITS

None

PC-070 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Committee and fully considered each report and the supplementary information tabled at the meeting regarding each planning application.

- (a) TWC/2014/0434 - Land adjacent The Croft, Church Road, Lilleshall, Newport, Shropshire

This was an outline application for the erection of 6 dwellings and 2 bungalows, with all other matters reserved for consideration at a later stage via a separate application. The application site was currently agricultural land situated on the eastern edge of Lilleshall off Church Road. An update report was tabled at the meeting which contained further comments submitted from local residents that did not raise any new issues and a further submission from the applicant's agent.

Councillor C Baker, member of Lilleshall, Donnington & Muxton Parish Council, addressed the Committee. The Parish Council had strong objections to this application and the separate application for the adjoining site (TWC/2014/0532), which would effectively form one development and have a significant detrimental impact on the village of Lilleshall. The village school was already full without more families coming to live in Lilleshall on top of the new housing already approved or under construction. Reference was made to the unsuitability of the local road network to deal with the additional traffic that this development would generate, and the hazards that pedestrians, cyclists and motorists would face. This development was not sustainable and should be refused.

Councillor A J Eade, Borough Ward Member, addressed the Committee, and stated that this was inappropriate development on a greenfield site that might facilitate further incursion into the countryside. There was no demonstrable need for this housing, and the development would significantly harm the character of the village. The site was opposite a Grade I listed church and would detract from its setting, and the development would also involve the lowering of a wall of significant character. The application was contrary to a number of Local Plan policies and any benefits of the scheme in terms of affordable housing etc were outweighed by the negative impacts it would bring.

Mr T Morris addressed the Committee on behalf of local residents. He particularly referred to the local road network and the existing traffic issues on Church Road, which was narrow in places with pinchpoints. There was traffic gridlock at times with buses unable to pass each other, and with the bus-stop by the church often filled with cars. The highways issues had not been properly addressed by the applicant nor in the Planning Officer's report, and this development would make matters worse. If the application was approved there would be significant disruption from construction and works traffic, further increasing the danger to pedestrians and all road users.

Mr S Jones, the applicant's agent, addressed the Committee and referred to the key points in his submission set out in the update report. The application site was not in a conservation area and English Heritage had not objected in terms of any impact on the Church. This was infill development close to the centre of the village and local facilities and had been acknowledged by the Planning Officer as sustainable. The plans provided were indicative, but the Duke of Sutherland style would be incorporated in the development. In terms of traffic and highways issues, there were no recorded accidents along Church Road in the last 10 years, and no objections from statutory consultees on technical grounds. The application was in accordance with planning policy, and there were no robust reasons for refusal. Reference was also made to recent decisions made on other housing applications in the immediate and wider area.

The Planning Officer advised on the principle of development, the absence of a demonstrable 5 year supply of deliverable housing sites and the advice in the National Planning Policy Framework for a presumption in favour of sustainable development. He also drew attention to aspects of the report relating to access, design, impact on amenity, drainage, ecology, landscape, impact on trees and section 106 contributions. Following discussions with the applicant, this was a revised scheme, with one fewer dwelling than originally proposed and containing information on the means of access. It was considered that the development could be accommodated without significant impact on nearby residential amenity, the character of the surrounding area, highway safety or the natural environment. It was therefore considered to comply with relevant national and local planning policies, and was recommended for approval subject to financial contributions, affordable housing provision and appropriate conditions.

In response to a question, the Planning Officer confirmed that the proposed affordable housing element was on-site provision and not off-site provision as indicated erroneously in the report. Some Members expressed the view that the application represented building into the open countryside, there was no demonstrable need for housing in this location, and there was concern at some of the comments of the Highways Officer regarding the access arrangements and the traffic situation on Church Road. Concern was also expressed at the reduction in the height of the wall along the front of the site. In response, the Planning Officer advised that the retention and preservation of the wall would be mitigated through appropriate conditions. Other Members expressed the view that the application was for a relatively small number of dwellings that could enhance the village. Government ministers had made it clear that greenfield sites could be developed for housing, and there did not appear to be exceptional circumstance in this case to support a refusal of planning permission.

In light of the concerns raised, it was moved and seconded to defer the application for a site visit. Upon being put to the vote, this proposal was lost. It was then moved and seconded that the recommendation in the report be approved. On being put to the vote, it was:-

RESOLVED – that with respect to planning application TWC/2014/0434 authority be delegated to the Development Management Service Delivery

Manager to grant outline planning permission subject to the applicant entering into a Section 106 Agreement relating to:

- i) Provision of on-site affordable housing constituting 36% of total number of units;**
- ii) A contribution of £875 per unit towards Highways Improvements;**
- iii) The conditions as set out in the report.**

(b) TWC/2014/0532 – Land adjacent The Croft, Church Road, Lilleshall, Newport, Shropshire

This was an outline application for the erection of 12 dwellings and 2 bungalows, with all other matters reserved for consideration at a later stage via a separate application. The application site was currently agricultural land situated on the eastern edge of Lilleshall off Church Road. Following concerns raised about the original outline submission, a revised proposal had been submitted with one fewer bungalow, an indicative layout for the site, revised access arrangements from Church Road and an amended proposal for the diversion of a public footpath. An update report was tabled at the meeting which contained some amendments to the Section 106 contributions and clarification from the Housing Officer that the affordable housing provision would consist of 1 shared ownership and 4 social rented units. Further comments had been submitted from local residents but did not raise any new issues and the update report also included a further submission from the applicant's agent.

Councillor C Baker, member of Lilleshall, Donnington & Muxton Parish Council, addressed the Committee. The Parish Council had strong objections to this application and the separate application for the adjoining site, and many of her comments made earlier in the meeting in respect of TWC/2014/0434 applied also to this proposal. In addition, it was felt that the revised entrance to the site was very poorly situated on the steepest and narrowest part of Church Road approaching the brow of a hill. The development would place strain on an already overburdened sewerage system, and there was concern at the loss of an existing stone wall which should be conserved. This development was not sustainable and should be refused.

Councillor A J Eade, Borough Ward Member, addressed the Committee, and stated that this was inappropriate development on a greenfield site that might facilitate further incursion into the countryside. Many of his comments made earlier in the meeting in respect of TWC/2014/0434 applied also to this proposal. This site was opposite a number of listed buildings and would cause harm to their character and surroundings. It was claimed that the owner of one of the existing stone walls along the boundary of the site would not agree to a reduction in the height of the wall, and this should be investigated before any decision was made. The application was contrary to the National Planning Policy Framework and would cause significant harm to the village.

Mrs S Morris addressed the Committee on behalf of local residents. There was a need to protect green spaces and use brownfield land instead for housing development. This application would have an adverse impact on the visual amenity

of the residents living opposite, there were drainage issues, walkers using the footpath would be effected, the amended access arrangements would make it more hazardous for pedestrians and exacerbate existing traffic problems, and the construction traffic for the development, if approved, would cause nuisance for the village and problems of road safety. Residents believed the amended proposal was ill-conceived and did not address their concerns.

Mr S Jones, the applicant's agent, addressed the Committee and referred to the key points in his submission set out in the update report, and which were broadly the same as those for TWC/2014/0434 discussed earlier. Mains sewer and water connections were available, and a sewer main crossed the application site. The application was in accordance with planning policy, and there were no robust reasons for refusal.

The Planning Officer advised on the principle of development, the absence of a demonstrable 5 year supply of deliverable housing sites and the advice in the National Planning Policy Framework for a presumption in favour of sustainable development. He also drew attention to aspects of the report relating to access, design, footpath, impact on amenity, drainage, ecology, impact on trees/hedging and section 106 contributions. It was considered that the development could be accommodated without significant impact on nearby residential amenity, the character of the surrounding area, highway safety or the natural environment. It was therefore considered to comply with relevant national and local planning policies, and was recommended for approval subject to financial contributions, affordable housing provision and appropriate conditions. The proposed affordable housing element was on-site provision and not off-site provision as indicated erroneously in the report, and the stated contribution towards Education facilities was per unit.

Some Members expressed concerns at the narrowness of Church Road at the proposed access point to the site and the potential impact on highway safety, and it was moved and seconded to defer the application for a site visit. Upon being put to the vote, this proposal was lost. In response to further concerns regarding the access and whether the visibility splays were achievable, the Assistant Director: Planning Specialist advised that Highways Officers were satisfied with the access arrangements. In relation to other issues raised, there had been no objection from Environmental Health, and the issue of school places had been addressed.

Other Members expressed the view that there did not appear to be exceptional circumstance in this case to support a refusal of planning permission. It was therefore moved and seconded that the recommendation in the report be approved. On being put to the vote, it was:-

RESOLVED – That with respect to planning application TWC/2014/0532 authority be delegated to the Development Management Service Delivery Manager to grant outline planning permission, subject to the applicant entering into a Section 106 Agreement relating to:

- i) Provision of on-site affordable housing constituting 36% of total number of units
- ii) A contribution of £875 per unit towards Highways Improvements

- iii) **A contribution of £600 per unit towards play/recreation facilities**
- iv) **A contribution of £2108 per unit towards Education facilities**
- v) **The conditions as set out in the report**

(c) TWC/2014/1056 – Site of The Cottage, Wellington Road, Muxton, Telford

This was a full application for the erection of 9 dwellings (6 semi-detached properties and a terrace of 3 dwellings) with access and parking. The application site was currently a vacant piece of land (approx. 0.12ha) following the demolition of the dwelling on the site, formerly known as 'The Cottage'. It was located within a predominately residential area. Access to the site was to be created directly off Wellington Road and there would be 13 car parking spaces provided on-site.

Councillor A Lawrence, Borough Ward Member, addressed the Committee, and stated that local residents strongly disagreed with the Highways Officer's view that the proposed development would not lead to any significant adverse impact on highway safety on Wellington Road. The additional number of vehicle movements would add to the traffic problems that already existed. The number of dwellings being proposed represented over-development of the site, and it would be out-of-character with the surrounding area. The existing drainage system was inadequate, with regular flooding on Wellington Road when it rained. The scheme did not provide enough parking spaces for residents, and was likely to lead to on-street parking on Wellington Road. The application should be refused or at least deferred for an amended scheme with fewer dwellings.

Mr V Rainsford addressed the Committee on behalf of local residents. Recent housing development in the surrounding area was already causing traffic/highways problems and this application would only add to that. It would also create further hazards for pedestrians and motorists and impact adversely on highways safety. The parking provision was inadequate and would result in more on-street parking, and the problems with flooding on Wellington Road needed to be rectified before any further housing development was considered. Reference was also made to previous applications for housing on the site that had been refused.

Mr R Brock, the applicant's agent, addressed the Committee and stated that this was a brownfield site and it was not being over-developed. The site was larger than a neighbouring housing site on the site of the former Sutherland Arms, and the number of dwellings in the scheme had been reduced from 11 to 9. The parking provision was in accordance with the Council's code, and the proposed access entrance was of suitable width. The local flooding issues were being taken seriously and all measures would be taken to ensure the development did not contribute to any further flows of rainwater onto Wellington Road.

The Planning Officer advised on the principle of development, the absence of a demonstrable 5 year supply of deliverable housing sites, the advice in the National Planning Policy Framework for a presumption in favour of sustainable development, and policy H6 (Windfall Sites in Telford & Newport) in the Local Plan. He also drew attention to aspects of the report relating to highways, design and impact on existing amenities, drainage and ecology/arboriculture. It was considered that the

development was sustainable, it could be adequately accessed and sufficient on-site parking would be provided. The layout, scale and design of the proposed dwellings were acceptable and would be in keeping with the surrounding area. It was therefore considered to comply with relevant national and local planning policies, and was recommended for approval subject to conditions.

Concern was expressed at the proposed density of housing, which was considerably more than the average density referred to in the Council's 'Shaping Places' document. There were further concerns about the parking provision and the drainage/flooding issues that had been raised, as well as the ownership of the watercourse that bounded the site. In response to questions, Officers advised that drainage matters/maintenance of the watercourse were covered in the proposed conditions, and that there was no specific standard within the Local Plan relating to number of parking places to be provided. The advice of the Highways Officers was based on the application of national standards and rules, and it would be difficult to defend a refusal on highways grounds. In relation to the density of housing, it was accepted that this would vary from site to site, depending on the specific circumstances of each site.

Other Members noted that the scale and density of the proposed development was similar to that of an adjacent development and that the applicant had reduced the number of dwellings proposed for the scheme. Any drainage issues could be dealt with by conditioning of the application.

RESOLVED – that with respect to planning application TWC/2014/1056 planning permission be approved, subject to the conditions set out in the report.

(d) TWC/2014/0631 – The Red Lion, 15 Holly Road, Little Dawley, Telford

This was a full application for the demolition of the existing public house (currently vacant) which would be replaced by the erection of 8 dwellings (four pairs of semi-detached dwellings) with associated access and landscaping. The properties would front onto Holly Road, with vehicular access from the cul-de-sac (Hafren Road) at the rear. The scheme had been subject to significant amendment in terms of access and parking arrangements. This reflected concerns of Highways Officers regarding the original scheme which proposed access and parking from and at the front of the site onto Holly Road. These concerns related to insufficient visibility splays, inadequate parking provision within the site curtilage, and inadequate provision for the turning of vehicles within the site. Members had undertaken a site visit earlier in the afternoon prior to the meeting.

Councillor A Scott, member of Dawley Hamlets Parish Council, addressed the Committee. The Parish Council now objected to the application due to the revised access arrangements. Hafren Road was a narrow cul-de-sac where there was already little existing parking space for residents, resulting in on-street parking. The proposed development would lead to more on-street parking, leading to increased congestion and a hazard for emergency vehicles. It was felt that the increased traffic flows would make the junction of Hafren Road with Holly Road dangerous. The proposal would mean more noise and pollution for the residents of Hafren Road. It

was suggested that the access to and from the site should be from one of the two existing access points to the public house from Holly Road.

Councillor J Pinter, Borough Ward Member, addressed the Committee. It was accepted that the site needed re-development, but the amended scheme with access to and from Hafren Road was the problem. Hafren Road was a narrow cul-de-sac and not suitable for such additional vehicle movements. It was felt that the proposed 'parallel parking' arrangements for each property would not work, and would lead to more on-street parking on Hafren Road. This was over-development, and the access point for the site should be from Holly Road.

Mr T Young addressed the Committee on behalf of local residents. There were not objections to the development of the site, but it was difficult to understand how Highways could say that the access was better from Hafren Road than Holly Road. The additional traffic would still go out onto Holly Road at the one end of Hafren Road. There was not enough room for existing residents of Hafren Road to access their drives, and this proposal would lead to more on-street parking and congestion. It would also impair access for emergency vehicles and refuse lorries etc.

Mr C Huntley, the applicant's agent, addressed the Committee and referred to the density of the proposed development which was less than that for an application approved earlier in the meeting. The applicants had worked hard with Highways Officers to find an acceptable solution for the access arrangements. It was felt that this amended scheme was the best option, with the access from Hafren Road being much safer than from Holly Road. There would be pedestrian access from the site to Holly Road. Reference had been made to the tandem parking spaces for each dwelling, but there was evidence from other sites that these worked and did not lead to increased on-street parking.

The Planning Officer advised on the principle of development, and drew attention to aspects of the report relating to access and parking, design, highways, drainage, ecology and trees and archaeology. The amended scheme did represent a density of units that was generally higher than the properties in the locality, but was considered acceptable and the scheme generally now provided a much softer approach to development and better amenity. It was considered that Hafren Road could accommodate the predicted vehicle movements arising from the development, and that some of the existing properties had off-street parking provision. In terms of access for emergency vehicles, Shropshire Fire & Rescue had not raised any objections. The access of vehicles during the construction would be controlled through a site management plan. The amended application complied with relevant national and local planning policies and was recommended for approval.

Members referred to the site visit earlier at which there were concerns at the use of Hafren Road for the access to the site, and at potential overdevelopment of the site. While the concern about visibility from one of the existing access points from the pub car park onto Holly Road was justified, it was felt that the other access point might be acceptable. Members felt that other access options should be explored with the applicant, as well as a possible reduction in density, in order to achieve a more acceptable solution. It was therefore moved and seconded that determination of the application be deferred. Upon being put to the vote it was:

RESOLVED – that with respect to planning application TWC/2014/0631 planning permission be deferred to allow for further negotiations with the applicant regarding a reduction in density and the access arrangements for the proposed development.

(e) TWC/2014/1030 – Metal & Waste Recycling Ltd, The Old Smithy, Lightmoor Road, Lightmoor, Telford

This was an application for the erection of a new building for aluminium storage, associated water tank for dust suppression, additional acoustic barriers and removal of a mobile phone mast. The application site was located north of the former disused railway line and houses at Leasowe Green and the surrounding area was a mix of housing and commercial industrial uses. The new building would measure 25m wide x 35m long and would be 12.3m high to the ridge of the roof. This was a larger structure than that previously approved under TWC/2014/0335 but not implemented. The applicant had indicated that a larger building would allow lorries to back into the building and unload more effectively, which would help contain noise from the site. To further mitigate noise, an additional 110 metres of new acoustic fencing would be erected to provide a continuous acoustic barrier around the majority of the site.

Councillor F M Bould, Borough Ward Member, addressed the Committee. She had received a number of complaints about traffic and noise from this site over the last four years. There was concern that a larger building would increase the activity on site, and lead to further problems. Although a further acoustic barrier was proposed, previous promises for measures to mitigate against noise had not been speedily implemented. In any event, noise levels had not decreased since the existing acoustic barrier was built. There may also be increased movement of heavy goods vehicles into and out of the site leading to additional hazards for motorists and pedestrians. Any approval of the application needed to be conditioned carefully to provide reassurance to local residents who had lost faith with Environmental Health and other agencies to do anything to protect them from noise pollution. This was a residential area, and it would be better for all concerned if the company could find an alternative site more suited to their activities.

Ms H Lawrence, a local resident, addressed the Committee. She had three main concerns – i) that this was an inappropriate economic activity within a residential area; ii) disturbance to local residents from the noise from the site, with the existing acoustic barrier failing to reduce noise levels, and any additional barriers unlikely to do so; and iii) dangers to traffic and pedestrians on Lightmoor Road from HGVs accessing the site. She would like the application to be deferred and for assistance to be given to the company to find a more suitable site.

Mr C Dent, the applicant's agent, addressed the Committee and stated that the larger building would lead to a reduction in noise as it would allow lorries to fully back in and the doors to be closed. The new building would not lead to any increase in throughput, and it was agreed that noise emissions needed to be controlled. The new length of acoustic barrier would help achieve this. The company would co-

operate with the Council about re-locating to another site, but in the meantime it needed to have a plan in place to continue operating.

The Planning Officer advised that the application needed to be looked at on its merits and in the context of previous planning approvals granted. The main planning issue in respect of this application was the impact of a larger building on the amenity of the area including its visual impact. There would be no further impacts on highways, drainage, land contamination, ecology or stability than that previously approved which could be adequately controlled through planning conditions. In relation to representations from local residents, it had been concluded that they did not raise any new matters that would reasonably justify refusal of planning permission for this development. It was therefore recommended that permission be granted subject to a suite of conditions and informatives to control noise associated with the development and to restrict the hours of operation.

Members recognised the concerns of local residents regarding noise and traffic from the site, and welcomed any initiatives for the business to be re-located to an alternative site. However, it was noted that the site had a long history of use for scrap metal related activity and was an established use. Reference was made to a perceived lack of response to complaints from residents about the noise problems they experienced. The Assistant Director: Planning Specialist advised that the responsibility for monitoring of noise etc lay with Environmental Health, and that he would raise the concerns that had been expressed with colleagues in that department. Reference was also made to the comments of the Environment Agency set out in the report. Some Members also expressed the view that this application should help to improve the current situation in terms of noise.

RESOLVED – that with respect to planning application TWC/2014/1030 authority be delegated to the Development Management Service Delivery Manager to grant planning permission subject to the conditions set out in the report (and with authority to finalise conditions and reasons for approval).

(f) TWC/2014/1012 – Land opposite Usc Con, 15 Rocfield Terrace, Lincoln Road, Wrockwardine Wood, Telford

This was an outline application for the erection of one dwelling with all matters reserved for later approval. The application site was located off a private road off Lincoln Road within a predominately residential area. The site was a vacant parcel of land which was designated as Green Network within the Wrekin Local Plan.

The Chair expressed concern that Wrockwardine Wood and Trench Parish Council had asked for the application to be heard by the Planning Committee but had not sent a representative to speak

Councillor G C W Reynolds, adjoining Ward Member, addressed the Committee in order to report the concerns of local residents and Wrockwardine Wood Parish Council about this application. There were concerns about the notification process and neighbour consultation for this application, and that the submitted plans were inaccurate. There were concerns about site stability, the loss of privacy and overlooking of properties on Stafford Road, the loss of Green Network and green space, access via a narrow road and issues of highway safety during and after the

construction of the dwelling. If the application was approved, there needed to be suitable replacement planting.

The Planning Officer advised that the main issues for consideration were the principle of residential development in this location, development within the designated Green Network and the impact the development would have on the character of the area and existing residential amenities. Most of the surrounding area was residential in nature, and the application site was close to local facilities and amenities. In terms of the Green Network, it had been demonstrated that the site did not contribute to the core values of this designation, having little or no community benefit. The indicative layout was acceptable, and design and landscaping details would be considered under a separate application at a later stage. Objections from the Parish Council and residents had been taken into account, but it was considered that these matters could be satisfactorily addressed by conditioning of the application. The application was in accordance with national and local planning policies, and it was therefore recommended that permission be granted subject to conditions.

In response to a question about the claims made by objectors about the inaccuracy of the plans submitted with the application, the Planning Officer advised that he was not aware of any land ownership issues or that the boundaries shown on the plans were incorrect.

RESOLVED – that with respect to planning application TWC/2014/1012 planning permission be approved, subject to the conditions set out in the report.

PC-071 URGENCY RESOLUTION – SECTION 100B(4), LOCAL GOVERNMENT ACT 1972

The Chair made the following statement:

“I am of the opinion that the following item of business should be dealt with as a matter of urgency at this meeting in order to avoid any unnecessary delay”.

PC-072 PLANNING APPLICATION TWC/2014/0236 – LAND ADJACENT 12 TIBBERTON, NEWPORT, SHROPSHIRE

The Planning Committee had resolved at its meeting on 2 July 2014 to refuse planning permission for an outline application for up to 60 dwellings with associated infrastructure on the above site. The Committee resolution set out a number of reasons for refusal, and these had been developed by Officers into 3 main refusal reasons, as set out in the report attached to the supplementary agenda.

The Planning Officer reported that the developer had lodged an appeal with the Planning Inspectorate against the Committee’s decision. Legal advice had been obtained from Counsel on defending the appeal, and it had been advised that reasons 1 and 3 of the decision notice could not reasonably be defended at appeal, and to progress with them would potentially expose the Council to the risk of an award of costs. Officers concurred with this view, and it was therefore recommended

that the refusal reasons 1 and 3 in the decision notice should not be pursued at appeal.

Councillor S P Burrell, Borough Ward Member, addressed the Committee. He referred to the widespread support within the local community for the refusal of this application, and reminded Members of the many issues and concerns that had been raised about this application. Tibberton & Cherrington Parish Council had held an emergency meeting to discuss this matter, and felt strongly that all the reasons for refusal in the decision notice should be retained. There were good and valid reasons for the Committee to refuse the application, and this suggestion would dilute the strong case against this development. The Parish Council were prepared to offer assistance in defending any appeal, but were opposed to removal of these reasons for refusal.

The Legal Officer stated that the Parish Council could express its concerns and views independently at an appeal hearing or inquiry. The Committee needed to consider the advice from a barrister, who was aware that this was an application that was refused against the Planning Officer's recommendation.

Members discussed the matter and the wording of the reasons of refusal, and whether the deletion of reasons 1 and 3 would impact on the overall strength of the decision. The Assistant Director: Planning Specialist advised that the Council needed to present the strongest case possible at appeal, and it was felt that following the barrister's advice would strengthen the Council's position.

RESOLVED – that with respect to planning application TWC/2014/0236 reasons 1 and 3 for the refusal of the application in the decision notice be not pursued in the forthcoming appeal.

PB-073 TIME OF NEXT MEETING

It was reported that there were likely to be a large number of applications for determination at the next meeting on 25 February 2015. To be able to conduct all the business and conclude the meeting at a reasonable time, it was suggested that an earlier start time would be needed.

RESOLVED – that the start time of the next meeting of the Committee on 25 February 2015 be changed to 5.00pm.

The meeting ended at 8.54pm

Chairman:

Date:

PLANNING COMMITTEE

Minutes of a meeting of the Planning Committee held on Wednesday, 14 January 2015 at 6.00pm in the Telford Suite at Shropshire College Hotel School Ltd (The Telford Whitehouse Hotel), Watling Street, Wellington, Telford TF1 2NJ

PRESENT: Councillors J C Minor (Chair), N G Dugmore, E J Greenaway, A S Jhawar, R T Kiernan, J Loveridge, L A Murray, K R Guy and C R Turley.

ALSO PRESENT: Councillors K Blundell and W Tomlinson (for Planning Application TWC/2014/0746).

PC-062 MINUTES

RESOLVED – that the minutes of the meeting of the Planning Committee held on 17 December 2014 be confirmed and signed by the Chairman.

PC-063 APOLOGIES FOR ABSENCE

None

PC-064 DECLARATIONS OF INTEREST

With regard to planning application TWC/2014/0882, Councillor E J Greenaway advised that she had taken part in consultation relating to this application and would therefore not take part in the debate and would not vote.

PC-065 DEFERRED/WITHDRAWN APPLICATIONS

None.

PC-066 SITE VISITS

RESOLVED – that a site visit takes place on Wednesday, 4 February 2015 in respect of the following application (time to be determined):-

(a) TWC/2014/1054 – 1 Moorhead, Preston upon-the Wealdmoors;

PC-067 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Committee and fully considered each report and the supplementary information tabled at the meeting regarding each planning application.

(a) TWC/2010/0332 – The Huntsman Inn, Wellington Road, Little Wenlock, Telford, Shropshire, TF6 5BH

This was a request to discharge the S106 Agreement that linked one holiday let cottage and 3 dwellings to the operation of the Huntsman Inn.

The options available to members in dealing with the request were set out in the report. In January 2011 the Board resolved to grant planning permission for the erection of one holiday let unit and three dwellings to the rear of the Huntsman Inn, together with alterations and extensions to the public house itself. The section 106 agreement linked the proposed market housing to the operation of the Huntsman Inn in order to assist in making the renovation project commercially viable. The renovations to the public house had been subsequently completed and the public house was now open and operating well. The housing development to the rear had also been completed. The Council had received a request to remove the section 106 agreement, together with the associated deeds of variation in its entirety from the applicant's Solicitors on the basis that it no longer served a useful planning purpose. It was also argued by the applicant that the presence of the S106 Agreement will continue to inhibit the investment. There had been a change in planning policy emphasis following the introduction of the NPPF which suggested that the Council could not place reliance on the restrictions contained within Core Strategy Policy CS7. It was considered that the request to discharge the S106 in its entirety was therefore reasonable.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0332 the application for removal of the S106 in relation to the three houses be approved for the following reason:-

That the section 106 agreement no longer served a useful planning purpose

(b) TWC/2014/0228 – Site of Haybridge Hall Flats, Haybridge Road, Hadley, Telford, Shropshire

This was an application to grant full planning permission for the erection of 4 bungalows following demolition of Haybridge Hall flats. Members had undertaken a site visit earlier in the afternoon prior to the meeting.

An update report was tabled at the meeting, which contained the following information from the Applicant:

- The application building is of historical interest but is neither locally nor statutorily listed.
- The council owned the building for 15 years and transferred it to the Wrekin Housing Trust in a state of considerable disrepair. The Trust has taken measures to minimise its further deterioration but this is no longer economically viable.
- The developer has reviewed a number of options for the site involving retention of some or all of the front façade of the building. None of these are economically viable.
- The Parish Council and others were invited to find acceptable alternative uses for the building but to no avail.
- Planning officers do not dispute the various building condition reports submitted.

- While officers suggest that demolition is potentially acceptable if a redevelopment were grander in scale and design, such a proposal is neither viable nor practicable on this site.
- This bungalow development is compatible with surrounding development and would meet a need for housing for older/ disabled people.
- Demolition is regrettable but sadly inevitable.

Officers had reviewed this submission but did not consider that this raised any new matters that would justify granting planning permission.

Cllr P Smart, Parish Councillor for Hadley & Leegomery addressed the Committee regarding the iconic building which was bequeathed for the benefit of the community. She believed whilst in the ownership of the Council the building had been fully let but following the transfer of the property to the Wrekin Housing Trust that the building had been emptied of its 11 tenants and left to decay through neglect and that it was now beyond economic repair. It was not considered a good return to have 4 bungalows in its place. Cllr Smart asked the Committee not to permit the loss of a much loved and important building.

Mr A Williams, the Applicant's Agent, addressed the Members and referred to his letter in the update report. He agreed that whilst the hall had some historic value it was not a listed building and it was not on the non-statutory Local List. The building was surrounded by trees the subject of Tree Preservation Orders (TPO's) and was in a sensitive location in the heart of a complex of bungalows which significantly limited the options for use or redevelopment. He stated that the building had been in the ownership of Telford and Wrekin Council prior to that of the Wrekin Housing Trust and it had been transferred in a state of considerable disrepair. The Wrekin Housing Trust had tried to halt or at least minimise the deterioration but now considered that the building was no longer economically viable. The Parish Council had been approached for ideas for alternative use but none had been forthcoming. The Wrekin Housing Trust had considered retaining the façade with new build apartments behind, together with complete demolition and redevelopment into new-build apartments but the bungalows were the only viable option. The bungalows were sympathetic and compatible with adjoining site. Mr Williams then raised the question if the application was refused, what would happen next?

The Planning Officer confirmed that following consultation with the Conservation Officer, the building although not listed, was worthy of retention due to its local interest. Local Plan Policy HE25 sought to ensure that buildings of local interest were preserved and enhanced. The Planning Officer believed that from National and Local Planning Policy the new build would need to respond positively to the surrounding area and that the bungalows did not have the same effect as there were no architectural features and they were not a worthy replacement. There was a cramped feel to some parts of the development and any replacement scheme would need to be a sympathetic re-development. The NPPF supported the building's protection. Government also sought to boost significantly the supply of housing, particularly in sustainable locations such as Hadley. The replacement by just four bungalows would fail to meet this important Government initiative.

Members had attended a site visit and had concluded that this was a large, distinguished building that needed attention but to demolish it would be detrimental to the area and the community of Hadley & Leegomery. Members also felt that the proposed development did not address housing needs and that it would be more appropriate to retain and develop the building, although it was felt that car parking on the site would need to be addressed. Members questioned whether the building could be registered on the local list and were keen to investigate this option. Other suggestions were that the Wrekin Housing Trust put in bids for funding, e.g. the Community Pride Fund or Lottery Funding and turn this site into a community project as other distinguished buildings within the Borough had done very successfully.

The Planning Officer confirmed that the Council did hold a register of buildings of local interest and that the building was of local significance. English Heritage had considered whether the building should be listed but had chosen to not list the building.

The Assistant Director: Planning Specialist informed Members that Officers could investigate the local listing of the building if Members wished as this was an appropriate and justified approach.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0228 the application be refused planning permission for the following reasons:

That the proposed development would result in the loss of an architecturally distinguished building. The replacement bungalow development failed to respond positively to and influence positively the appearance and use within the local environment and fell short of policy expectations as set out in national planning policy as well as Core Strategy Policy CS15 and Local Plan Policy UD2.

(c) TWC/2014/0746 – Maxell Europe Ltd, Hortonwood, Telford, Shropshire, TF1 6DA

This was an application from J Ross Developments Ltd for outline planning permission for the erection of a mixed use development comprising of up to 540ono dwellings (Use Class C3), a local centre (Use Class A1) and public open space with associated access and landscaping following the demolition of the existing factory. Members had undertaken a site visit earlier in the afternoon prior to the meeting.

An update report was tabled at the meeting, which contained the following information from the Applicant:-

1. Leisure & Recreation facilities. At page 31 of Committee's papers, the report explains that the applicant has worked closely with the Council's Parks & Open Spaces section to provide certain facilities listed as bullet points. The applicant pointed out that further discussion took place with relevant officers who agreed that the scheme should incorporate a large equipped area for

children's play (serving a wide range), a multi use games area (MUGA) and also a naturalised walkers' route around the site.

2. Proposed Local Centre – community facilities. The applicant has provided details of discussions held with a local medical practice and NHS. Whilst there appears to be some support to provide local health facilities at the proposed local centre, there is currently no available funding to commission a purpose built facility. This might change in the next financial year.

Cllr K Blundell, Ward Councillor for Apley Castle, addressed the Members. The proposed development of 540 dwellings was considered to be excessive. It bordered the rural area and designated green network and would have a detrimental impact on the surrounding area and increase pressure on the highways. Cllr Blundell believed that the improvements to the Shawburch Roundabout would not be adequate to deal with the impact of 1000+ extra vehicles on local roads which were already at capacity. The A442 Whitchurch Road to the Princess Royal Hospital was very difficult to access in the morning and evening rush hour. The proposed developments at Allscott and Leegomery would further exacerbate this. Schools, GP Surgeries and roads would struggle to cope with the increased use. It was also felt that this proposed development would be detrimental to Apley Woods. Cllr Blundell felt that local schools were at capacity and would find it difficult to cope with the increased demand. It was suggested that the monies raised from the S106 must be spent within the vicinity of the proposed development and suggested that a new school be built on the site. It was felt that collectively all of the issues meant that this was not a sustainable development.

Cllr W Tomlinson, Ward Councillor for Shawburch, addressed the Members. He considered that the proposed development of 540 houses would have an adverse impact on the already pressured highways and schools. Both primary and secondary schools near to the locality were at capacity. Improvements to the highways on the islands at Shawburch and Leegomery were welcomed but further improvements were needed at peak times mornings and evenings. This highway was a key road for ambulances attending at the Princess Royal Hospital and it was difficult for emergency vehicles during peak times.

Mr S Warner, a local resident, address the Members regarding the local flora and fauna, meadows and woodlands which he felt would be put a great risk by the proposed development. This was a special place for wildlife and was home to 30 species that were classed as officially at risk or in danger of risk. An application for a Local Nature Reserve was due to be submitted shortly. Mr Warner raised concerns that it had taken 10 years to repair, nourish and conserve the woods and the impact the development on the edge of the site would have. He did not oppose the proposed development outright, but requested that a wider density to the buffer zone be considered in order to protect the green spaces network. Mr Warner suggested that the Committee defer the application pending a visit to the Woods before any decision was made.

Mr J Snell, a local resident and Governor at a local School addressed the Members regarding school places. There were currently 420 spaces allocated at the school of which there were 415 pupils enrolled. Reception places were at capacity. Mr Snell

considered that the proposed development on the Maxell Site and other developments within the vicinity would mean that 65 new school places would be needed by next Autumn and 300 further school places within the next 3 years. A meeting was due to take place between the Director of Planning and 6 local schools on 12th February.

Mr N Scott, the Applicant's Agent, gave the Members a brief background to the application. The Pickstock Group had acquired the development land in 2009 for operational purposes and explored the options of locating Pickstock Telford and their modular construction operation. Local residents expressed concern and alternative premises were sought. Pickstock Telford relocated to Hortonwood and opened for business in 2011. It was decided that rather than using the development land for operational purposes that the Company would seek further premises at an established employment site and the development land be used as a mixed use site in order to assist with any relocation. The relocation would encourage investment into Hortonwood and would create a further 125 jobs to enhance the 160 jobs already created. Mr Scott explained that the company had worked closely with Officers and this was a high quality scheme that addressed local needs. The master plan was to develop the site with minimum disruption to species where the development abuts the woodland and would introduce a buffer. There would also be enhancements to the Pool. The section 106 agreement would include the infrastructure, affordable housing, highway improvements and more importantly a planned expansion to the Shawbirch Roundabout. There was also significant funding for education provision within the S106. The proposed development met the Council's requirements and was of a high quality.

The Planning Officer informed the Members that there had been significant local concerns and the update report referred to a further 5 letters of objection that had been received concerning the local infrastructure, schools and highways. The Parish Council had sent a comprehensive response which included that the proposed development be sensitive towards Apley Woods and that the size of the buffer zone be increased from 20m to 30m. The size of the car park needed to be increased and the management of the car park needed to be confirmed. The Parish Council also raised concerns regarding the lack of school places as local schools were at capacity. Other concerns were highways, rights of way and it was asked that a TOUCAN crossing be located across Whitchurch Drive. The location was not well bus routed although the Number 25 bus service to the Princess Royal Hospital was operating on a trial basis. Financial contributions were sought towards a crossing and 2 bus stops. The Planning Officer confirmed to Members that the northern corridor strategic highway was subject to LEP funding in recognition that it would serve additional development coming forward as part of Shaping Places. More locally, it was recognised that there were capacity issues at peak hours along Whitchurch Drive and Queensway. The development would contribute to a partial solution but it would be unreasonable to expect this development to resolve problems further along the highway network. Other developments coming forward through Shaping Places would contribute to the strategic approach to highway improvements. The application needed to be considered on its merits and the highway improvements and level of financial contributions were reasonable. The developer was also willing to provide the land necessary to improve the Shawbirch Roundabout. The Highway Authority did not object to the proposed development

subject to a series of conditions. Education was a central theme and the Education Service had been closely involved with the application and had no objections. Financial contributions were proposed for both primary and secondary education. The Parks and Open Spaces Team had also worked closely with the applicants and had raised no objections. The applicant was willing to contribute to leisure and recreation provision and a minimum 20m buffer zone would be provided along the site's boundary with Apley Wood. There was no evidence from the ecology report that there would be any significant impact on the wildlife and the Planning Ecologist had acknowledged the improvements proposed and had raised no objections.

With regard to the planning considerations the proposed development would be on previously developed land, greenfield land and green network. There would be a loss of green network and employment land but this was considered acceptable given the Council's lack of a demonstrable 5 year housing supply and the presence of a strategic employment land supply locally. It was likely that the site would come forward as part of the Shaping Places Local Plan. With regard to the loss of the green network, which was contrary to planning policy, the land was currently in private ownership and there was no public access across the land. Accordingly, the value of the green network at this location was negligible and that the benefits proposed would act as a counterbalance to this loss. The proposed development included an area of open space which would be publically accessible together with the provision of formal and informal leisure and recreation facilities. A landscape strategy which would include a minimum 20m buffer zone to the site's eastern boundary to help integrate the site with the proposed Local Nature Reserve. Ecology and leisure improvements were contained in the update report. The application was reasonable in visual and landscape terms. The two main issues remained the highways and the schools provision both in the short term and moving forward. The transport assessment was robust and provided a sufficient level of improvement. Although Education was an important area, given the view of the Education Service that there was capacity in existing schools to meet the demands arising from this development, there was no reason to object. There were no technical issues to prevent the granting of permission. The application had been the subject of a robust viability assessment that confirmed the level of S106 contributions together with the provision of 15% affordable housing. There was a slight modification to the recommendation in the update report to grant outline planning permission.

Members had attended a site visit at the proposed development site. They welcomed that the meat processing plant had re-located to Hortonwood as they could have moved onto the development site without planning permission. Members raised concerns regarding the numbers of houses, up to 540, together with concerns regarding the highways/traffic issues and education provision. They also took on board the concerns of local residents with regard to Apley Woods. A query was raised with regard to whether the development was capable of early implementation. Members further suggested that a school could be built within the proposed development site. Further comments were received from Members regarding the negative impact the proposed local centre would have on the adjoining local centres at Leegomery and Shawburch and to the nearby petrol station.

The Assistant Director: Planning Specialist gave the Members a summary of the important points. A meeting had taken place with the Head of NHS England who was well aware of the issues locally. The provision of a medical centre at this location was a matter for NHS England. The proposed development was sustainable under the NPPF and was on previously developed land. With regard to transferring jobs away from the proposed development site, the Pickstock Group was investing in the Borough and creating job opportunities at Hortonwood. Education was an important issue and a report had recently been approved by Cabinet which confirmed that the Council could and would continue to provide school places and would ensure that there would be access to school places within the Borough. The S106 agreement provided a sufficient sum of money for the provision of education and the Education Officers had given no objections. Members must therefore be satisfied that the education needs could be met. With regard to highways the principle of access to the site was acceptable. Highway Officers were satisfied that there was adequate access and there were no objections from Highways. There were no technical reasons to object to the proposed development. Contributions towards ecology, open space and Apley Pool with the provision of disabled fishing and improvements to the fishing facilities had been agreed. Conservation on the site has been thoroughly looked at and fulfilled the requirements.

The Legal Officer addressed the Members regarding the request for a school within the proposed development site. The reserved matters application would not allow for a new school and a new full application for a school and houses would need to be submitted. Members were only agreeing in principle the educational contributions sufficient for that outline permission. The new school was not part of the proposal before Members.

Members asked if the outline permission could be negotiated to contain a new school. The Legal Officer confirmed that the reserved matters only referred to houses and the local centre and that the school was not part of the outline permission. A new full application would need to be presented if a school was proposed and contributions would need to be renegotiated.

In view of the concerns expressed by some members, Cllr K Guy proposed a recommendation that the application was deferred in order that further consideration could be given to issues regarding the highway infrastructure and the provision of education. This proposal was seconded by Cllr N Dugmore.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0746 that the application be deferred in order that further consideration could be given to issues regarding the highway infrastructure and the provision of education.

(d) TWC/2010/0963 – Land adjacent to The Three Fish, Stafford Road, Newport, Shropshire

This application was a re-submission seeking full consent for the erection of a food store (Use Class A1) and associated parking, access and ancillary works.

An update report was tabled at the meeting, which contained the following information from the Applicant:-

The applicants believed that the report unfairly intimated that they were unwilling to hold discussions with the LPA over s106 contributions, which was not the case. Further clarification has been sought and a revised Heads of Terms document has been submitted. This included the following undertakings:

- a) a potential contribution of £108,479 towards the strategic highway improvement scheme in the Newport area (subject to agreement to the justification for this amount by the LHA);
- b) an undertaking to provide sufficient sums for a minimum period of five years to enable the local bus service to divert its bus service (the Stafford/Newport/Telford service) through the site;
- c) provision of a bus stop (shelter) within the Mere Park Garden Centre site;
- d) a contribution of £20,000 towards the provision of public art in accordance with details to be agreed in writing by the LPA;
- e) a contribution of £5,000 for travel plan monitoring
- f) a contribution equivalent to 5% of total section 106 financial contributions for planning and financial monitoring.

Mr S McGrath, Local Objector, addressed Members with concerns that this development was in the countryside which was in conflict with Policy CS7 and that this had been the reason for the prior refusal in 2010. Consent had also been granted for a large food store and petrol filling station and more recently an Aldi store and Mr McGrath was of the opinion that there was no need for a second discount retailer. The proposed development site was on greenfield land within the countryside, although there was a brownfield site available for development.

Ms J Gabrilatsou, Objector for Aldi Stores, addressed the Members with regard to the fall back position within the garden centre. Aldi had dismissed this as a commercial and viable proposition as the existing garden centre structure was considered to be unsuitable and its conversion unrealistic. The application site is also a greenfield site within the countryside. Aldi would legally challenge any decision to grant permission contrary to planning policy.

Mr R Corbett, Local Supporter, addressed the Members. He had lived and had a business in Newport for many years but was now retired. Mr Corbett regularly walked to the Mere Park Garden Centre and would use a Lidl store rather than travelling to Hadley. With more houses due to be built it was important for people to be able to shop locally.

Mr C Hawley, the Applicant, addressed Members and confirmed that an Appeal with regard to the Mere Park site would be held in August 2015. There had recently been a change in retail with Morrison's and Sainsbury's no longer continuing with their plans to have retail stores in Newport. Mr Hawley confirmed that there was a lot of support for a Lidl store and that there would be a direct bus route to the site which would be funded for a minimum of 5 years. There had been improvements to the design of the road crossings and the cycleway/footpath which was similar to that along Audley Avenue and the Route 55 and there would be no issues with crossing

the road. There were no sequentially preferable sites and the proposed development was not in open countryside. Although there had been 1 further objection to the proposed development there had been 454 notes of support, 11 letters of support together with support from Newport Town Council and the Chamber of Commerce. A S106 and full Heads of Terms had now been submitted which totalled £200k.

The Planning Officer addressed the Members regarding planning considerations. A retail impact assessment was not required as the proposal was below the NPPF threshold of 2,500 sqm. The NPPF was silent on the subject of cumulative impact. Counsel advised that a lack of a retail assessment was not a valid reason for refusal but it would be for third parties to put this omission to the Inspector at the forthcoming appeal inquiry. The applicant had undertaken a sequential analysis of potential sites but suitable sites were not available at town centre or edge of centre locations. There was now potential for the Audley Avenue Business Parks site to come forward to meet any further qualitative and/or quantitative deficiencies. The applicant has proposed improvements to make the site accessible; however, whatever was proposed, the site would never be as accessible as the existing town centre stores or indeed at Audley Avenue. In addition the site was located in the countryside at a greenfield location. The loss of a greenfield site was always a question of whether its loss would be outweighed by the delivery of other benefits. Given that Aldi was now delivering a discount store, there no requirement to make this concession. Further out of town retail capacity would undermine the functioning of the town centre. This was a sub-optimal solution and contrary to the development plan which was on a greenfield site creating an out of town store which would run the risk of undermining and shrinking choice and variety of shopping in the town. The Planning Officer recommended refusal of the application.

Members considered the application. Although improvements to the accessibility to the proposed development site had been made, there were still concerns regarding the safe movement of residents across the busy road.

The Assistant Director: Planning Specialist gave a brief summary. There was no longer a need for a discount store. Accessibility was still poor. There would be the loss of a greenfield site and the proposed development would have an adverse effect on the high street. This application was against the national policy objective and there were strong and valid reasons for refusal.

On being put to the vote, it was:-

RESOLVED – that with respect to planning application TWC/2014/0963 the application be refused for the following reasons:

1. Notwithstanding the proposed footway/cycleway improvements and proposal to divert an existing bus service through the Mere Park Garden complex, the application site is not accessible by a choice of means of transport to a satisfactory level for food retailing, where good access for those without a car is key and where social exclusion issues are to be avoided. Given the future increase in the local population following grants of planning permission for residential developments in the town

and the likelihood of there being a larger walking and cycling catchment wishing to access the site, the proposed development would not be located in an accessible location and would therefore be contrary to the National Planning Policy Framework and Core Strategy policies CS7 and CS9.

- 2. The proposed development would unnecessarily extend development into the countryside where development is strictly controlled and would consolidate a mixed used in an out of centre location which would be undesirable in terms of creating an alternative retail focus and would be contrary to the NPPF and Wrekin local Plan policy S1 and Core Strategy policy CS7**

(e) TWC/2014/1060 – The Queens Head, Horton, Telford, Shropshire
TF6 6DW

This application was for outline permission for the erection of 2 no. detached dwellings with associated access, all other matters reserved.

An update report was tabled at the meeting, which addressed and re-considered access and ecology.

Mr R Turner, Local Objector, addressed Members. The proposed development site was within 150 paces of a recent fatal accident site. The volume and speed of traffic through the village was unacceptable. There was no pavement and local children were at risk when they walked to St Lawrence School and local residents were concerned about the lack of shops, narrow roads, no lighting, wildlife and paving over farm land. Local residents drew the conclusion that proposal would establish a precedent for future development. The residents were concerned about a step-by-step linking of Horton and Preston and the loss of farm land.

Mr S Jones, Applicant's Agent, addressed members. There had been no objections on technical grounds and no objections from the Highways Officers. The Parish Council had also not objected. With regards to education, this year's intake had meant that the school was only at two thirds capacity and 80% of the pupils came from outside of the area. This application was for only 2 dwellings and was sustainable and this was only a short distance to employment opportunities. With regard to the comment regarding the expansion of Preston, Mr Jones confirmed that this application was in Horton. The development site was not part of the public house and would not lead to the merging of Horton and Preston. Mr Jones considered that there were no sound planning reasons to refuse this application.

The Planning Officer addressed the Members and confirmed that there had been objections to this application. With regard to the planning considerations, this application had been considered against Core Strategy Policy CS7, which was not fully compliant with the NPPF given the unmet 5 year housing land supply. The Planning officer confirmed that this application was recommended for approval given its sustainability and contribution to meeting housing supply requirements. There were no objections received from technical consultees. The 2 additional plots fit in

reasonably well and the site was located within reasonable distance of a cycleway/pedestrian footpath and thereby community and employment opportunities.

Members considered the application and concerns were raised regarding sustainability. The development site was not part of a garden but an agricultural field which was greenfield land. Further concerns were raised regarding the narrow roads and volume and speed of traffic. This development would be likely to establish an undesirable precedent to expand the village in an unplanned manner.

A question was raised regarding traffic calming within the village. The Planning Officer confirmed that the development site now had a single means of access and there was no technical requirement for traffic calming. The concerns regarding the speeds and volumes of traffic were not echoed by the consultees.

Following the concerns raised by Members, Cllr K Guy proposed a recommendation that the planning application be refused as the development was not required, it was on a greenfield site and not a sustainable development.

The Assistant Director: Planning Specialist asked Members to consider the clear and defensible reasons for refusal of the Application being:

1. Not a sustainable location
2. No demonstrable need
3. Unacceptable extension into the countryside
4. Inappropriate setting

The Assistant Director: Planning Specialist further confirmed that this application was not considered to be a settlement and was not identified as a sustainable settlement within the Local Plan.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/1060 the application be refused for the following reasons:

- 1. Not a sustainable location**
- 2. No demonstrable need for the proposed development**
- 3. The proposed development was an unacceptable extension into the countryside**
- 4. The proposed development was in an inappropriate setting was unsustainable and was not an identified settlement**

PC-068 TREE PRESERVATION ORDER 2014

The Committee considered the report of the Assistant Director: Law, Democracy and People Services seeking confirmation of a provisional Tree Preservation Order (TPO) in relation to a Robinia (False Acacia) Tree at St Peters and Pauls Roman

Catholic Church, Salters Lane, Newport. The report detailed an objection received from the occupier of the property on the grounds that the roots of the tree were causing deformation to the path which was now uneven and was becoming a trip and fall hazard to members of the public. A letter in response from the Tree and Woodlands Officer was also included.

The Tree and Woodland Officer explained the background to the making of the Provisional Order.

Members had undertaken a site visit and were of the view that the tree needed some work to the branches in order to make the tree safe. Members noted the comments of the objector and balanced this against the opinion of the Council's Tree and Woodlands Officer. Members unanimously concluded that the tree was worth preserving for its visual amenity.

RESOLVED – that the Borough of Telford & Wrekin (Robinia (False Acacia)) Tree St Peters and St Pauls Roman Catholic Church, Salters Lane, Newport) Tree Preservation Order 2014 be confirmed.

PC-069 URGENCY RESOLUTION – SECTION 100B(4), LOCAL GOVERNMENT ACT 1972

The Chairman made the following statement:

“I am of the opinion that the following item of business should be dealt with as a matter of urgency at this meeting in order to avoid any unnecessary delay.”

PC-070 TWC/2014/0882 – LAND OFF PARK ROAD/ROYAL WAY, MALINSLEE, TELFORD, SHROPSHIRE

This application was for full planning permission for the erection of 93 dwellings with associated access, parking and landscaping.

Mr P Dover, the Applicant's Agent addressed the Members and gave details of the planning application which was for 100% affordable units which would be owned and managed by Wrekin Housing Trust. The Applicant had worked with officers and the proposed scheme would be as follows: 20 x 1 bedroomed flats, 16 x 1 bedroomed houses, 45 x 2 bedroomed houses, 8 x 3 bedroomed houses, 2 x 2 bedroomed bungalows, 1 x 3 bedroomed bungalows and a 1 x 4 bedroomed bungalow.

There would be 56 dwellings per hectare which was in line with the Central Telford Area Action Plan and the NPPF. The proposed development would boost the housing surplus. Mr Dover confirmed that there had been no objections from the Highway Engineers. There would be no impact on the landscape and with regard to the tree belt casting shadows the mature woodland would act as a screen and a strategically placed landscape feature.

The Planning Officer addressed the Members regarding the planning merits. The site was an allocated site for residential development in the adopted CTAAP, with a stated capacity for accommodating 75 dwellings. The layout and design was

acceptable and the woodland to the north of the site could be managed and would provide screening and help to contain the traffic noise from West Centre Way. A viability appraisal had been undertaken, which confirmed the level of S106 contributions necessary to make the development acceptable. The proposed development was subject to Government Funding and needed approval by the end of the financial year.

Members considered the application. The Chair referred to the urgent nature of hearing the item relating to the availability of housing grant which was subject to a time limit. Concerns were raised regarding the rights of way and it was asked if this issue could be listed within the conditions. Members also discussed the crossing points and the links to the existing footpath network.

Cllr J Greenaway having previously declared an interest in this application did not take part in the discussion and did not vote.

On being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0882 the application be approved subject to the applicant entering into a section 106 agreement requiring contributions of £28500 for open space/recreation provision £52000 for education and £4025 for monitoring contributions and appropriate conditions being imposed.

The meeting ended at 9.08pm

Chairman:

Date:

STANDARDS COMMITTEE

Minutes of a meeting of the Standards Committee held on Tuesday, 20 January, 2015 at 6.00 pm at Addenbrooke House, Telford

PRESENT: Councillors N A M England (Chair), S. Davies, M.B. Hosken and A.D. McClements

ST-05 MINUTES

RESOLVED – that the minutes of the meeting held on 08 July 2014 be confirmed and signed by the Chair.

ST-06 APOLOGIES FOR ABSENCE

Councillors K.R. Guy and R.T. Kiernan

ST-07 DECLARATIONS OF INTEREST

None.

ST-08 STANDARDS UPDATE

The Legal Services Manager & Deputy Monitoring Officer presented a report which provided the Committee with an update on matters relating to the ethical framework since the last meeting in July 2014.

Highlighted first were the 7 “Nolan” principles that formed the basis of the Councillors Code of Conduct, which had recently been reviewed by the Committee for Standards in Public Life. The Code of Conduct had been updated and amended to reflect the reviewed “Nolan” principles, and this was appended to the report. Members considered that these changes should be made to the Code of Conduct, and referred to full Council for adoption.

The second portion of the report discussed was around Code of Conduct complaints made since the last report. It was explained by the Legal Services Manager that one on-going complaint had been withdrawn and had been dealt with in an informal manner, but had been counted in the report. This meant that only one new formal Code of Conduct complaint had been made against Parish/Town Councillors since the last report.

A discussion then took place where the Legal Services Manager set out the current procedure which was followed upon the LA receiving Code of Conduct Complaints or queries from potential complainants. Members of the Committee raised the following issues:

- Concerns were raised by Councillor Davies that under the current procedure Councillors are not made aware of complaints until they reach investigation and that it was felt that it was not right for councillors not to know when a formal complaint is made about them.
- There were differing opinions about this suggestion.

- It was suggested that the procedure be reviewed for reporting complaints information to the Committee to find a way to provide more information regarding complaints without publishing personal data for example; types of complaints and whether there are multiple complainers making single complaints or a single complainant making multiple complaints.

The Legal Services Manager then offered to provide information in the future regarding vexatious complainants and offered members of the committee an invitation to contact Legal Services if they wanted any further information about complaints or the complaints procedure.

A further discussion then took place about the suggestion raised by Councillor Davies concerning whether Councillors should be made aware of the complaints raised against them when complaints were first received:

- Concerns around councillors not being informed were reiterated suggesting that it meant councillors could not put safeguards in place and take action not to worsen the situation. It was also suggested that councillors might feel threatened by complainants and may place themselves in dangerous situations without this knowledge if not informed.
- A point was made that informing them of complaints too early may leave some Councillors suffering from stress or cause other health issues. However this was countered by the highlighting that all Councillors are required to follow the Code of Conduct at all times.
- Cllr M.B Hosken expressed his grave concerns regarding this course of action and the use of personal information.
- The Legal Services Manager offered to create a revised draft procedure for the committee to look at in the next meeting with examples.

The next item discussed was training, and it was reported that Code of Conduct training had been provisionally arranged to take place on 18th May combined together with IG and Data protection training which fell within the 28 days for newly elected Councillors to complete the necessary DPI forms. Cllr S. Davies recommended adding a second day at the end of June and the inclusion of Parish and Town councillors.

The final item of the report was the appointment of the Independent Persons. There were currently 2 independent persons in place - Michael Tebbutt and Chris Humphries - both of whom had confirmed that they were happy to continue their appointments after the expiry of their current term.

It was recommended that both Independent Persons' contracts be extended for with a review after a further four years, subject to approval by full Council. Members were reminded that this was a completely voluntary position and unpaid.

RESOLVED -

- (a) **To RECOMMEND to COUNCIL that the changes to the Members Code of Conduct be adopted;**

- (b) that the Code of Conduct complaints received be noted, and that the Monitoring Officer provide a revised draft procedure for the handling of Code of Conduct Complaints for consideration at the next meeting
- (c) that the proposals for the Code of Conduct training for the new municipal year be approved, subject to the inclusion of a second day at the end of June if possible and that the training should be opened up to Parish and Town Councillors
- (d) To RECOMMEND to COUNCIL that the term of appointment for the Independent Persons, namely Michael Tebbutt and Chris Humphries, be continued, and will be subject to further review in four years' time.

ST-09 HEARINGS SUB-COMMITTEE

The minutes of the meeting of the Hearings Sub-Committee held on 15 December 2014 regarding an application for a dispensation were attached to the agenda for information.

RESOLVED - that the minutes of the Sub-Committee be noted.

The meeting ended at 6.35pm

Chairman:

Date: